

Pursuant to Article 17, of the Law on the Council of Ministers of Bosnia and Herzegovina (Official Bulletin of BiH, nos. 30/03, 42/03, and 81/06), at its 6th session held on April 11, 2007, the Council of Ministers of Bosnia and Herzegovina adopted the following

STRATEGY FOR DEVELOPMENT OF VOCATIONAL EDUCATION AND TRAINING IN BOSNIA AND HERZEGOVINA FOR THE PERIOD OF 2007-2013

1. Introduction

Pursuant to the recommendations from the “Functional Review of the Education Sector in Bosnia and Herzegovina”¹ as prepared under the EU CARDS Programs for BiH, and the positive experiences from European countries, such as Slovenia and Denmark, a pilot Advisory Council was formed for vocational education and training in Bosnia and Herzegovina under the EU VET II Program. During the EU VET II Program, this Council piloted the activities of the tripartite advisory council for vocational education and training.

As the Council constitutes the main expert body for development of vocational education and training at the state level, it should be composed of the representatives of main actors in the area of education, labor market and employer associations. The main goal of this Council is to provide advice to assist the competent ministries and other institutions in adjustment of the vocational education and training to the labor market needs.

One of the results of this effort is the drafting of document “Strategy for Vocational Education and Training in BiH”. This document was developed by the members of the pilot Advisory Council based on the knowledge gained at numerous seminars, at which experts presented them with positive experiences. A milestone for the document was also the study visit to Slovenia, the country whose secondary vocational education and training of today is by many things ahead of other EU members, and positive experiences from some other countries were used, too.

The members of the Council also integrated their long experience into this document. Exceptional efforts were made to integrate the opinions and proposals from local and foreign experts in the area of education and labor market, in order for vocational education to become a holder of business development in BiH.

Under the EU VET II Program, the pilot Advisory Council drafted this “Strategy” in the hope that it would become the guide for development of vocational education and training in BiH. This document is one more contribution to the process of the overall education reform, also including application of modern education trends, information and communication technologies, and market and culture processes. Thus a link is created between the education and economic environment broadening the overall room for learning.

Working on this document, the Council analyzed and pointed out the drawbacks of the complicated school system in BiH. After the observed drawbacks, recommendations were given, in line with the high quality and verified practices in the neighboring countries, and with the trends for development of vocational education in the EU.

¹ „Functional Review of the Education Sector in Bosnia and Herzegovina“, p. 86

“The Strategy for Vocational Education and Training in BiH” has a total of ten main topical chapters. They were developed using the situational analysis method, based on good and bad experiences and recommendations, in line with the positive trends in the European Union countries. The following documents served as the basic starting points: Lisbon Convention, Copenhagen Declaration, Message to the Citizens of BiH, European Qualification Framework, and the Green and White Papers.

The basic purpose of the “Strategy for Vocational Education and Training in BiH” is to define the general directions for development of vocational education and training in BiH. The Strategy identifies the role of the ministries, education institutions and individuals in such development, while appreciating the specific qualities of the closer and broader community, as well as of reality.

2. Context for Development of Vocational Education and Training

International Context

The research conducted worldwide has spotlighted the major changes in the socio-economical context of the 21st century, within the VET sector must again define its role and contribution to development of the society. The key aspects of this context, holding the role of public capital in communities, include:

- patterns in work, in family life and community involvement that are ever changing;
- fundamental changes in values and patterns of social involvement, with particularly important generational changes;
- increasing concern due to the deteriorated link between the economic progress and social dysfunctionality, which is particularly characteristic of BiH at the moment;
- escalation on the issues of equality caused by exclusion of marginalized groups from communities;
- growing imperative of expanding the opportunities of life-long learning for all citizens;
- requirement to educate and train human resources with creative knowledge and ability to use this knowledge for innovative purposes.

This range of issues has brought about a large interest in the touching points between the societal and economical principles in the quest for holistic strategies that can solve a number of problems faced by the competent institutions and governments. At an international level, this incentive is reflected in major education and training reforms in the OECD and/or UNESCO countries.

In economy, increasingly knowledge-based, in Europe, BiH, and other countries where workers are sought who possess creative knowledge, as holders of economic progress, the issue of the living style and culture has been put at the level of economic development.

European Union Accession Provides Guidelines for VET Development

The restructuring and modernization of strategic VET guidelines in Europe is exclusively linked to the **Revised Lisbon Plan, Strategic Guidelines on the Cohesion Policy 2007-2013, European Employment Strategy, and Integrated Guidelines for Employment and Development.**

Based on all of the aforementioned, the increasing economic competition requires more effective use of human resources. The focus shall be placed on promotion of human resource development for labor force as one whole. This would be the response to the structural labor market problems linked with the lack of appropriate labor force in specific regions and for specific professions. In line with this, and in accordance with the revised European Employment Strategy, a special priority shall be given to designing of the active labor market policy addressing the problem of unemployment (including the old and young workers), workers with low qualifications, disadvantaged groups and inactive population.

The human resource development strategies and such as only limited to VET are in compliance with the **Community Strategic Guidelines 0207-2013**, which are a key component in reaching of the overall community goals in development and employment. The strategies focus on investing into human resources, modernization of the education and training system, increased access to employment and strengthening of social inclusion for disadvantaged groups.

Coherence with “Integrated Guidelines for Development and Employment”

The Integrated Guidelines for Development and Employment (2005-2008) also need to be considered when elaborating the relevant VET strategies. The VET strategy should focus on the main goal of investing into human resources and increased access to employment, by reducing unemployment and inactivity, particularly with such groups of people who have a big opportunity to be integrated into education and labor market.

Therefore, the VET strategy needs to greatly contribute to contraction and retaining of as many people as possible within the active labor market (guidelines 17, 18, 19, and 20), and to improve the flexibility of workforce and companies for permanent introduction of new technologies (guidelines 21, 22).

The Lisbon strategy and open cooperation method have radically changed the European cooperation policy in the area of education and training. It has set forth the platform for debate on the policy in education and training at a European level.

There are three strategic goals of the Lisbon process in the sphere of education and training, and they are linked to:

1. quality and effectiveness of the education and training system;
2. access to education and training;
3. opening of the system towards the world in the broader sense.

In order to accomplish these ambitious goals, an agreement was made in thirteen specific goals covering various types and levels of education and training (formal, non-formal and informal), all aimed at making life-long learning a reality.

The development the VET sector in the EU was initiated by the Copenhagen Declaration (November 2002) and continued via the Maastricht Agreement (December 2004). The key messages from Maastricht are:

- improve the image and attraction of VET,
- accomplish a high level of quality and innovation in VET,
- strengthen links between VET and labor market requirements,
- address the issues of groups with low qualifications and other disadvantaged groups.

At a European level, the Maastricht Agreement spotlights the following priorities:

- promotion of state-private partnership and provision of incentive through introduction of tax benefits,
- development of open and flexible approaches in learning,
- increase of relevance and quality (through inclusion of key partners and timely identification of the needs for specific qualifications),
- creation of learning-friendly environment at education institutions and companies,
- development of teacher competencies.

The Council of Europe has repeatedly emphasized the double role, social and economic, of the education and training system. Education and training are the decisive factors in the potential of any country for high quality, innovation and competition. At the same time, they are an integral part of the social dimension of Europe, because they convey the values of solidarity, equal opportunity and social participation, while at the same time creating the positive impact on health, crime reduction, environmental protection, democratization and quality of life in general.

All citizens should acquire and constantly build up on their knowledge, skills and competencies through life-long learning. Specific needs must be considered for those who are under risk of being socially excluded. This will help increase the participation of workforce and the economic growth, while at the same time ensuring social cohesion.

Investing into education and training has its price, but the big personal, economic and social returns, from the mid- and long-term aspect, exceed these costs. Therefore the reforms need to continue with unification of economic and socio-political goals, which in fact are mutually reinforcing.

These views are very relevant to the vision of the European Union on the future development of the European social model. The same also applies to Bosnia and Herzegovina, particularly in the context of EU accession. Europe is being faced with huge socio-economic and demographic challenges, pertaining to population aging, high numbers of adults with low qualifications, high numbers of unemployed young people, etc. At the same time, the need is increasing for improvement of the level of competencies and qualifications on the labor market. It is necessary to respond to these challenges in order to improve the long-term sustainability of the European social system.

Education and training are part of the solution to these problems.

Status of Vocational Education and Training is Progressively Improving

State priorities in the reform of vocational education and training reflect the priorities from the Copenhagen process. Implementation of the common principles and references, agreed upon at a European level (for instance, recognition of informal learning, quality assurance, guiding) has begun, but the countries have emphasized that it is too early to show concrete results.

In some countries, VET has a positive image (e.g. Austria, Czech Republic, Germany, Finland), due to the factors such as: “dual system” (that is, interchanging training), double qualifications (combination of general and vocational education), and recent measures for

access to higher education. Regardless of this, vocational education and training are still less attractive than the academic, or general, education. Improvement of the quality and attraction of VET is still a key challenge for the future.

In order to improve the attraction of VET, the majority of countries focused on higher secondary education, including development of curricula, flexible progress and horizontal and vertical movement, links with the labor market and professional orientation.

In stressing the relevance of Vet for the labor market and improvement of relations with employers and social partners, an important factor for the majority of countries is to try to respond to the issue of quality and attraction. In this context, crucial importance lies with improvement of the VET structure, provision of the opportunity for apprenticeship, and reform of the VET standards.

The large majority of countries have expressed concern due to needs of people with low qualifications, and there are almost 80 million of them in the EU. For further development of VET, it is of exceptional importance to use the changes in the VET system in order to increase the social inclusion of the persons with low qualifications.

The majority of countries has focused on specific target groups in this context, particularly young people, where VET programs have a positive impact on reduction of the percentage of youth abandoning schools.

On the other hand, not enough attention has been attached to adults and older workers.

Professional development of teachers in vocational education remains a real challenge for the majority of countries.

Meeting of Local Needs

The vocational education and training must be analyzed and planned in the context of a comprehensive global process, while appreciating the local and regional environment. Education, particularly vocational education, is complex even under normal conditions, because it is conditioned by the economic structure, public activities and socio-political system. The situation in Bosnia and Herzegovina makes this status even more complex.

The war-torn economy never fully recovered. The mining and processing industry, which made up one half of the total pre-war industry, were reduced to a minimum. The large firms which constituted the foundation to the pre-war economy became non-profitable and mainly bankrupt. The privatization process has not been completed yet, and many privatized firms received new owners, many of which have no intention to start production. Due to high risk levels, foreign nationals seldom opt for significant investing into our state. All of the above mentioned are the reasons for an extremely low gross national product. This is the reason why BiH falls into the category of underdeveloped states. The non-regulated public sector, irrational and unbalanced administrative organization of the state makes BiH even more complex. This complicated and complex situation in BiH by all means has a negative impact on vocational education.

The vocational education and training in BiH must also be adapted to the globalization of the economic, education and work space. Our state, including its education, were additionally

burdened by the processes characteristic of the Central, Eastern and Southeast Europe, such as:

- transition from the totalitarian into a democratic system,
- transition from the planned, state-owned economy towards the free market,
- modernization, including adaptation to dramatic global changes.

These processes are characterized by the migration from the modern into the post-modern society, dissolution of large systems and factories, acceleration of broad consumption goods for specialized markets, improvement of the service sector, domination of multinational companies and capital, quick development of information and communications technology and media.

All of these processes have major implications onto the education system and its reforms. The social and economic goals must be continually linked with education goals, particularly in the area of vocational education and training.

Secondary schools for vocational education and training must be modernized and must support the pluralism, multiculturalism, “knowledge society”, life-long learning in harmonization with the global processes and the European educational dimension. Therefore, the education system should become an initiator and generator of economic and social recovery of BiH, which should ultimately allow for integration into the Euro-Atlantic and modern global processes.

The double purpose of education and training, the economic and the social one, calls for integration of the education sector with other sectors creating the policies for economic development, new job creation and employment. The focus on the economic and social cohesion requires careful coordination of the VET strategy with such strategies related to reduction of poverty and promotion of social inclusion. This means that the VET sector should be included into addressing of state-level integrated development goals conditioned by the type of economy, the social and cultural society models.

Economic Transformation

Official documents of the European Union, such as: “European Employment Strategy”, “Access to Human Capital Development”, and “European Charter for Small Entrepreneurship”, proposed the activities directed towards economic restructuring and development, so that human potentials may improve economic development and employment trends.

In order for BiH to implement the criteria set forth in the above documents, thus approaching closer to the EU standards from the economic standpoint, the following must be ensured:

- Free market and structural reforms (allow for development of entrepreneurship – particularly of small and medium-sized enterprises, a better business climate, reliable statistics...),
- Public fund management (law on budget, economic planning, international debt issue...),
- European standards,
- Domestic market and trade (single economic space in BiH, trading standards, customs and taxes...).

In line with the above mentioned, it is important to:

- continuously increase investing,
- continuously increase credit while strengthening the macroeconomic stability,
- increase the efficiency of public administration, so that the quality and human potentials, jointly with advancement of entrepreneurship and employment, become significant for the future.

In line with some positive experiences from the EU states, five regional development agencies have been established in BiH. All of the agencies have prepared the regional development strategies, focusing on:

- developed and sustainable economy (focusing mainly on agriculture, tourism, industry, energy, construction),
- developed labor market and sustainable human resources,
- developed institutional infrastructure,
- a high degree of life quality and environmental awareness,
- developed social cohesion, characterized by the partnership and cooperation between private and public sectors.

Society Development

The society development is of vital significance in creation of a knowledge-based society. Recent research has shown what an active economy may mean for the link between productive capacity, social capacity and progress. The main goal is to ensure that all the citizens of Bosnia and Herzegovina be included into the development of a knowledge-based society.

Social development must also allow for individual and family life, as well as community development in general. The most important in such development are: the duration and quality of life, physical security, family relations, community and broader society, material life standards, satisfying jobs, personal needs and rest, knowledge, skills and education, cultural identity, social, economic and political freedom and natural and healthy environment. Several major trends shall influence the European and Bosnian-Herzegovinian social development:

- Population structure has a negative trend in terms of an increasing number of elderly persons and reduction of the number of young persons. This will have a significant impact on the types of jobs, pensioning and organization of leisure time. This will require additional education and training for the elderly population who are able to work.
- The family structure is changing in the sense of increasing family fragmentation, and the economic transformation contributes to such fragmentation.
- As the society develops, a gap is being created between such who quickly accept new technologies and such who lag behind in this. Those “digital divides” need to be removed by facilitating the access to the vocational education and training sector.
- The globalization processes impose an ever more important issue: “how to retain one’s one identity” while BiH is becoming part of the global society?

BiH is facing some major challenges on the issue of environment at both state and international levels. The majority of people are not yet aware of the effects of closer and broader surrounding to our environment.

Because of the high level of changes created due to uncontrolled forest cutting, development of some biological and chemical industries and import of various plant- and animal-origin commodities, our eco-systems have become significantly more affected.

Environmental protection and promotion of “clean and green” state requires us to:

- contribute to understanding of climate change and to reduce the local impact on this change,
- reduce the biological safety risks in our biological industries and natural eco-systems,
- help the BiH citizens develop awareness on the importance of environmental protection and understanding of the negative impacts upon it by some industrial and societal activities.

The successful development of a knowledge-based society depends on the modern “infrastructure” and its accompanying laws and institutions. The infrastructure facilities require commodities and services, support the work and skills of people and allow for expansion of ideas and knowledge. The problems of infrastructural nature in BiH pertain to:

- changes in the settlement patterns affecting urban infrastructure, particularly immigration,
- demographic trends: an increasing number of pensioned population requires different urban and settlement planning in order to respond to an increasing differences in communities and reflect different life styles; in case of younger population, the goal is to attract and retain talented people;
- broad internet access in the whole of BiH;
- development of legislative infrastructure (laws, principles and rulebooks) in line with the European and international standards, to allow the functionality of the modern business sectors and of the knowledge-based society.

Innovation

In order to develop a knowledge-based society, the citizens of BiH must acquire and apply fresh knowledge and skills in their activities and in their segments of society. We need a multi-language, completely literate society which is sure of its identity, results and its place in the world.

The use of all types of traditions in BiH provides the basis for ability in application of innovation. We must fully utilize fresh knowledge wherever it can be obtained and make sure we have access to the international circle of knowledge. However, we always have to work on acquisition of new knowledge in the areas where we, as a young state, can contribute to the world in general, thus strengthening our capacities and position in international education and training and in the research community.

The people who excel with special skills, who are flexible, as well as the institutions ready for cooperation shall be the key in this process of society transformation. Ultimately, our successful development as a prosperous and reliable knowledge-based society shall depend on the attitudes of our people.

All the citizens of BiH must see themselves as part of the economy and society playing a vital role on the world stage.

Life-Long Learning (LLL)

The needs of the labor market in the context of knowledge-based economy and the Lisbon goals in the manner assessed by the CEDEFOP in the Report on Principles² envisages that “by 2010, almost one half of additional jobs shall require people with tertiary level qualifications, and only some less than 40% shall require high secondary education, and only 15% of jobs shall be intended for those who have primary school education”.

At the state level, the labor market faces with problems requiring common effort and resources in order to address the following issues:

- increased youth unemployment,
- long-term unemployment,
- low level of participation of unemployed persons in professional training courses: professional training measures are placed second among total active measures,
- insufficient financial funds and fiscal stimulation measures pertaining to employers and employees in continued vocational training,
- insufficiently developed wage definition system for reflection of productivity, qualification levels and regional differences,
- insufficient monitoring of the impact of active measures onto target groups, which is necessary in order to provide a good database for planning of employment measures,
- necessity of restructuring of the employment institutes between the regional and local levels.

The perspective of life-long learning is significantly affected by the role of vocational education and training, including secondary technical vocational education, providing a broad range of various qualifications needed in the context of life-long learning.

In the planned restructuring processes for the economic system and the vocational education and training sector in BiH, an important segment are the already existing human resources, which must be provided with the principle of life-long learning. The life-long learning processes must also include young people, particularly those registered as unemployed. Thus, BiH shall become a place where individuals are encouraged and supported towards personal development, development of their self-respect, broadening of their needs for learning and employment opportunities.

The economic development of BiH depends on the quality of its human resources. The use of such resources and investing into their quality are the primary factors for development. The life-long learning system is a precondition for growth and development, and it becomes necessary at a time of quick changes in the skills and knowledge required. The restructuring of enterprises for the purpose of competitiveness is a very important segment of the economic policy. The education system must be adapted and must offer opportunities for retraining and supplemental training.

In a reformed vocational school, education of young people shall significantly differ from the previous system, in which the youth prepared for one “profession” only or for one qualification only. The principle of life-long learning pushes those limits down and allows the generations of all ages to enrich their knowledge and skills based on the credit system, increasing their competencies, including the employment opportunities. The initial education must be permanently improved, and graduated students must be prepared for permanent life-

² Learning for employment. Second Report on Principles of Vocational Education and Training in Europe, 2003.

long learning or for supplemental training through which they would exercise their interests and needs for work.

3. Management in Vocational Education Distribution of Management Power

Laws stipulate the scope and responsibility for administration of the education system, particularly the financing of education, the relation between schools and education authorities, the relation of the education authorities and schools towards the social community, the partnerships among all entities in education, school management and all other issues of significance to administration of the school system.

According to the current situation, all secondary schools are administered by school boards and managed by principals. The school board has the mandate and powers of the administrative body, and the principal the ones of the management body and pedagogic manager. In formation of school boards and election of principals, the role of political parties is still a decisive one, so that not always the best and the best quality persons are elected members of school boards and school principals, but those who conform with parties. As advisory bodies, the Parents' Council and the Council of the School's Pupils re formed at schools.

A school in which decisions are made and conflicts are resolved through activity and cooperation of all the stakeholders (management, teachers, pupils, parents, social partners) is called a democratic school. Such a school model is contrary to the classical, hierarchical, centralized school administration, where the principal and several of his/her associates make decisions about everything without a broader debate and frequently without appreciation of the proposals of others.

Improved learning results in a democratic society, which actually is the main goal of education, and efficient administration and management as a precondition for involvement of key actors, constitute the solution allowing for mitigation of asymmetric information, quicker problem identification and a quest for better answers. There are at least **4 conditions that need to be met for the purpose of successful VET development** without regards to the degree and type of decentralized functions of education and training, and distribution of roles between VET and governments: (1) respect for the **minimum education quality standards**, (2) operational **corporate responsibility system**, (3) information compiled, analyzed and distributed through **an efficient and accessible information system**, (4) **effective cooperation based on participation approach and coordination mechanisms**.

The management in the education sector in general, and particularly in the VET sector, is not clearly defined. Frequently, difference may not be noticed between the managerial function and the function of pedagogical management. Due to this, during the VET system reform process, it is necessary to clearly define the manager and the management team, as well as the area of their powers and scope of action. The function of managing a secondary vocational school is reduced mainly to pedagogic management, meaning that the school principal has no possibility to exert any relevant impact on the financial flows of the school budget, not even on such part as pertains to the commercial activities of the school. The principal as the manager is not empowered to provide incentives as awards to the best teachers, to support creativity and productivity of teachers, particularly not those of the school's pupils. Therefore,

there can be no discussion on the distribution of the management power at secondary schools, because it objectively does not even exist.

School Autonomy

School autonomy must be implemented through many education segments, beginning with curricula (as proposed in the Proposed Framework Law on VET in BiH), election of principal and employees, financing, and the like.

Pursuant to the Framework Law on Primary and Secondary Education in BiH, the school shall be free to create and implement contents according to the needs of the local labor market. The school autonomy is also reflected in the right to organize training for adults within the scope of its certified activities. Under the approval of the competent education authorities, schools may develop new organizational forms and new approaches in the contents and methods of vocational education.

The framework for development of autonomy at secondary vocational schools in BiH, as provided in the Framework Law on Primary and Secondary Education in BiH, is in practice significantly narrowed down, because the entity and cantonal laws were not fully harmonized with the Framework Law on Primary and Secondary Education. In addition, the lower-level legislation did not elaborate the segments of the Framework Law on Primary and Secondary Education in BiH that would be operational and applicable in practice. This is why it happens that during control of work at schools, the representatives of the school authorities directly apply the provisions of lower-level laws and rulebooks in compliance with these laws. This practically means that the provisions in principle on the autonomy of schools in certain areas pursuant to the Framework Law on Primary and Secondary Education in BiH are not applied in practice. In the course of further reform of vocational education and training in BiH, harmonization and interdependency of laws and bylaws on the whole territory of BiH must be agreed upon.

School Boards

Pursuant to the Framework Law³, school boards shall be responsible for determination and implementation of the school policy, for general management of the school's operations and efficient utilization of human and material resources at schools.

Pursuant to the entity and cantonal legislation, and the legislation of the Brcko District, school boards shall have from 5 to 13 members.

The Framework Law provides that members of school boards shall be elected from among:

1. the founders,
2. the school employees,
3. the parents,
4. the local community.

The composition must reflect the ethnic structure of pupils and parents, school personnel, municipality, or the local community where the school is located, as a rule according to the

³ Framework Law on Primary and Secondary Education in Bosnia and Herzegovina, Official Bulletin of BiH, dated July 1, 2003.

last census. The mandate shall last for 4 years. The duties of school board members shall be on a voluntary basis and shall not be compensated.

Although the law stipulates that the number of school board members is from 5 to 13, it has proven that school boards with a large number of members are not functional. School board members, particularly those out of the school, are less interested than the school employees themselves, so they are often even absent. Except when a principal or an employee is to be elected, on many occasions it is difficult to gather quorum, because the representatives from schools are often the only attendees. The delegated members rarely inform the constituency that has elected them for the post, and even more rarely do they ask for opinions from the constituency on the positions on specific issues.

4. Financing

4.1. Administrative and Financial Organization

Secondary schools in Bosnia and Herzegovina work according to the applicable laws on secondary education, as follows:

- Framework Law on Primary and Secondary Education in BiH,
- Law on Secondary Education (each canton has its own law, which should be in compliance with the Framework Law on Primary and Secondary Education) – 10 cantonal laws,
- Law on Secondary Education of RS,
- Law on Secondary Education of the Brcko District.

Pursuant to the Constitution of BiH and the Framework Law on Primary and Secondary Education in BiH, education in FBiH is in the competency of cantons, and in the Republika Srpska it is centralized, just as it is in the Brcko District.

Secondary vocational schools shall be financed by the school founders. This understands that secondary vocational schools as public institutions in the Federation of BiH are financed from the cantonal budgets and municipality budgets, and in the Republika Srpska, they are financed from the entity and municipality budgets, while in the Brcko District, they are financed from the District budget.

Funds are allocated from the education budget for:

- gross wages of employees,
- costs of employee compensations,
- costs of materials.

The funds for gross salaries are determined based on the number of employees by structures and types of jobs, value coefficients for specific jobs, work records of employees and the basis for calculation of wages. In their Annual Work Programs, each school determines the number of employees by structures and types of jobs, specifically based on pedagogic standards and norms.

The costs of employee compensations include the funds for transport of employees, for hot meal allowances, for severance pays at pensioning, for financial assistance in case of death or serious disease of the employee or a closer family member, annual leave bonus, awards for jubilees, and other purposes pursuant to rules.

The funds for costs of materials include:

- funds directly related to the work process, that is, lecturing,
- funds for consumption of energy, water, heating, PTT services, and the like,
- funds for maintenance of hygiene at schools,
- funds for office supplies,
- funds for current maintenance of teaching accessories, equipment and buildings,
- personal and property insurance.

The Law on Public Procurement must be respected when procuring equipment and other resources for the needs of schools. This Law is aimed at improvement of accountability in expenditure of public funds.

In the majority of schools, pupils perform their practical work at institutions or companies, and some schools compensate the appointed mentors at such institutions and companies to whom the pupils are assigned.

Sources of Financing

Secondary vocational schools in the RS, whose founder is the Government, are financed from:

- budget of the Republika Srpska (employee wages, compensations for employees, competitions and portion of funds for investing),
- municipality and city budgets (costs of materials),
- other sources (various donations, grants, proceeds from sale of services or products).

Secondary vocational schools-public institutions in the Federation are financed from:

- budgets of the cantons based on the financing criterion, passed by the cantonal government upon the proposal of the Ministers, and municipal budgets
- other sources (various donations, grants, proceeds from sale of services or products).

Secondary vocational schools in the Brcko District are financed from:

- budget of the Brcko District,
- other sources (various donations, grants, proceeds from sale of services or products).

Commercial Activities of Vocational Schools

Pursuant to the law, secondary vocational schools may acquire proceeds from the following sources:

- sale of intellectual and other services, as well as sale of products,
- participation of pupils,
- lease of school premises.

In the Federation of BiH, the funds acquired by the school-public institution itself (non-budgetary funds) in any of the previously mentioned manners shall be separately recorded and used in line with the Rulebook on the Method of Acquisition and Distribution of Proceeds from Commercial Operations of the School, as passed by the cantonal Government upon the proposal of the Minister, with the school rules, annual work program of the school and financial plan of the school.

A school in the Republika Srpska that acquires funds itself from sale of products, made by pupils during lectures, shall record such funds separately and shall use the balance of such

acquired funds exclusively for financing of pupils' organizations, pupils' excursions, awards, and for aids to diseased or financially disadvantaged pupils (Article 138, of the Law on Secondary Schools).

The schools in the Brcko District shall pay the generated proceeds onto the single account of the Brcko District Government, and they shall be distributed in line with the rulebooks on acquisition and distribution of revenues.

Sale of intellectual and other services and sale of school products must be performed under the scope of practical training of pupils, and not based on curricula, in order to ensure that the pupils' education quality would not be disrupted.

Some schools generate revenues through participation of pupils, by charging for the pupils (teaching) materials used by pupils in practical training, and somewhere pupils also pay collective damages.

The above mentioned shows that secondary vocational schools in BiH are permitted and allowed to operate on the commercial market and to generate their own financial funds, but in practice, in some cantons and municipalities, in some cantons and municipalities, secondary vocational schools may not completely and fully autonomously dispose with such funds.

Distribution of revenues generated through commercial operations is made in line with the Rulebook on the Method of Acquisition and Distribution of Proceeds from Commercial Operations, as passed by the governments of cantons, entities and the district, which do not clearly determine the cases and methods for generation of such proceeds or their distribution (in which manner the revenue has been generated – sale of services or products, or lease of school premises), as well as the specific qualities of schools.

Schools shall dispose with both budget and non-budgetary funds pursuant to the Law on Treasury Operations.

The advantages of commercial activities of schools:

- rational utilization of the capacities of workshops, laboratories and studies,
- pupils perform practical training in simulated conditions as though in an enterprise,
- products are subject to quality control,
- commercial production encourages pupils to have a better attitude towards work,
- the proceeds generated, although not continuous, significantly improve the general standards of schools and pupils.

The drawbacks of commercial activities:

- the legislation in BiH is not sufficiently stimulating for commercial activities,
- it is difficult to assess the relation between the upbringing and education portion of the practical training and production, without affecting the quality of education,
- commercial activities of schools require that practical training teachers have additional competencies,
- schools must secure accompanying services and proper operations.

Mechanisms for Distribution of Funds

Secondary vocational education is an integral part of the education system. However, only vocational education, through continued education and practical training in specific professions, allows for active inclusion into businesses of graduated pupils.

Secondary vocational education has more complex curricula. In addition to the general education lessons, the expert theory and practical lessons are represented to a higher percentage (60-70%). According to this, the structure of work in education and training significantly differs from those in general secondary schools, as well as the obligation for permanent harmonization of curricula with the labor market. The aforementioned means that more funds should be allocated for financing of the work of vocational schools.

The work of schools is financed in line with Pedagogic Standards and Norms for Secondary Education, stipulating:

- development elements, size of schools depending on the school type, school premises, teaching resources, accessories and school furniture,
- forms of work, number of pupils per classes, groups, laboratory, practical and production work,
- number and structure of the teaching staff,
- lesson quotas, preparation for upbringing and education work and other tasks of teachers within the working week,
- number and structure of associates in education,
- number and structure of management staff,
- number and structure of support and technical personnel,
- number and structure of administrative and financial personnel.

The distribution of budgetary funds shall be conducted based on the decisions of the canton, entity and district governments, depending on priorities. The measure used in distribution of budget funding towards schools is the number of classes. No actual needs for funding is assessed for specific schools, as needed for training in certain professions and their specific qualities.

Schools should receive “block grants” supported by the law prescribing the autonomy of school boards in expenditure of funds per budget points within specific margins, and thus supporting accomplishment of development goals at schools including the criterion based on the number of pupils. The distribution of funds shall be based on proportional financing depending on the numbers of pupils and complementary financing, depending on the development of school plans. Schools should be able to use their own revenues in each fiscal year.

What is a challenge under these circumstances is an adequate model for distribution of resources, which shall divide the resources in a fair and transparent manner, thus ensuring that schools have a “global budget” allowing them to have such resources fill into the single mixture of needs for learning at the local level.

The grant approach (granting) which supports performance results may assist in increasing of capacities at the school level, if the agreed divisions of functions are strictly adhered to. For instance, if BiH opts for accession to the European Union and decides that Europe should recognize its professional qualifications, then schools should be encouraged in developing their “original” curricula based on the national or agreed upon list of expertise types from the economic sector which should be made during the training curricula, and is linked to specific

qualifications. In relation with this, the pilot VET Advisory Council established under the EU VET program should play a role in the selection process for award of grants.

An important implication is that managers at the central level should develop the capacities in decision making on the distribution mechanism which provides resources in the manner reflecting the single mixture of needs that we can see at various schools. School managers must develop the capacity for budget planning ensuring the meeting of priority school needs and addressing of the centrally determined priorities.

One problem, also addressed in the next recommendation on strengthening of equality, pertains to administrative contradictions in VET expenditure. Therefore, we recommend passing a decision on minimum standardized conditions for learning, as a minimum requirement, pertaining to each qualification when the VET implementer, either a public or a private one, is authorized to subsequently decide on the distribution of funds.

The assessment of the learning conditions is part of the quality management system and needs to influence the decisions ensuring VET provision and capacities in line with the needs of the labor market.

These are long-term accomplishments, but old equipment may not be replaced until clear and long-term strategies are passed in the country. The reason is that the equipment is expensive and can not be procured on an annual basis.

Financial Efficiency of Secondary Vocational Education

Due to a very large number of mixed schools, and because the administrative authority levels do not maintain separate costs for general and secondary vocational education, it is not possible to single out and show the costs for secondary vocational education only. Because of this, the cost breakdown is provided for the regular secondary education as a whole⁴.

According to the data from the ministry of education, the largest allocations are for wages and compensations for employees, and they amount: in the RS, 94.7% of the total allocations for secondary education, in the Sarajevo Canton, 74.7%, and in the Zenica-Doboj Canton, 86.3%. Allocations for capital investing are insignificant and they amount from 0.03% in the RS to 3.3% in the Sarajevo Canton. Such low allocations for capital investing have a negative effect on the working conditions at schools, including the quality of education.

The costs of allocations per pupil also differ significantly. The average costs per pupil for the whole of BiH amount to 1,118 KM. The costs per pupil in the RS amount to 673.00 KM, in the FBiH, the average costs are 1,281 KM (they are the lowest in the Central Bosnia Canton in the amount of 951.00 KM, and the highest in the Sarajevo Canton, amounting to 1,885 KM), in the Brcko District they amount to 2,334 KM. The lowest and the highest costs differ by some two times. These differences for the most part come due to the differences in the wages of teachers and employees in individual cantons, entities, and the Brcko District.

The average number of pupils per one school in BiH is 577 pupils, but there are differences in the size of secondary schools between the entities and in the cantons themselves. Secondary schools in the RS have on average 606 pupils, and in the FBiH, this number is 557 pupils, and

⁴ Data used from the Functional Review of the Education Sector in BiH

in the Brcko District it is 956 pupils. The differences by cantons in the FBiH are significant, so that in the Posavina Canton the average number of pupils per secondary school is 932, whereas in Canton 10 this number is 334 pupils.

The network of secondary vocational schools was mainly inherited from the pre-war period and is not harmonized with the needs of the labor market. A number of the same types of schools exist within a closer surrounding which educate for identical professions, which is not in line with the needs of the labor market. In addition, in a small area pupils are educated in same professions in a number of schools. This requires that each of such schools has the equipment and teaching accessories for this profession, which is not fully exploited. Also, in some cantons, some vocational schools continue operating that educate for professions not needed by the labor market at all (destroyed economy).

Pursuant to the law on secondary schools, the founder is obligated to ensure the conditions at the moment when the school is founded, that is, to secure the facility, the equipment and the teaching staff. It is the practice in BiH that the founders no longer follow the development of their schools and do not care at all about renovation of equipment. The ministries of education and science plan for capital expenditures for the needs of schools in modest amounts, and schools may use those funds only based on special requests (competitions).

The poor economic situation, and the unresolved status and obligations of the enterprises receiving pupils for practical training have brought to the situation that it is increasingly difficult for many enterprises to admit pupils for practical training.

The drawbacks affecting the financial efficiency in secondary vocational education are:

- a large number of laws governing education in BiH,
- a high percentage of the funds for education in the total gross national product, but nonetheless those funds are insufficient for good quality education, because the GNP is low,
- financing of vocational schools is more complex and more expensive than the general education,
- the financing model has no strategic but it has an operational role,
- the school network is not rational, thus making the financing more expensive,
- the school capacities are not fully utilized.

The problems that arose in the treasury operations are:

- non-budgetary funds are not available to schools at each moment the need arises for them,
- schools do not have full autonomy in disposing with non-budgetary funds, that is, they can not switch funds from position into another according to the current school needs.

5. Development of Curricula and Certification

Initial joint activities on the reform of vocational education and training in Bosnia and Herzegovina started in 1998, under the Phare VET program. The Green Paper⁵, prepared by 40 key players in BiH assisted by international experts, determined that the existing curricula

⁵ The Green Paper passed under the Phare VET Project in 2000, and it constitutes a set of recommendations for implementation of specific policy, which upon review was accepted by the key representatives from both entities and all of the three constitutive peoples.

were outdated, too extensive and non-flexible and that it was necessary to proceed with development of new curricula according to the following guidelines:

- streamline the nomenclature,
- set forth the frameworks, that is, expert and education standards for related professions,
- apply modular technology in development of new curricula,
- develop curricula in line with the profession standards as agreed with the representatives of employers and the labor market,
- one of the main features of the new curricula must be flexibility, that is, opportunity for quicker adapting to changes,
- profession standards and new curricula should be comparable and compatible with the European Community country curricula, and
- establish an external evaluation and assessment system aimed at quality control in vocational education and training.

Along with the changes in profession standards, new curricula, quality assurance through external evaluation and assessment, it is also important to make changes in the area of issuance of certificates, school reports and diplomas. The competent ministries need to have control over certificates, and certificates must be recognized on the whole territory of Bosnia and Herzegovina.

5.1. Methodology

Several types of curricula are currently applied in vocational education and training in Bosnia and Herzegovina. A portion of those curricula was inherited from the period before 1992, one part was created in 1992-1995, and then in the period of 1995-1998, and finally, as of 2000, the curricula entered into application as developed using the modular technology under the Phare VET program. Then, in the Republika Srpska, curricula were developed using the methodology for development of curricula under the Phare VET project.

Due to the continuous progress of technology, particularly in the field of telecommunications, mobile and wireless technologies, information systems, transportation and management organized via computers, the need arises for constant changes in education. Flexibility in terms of skills, knowledge, attitudes and values becomes a key requirement for any successful professional organization or system. It is obvious that only some individuals shall remain in the initial profession acquired at school for their whole working life. The opportunity to acquire new knowledge and skills, and the switch from one profession to another are the new qualification measures for almost all wakes of life. Due to incessant reform of the education system, the majority of those countries feel the consequences of such changes.

The past experiences from the implementation of the Phare VET program showed the following advantages of modular curricula in comparison with the traditional ones:

- short, rounded up units providing motivation,
- they are flexible,
- they are transferable,
- they are in line with many European vocational curricula,
- they allow reintegration into education,
- they allow for integration and linkages among curricula,
- they allow for variety in methods and techniques of evaluation,
- they allow for training to take place outside schools,

- learning is based on skill development,
- they allow for obtaining of certificates for the training acquired,
- they allow for permanent development of curricula and quick reaction to changes in the society and technology,
- they promote the idea of life-long learning.

Modular curricula also have certain drawbacks, such as: strict structure, complicated administration in monitoring of pupil progress, lack of experience in the approach, requires additional training for teachers, lack of equipment and teaching accessories, but in comparison with the classical curricula, they have more advantages.

The Ratio between General Education, Vocational Theory and Practical Components

In traditional curricula, the ratio between the general education, vocational theory and practical skills goes to the detriment of practical knowledge. This ratio has always been a topic for long debates between those who advocate for a higher share of general education and those who opt for curricula focusing on vocational theory and practical lecturing.

The ratio between the general and vocational part can not be predetermined for each curricula for the simple reason that curricula must be developed based on the established knowledge, skill and competency standards. In some professions, practical training will take significantly more time than in another profession from the same family of professions (for instance: a cook and a waiter). Because of this, special attention needs to be attached to determination of the ratio between the general and vocational aspects.

The fact should also not be neglected that it is the ratio between the general and vocational portion of the curricula that the success depends upon in terms of the vertical movement of pupils, that is, continuation of education at universities.

Horizontal and Vertical Movement

The curricula developed based on the modular methodology need to ensure horizontal and vertical movement within the scope of one profession or a number of professions. Modular curricula shall allow for movement of pupils on the territory of Bosnia and Herzegovina without the need to pass supplementary examinations within the same field of expertise and the same profession.

The new, modular curricula need to enable pupils to enroll into higher education institutions and to have their certificates issued at secondary vocational schools be recognized at such enrollment.

The pupils who wish to change the field of expertise or profession must be allowed to meet their desires with minimum level of the requirement to pass the difference of modules within the same field of expertise, that is, once they have completed one profession, to facilitate their obtaining of another profession allowing them to receive employment.

The problem of vertical and horizontal movement should be additionally defined by the Agency for Education based on the National Qualification Framework (NQF). The problem of vertical and horizontal movement should be addressed by passing of modular curricula within

the next 4 years, when the NPiPs for all professions and all years of study should be completed.

Equipment and Teaching Accessories

The current situation shows that secondary vocational schools are equipped at different levels. The majority of secondary vocational schools in Bosnia and Herzegovina are not equipped for the fields of expertise and for the professions they currently teach at their schools (the race for attractive professions that schools have no conditions for, in order to attract pupils, and the equipment purchased for school verification in the previous period remains unused), or are partially or inadequately equipped. The existing equipment at schools is not rationally used because of some legal solutions that do not stimulate secondary vocational schools. The law on the treasury does not stimulate secondary vocational schools to pursue their own revenues, because under the current treasury operating conditions they have no opportunity to dispose with the funds the very moment they need them, nor do they have experience in good quality planning, so it happens that, even if they have funds available, they can not dispose with them. Schools should be allowed to have the autonomy to dispose with the funds they generate through practical training, and the distribution of funds should be resolved through a rulebook at the school level. The majority of funds generated through practical training should be used for improvement of the conditions for actual lessons.

Development of vocational education and training requires modernization of equipment and teaching accessories at secondary schools. Various factors influence the scope and level of equipment in place: readiness and capacities of the local community, participation and involvement of employers and companies, and the capacities of school staff. Regardless of the individual examples of some schools equipped by donors, Phare VET program and the like, the majority of schools are not adequately equipped and can not follow the speedy development of technologies key to increased productivity in modern economies. Due to this, all social partners must be involved in equipping of schools, in particular employers and companies, small and medium-sized enterprises, state institutions, and the like.

Organization of Lessons and Learning

The lessons at secondary vocational schools are organized in 38 working weeks. Based on the law on secondary schools, it is possible to organize lectures at schools and outside schools, in particular when the case involves practical training. As enterprises mainly are not functioning, the major part of practical training is conducted at schools, that is to say, they are improvised, as schools are not equipped, and they enroll pupils for professions for which they lack both staff and equipment.

The organization of lessons should be adapted to new working forms and methods that will place the pupil as a priority. The accomplishments of pupils in learning (what pupils know) and skills (what pupils can do), as the confirmation of the learning results, need to be verified by school report backed by the relevant institutions.

The lessons need to be organized in 35 working weeks, one of which during the year is defined as a project week, with recommendations as to what to do in the project week. In senior grades, the number of the working weeks needs to be defined through development of curricula, provided that it can not be lower than the legally stipulated number. The lessons, depending on the seat of the school, may be organized at schools and outside schools (with

social partners). Practical training may be conducted at schools and outside schools, provided that conditions should be created for the practical training in the first year should be conducted at school on a mandatory basis.

When enrolling pupils for new fields of expertise and professions, the competent ministries need to establish stricter criteria, in order not to permit enrollment unless schools dispose with the required conditions, both material and staffing ones, or unless they have the guarantee from the local community and social partners that such conditions would be gradually met.

In the forthcoming period, the network of secondary vocational schools should be defined, as the current situation does not correspond to the needs of the labor market and the state capacities (for instance, although records at employment bureaus contain the largest number of unemployed persons in the field of economics, the largest number of pupils have been enrolling for this field of expertise without any limitations, and the entities and cantons have been allocating budgetary funds for financing).

Certificates, School Reports and Diplomas

The following documents are obtained at secondary vocational schools: school reports, diplomas and certificates. Certificates are issued to pupils after they have passed specific modules, upon pupils' requests or when pupils change professions.

Certificates are also issued for the knowledge acquired in informal education or acquired in any other way. Certificates are issued by schools meeting the requirements, or by centers for training of adults certified by the competent institution.

At completion of the final grades at secondary vocational schools, the pupils who have been successful shall be issued school reports on final grades. The school report format needs to be adapted to the modular curricula. School reports are issued by schools.

At the end of education at three-year schools, the final examination follows, and at four-year schools, the graduation examination follows. The final and graduation examinations consist of the external and internal segments of examinations administered by the examination commissions. The examination commissions are appointed by the competent institution.

Diplomas issued by schools on the format prescribed by the competent institution are received once the final or graduation examinations have been passed.

6. Standards and Grading

No modern methods or appropriate institutions have been provided for development of standards, evaluation and grading of knowledge and skills of pupils based on the competencies during and at the end of education, in order to ensure quality in the overall education system in Bosnia and Herzegovina. Also, the system of issuance of school reports and diplomas is not based on externally evaluated pupils' accomplishments. In the Green and White Papers, these critical positions are well elaborated and provide a rather broad framework for reforms in this segment of education and training.

The reform of vocational education and training includes creation phases and implementation phases. This means that attention should be attached not only to modernization of curricula, as

prepared using the modular methodology based on the standards derived from the positive experiences from the European Union countries, but also to establishment of new functional mechanisms.

First of all, the contents, principles, philosophies and recommendations from the Green and White Papers must be transformed into appropriate legislation, structural and institutional mechanisms. As for standards and contents of new modular curricula, it will require much energy and determination in order to ensure that modular curricula are actually applied in the expected manner. A move away is needed from political aspects towards practical aspects: how to establish the new classification of professions, which are such new modern professions demanded on the labor market, not only in BiH but also in the broader neighborhood, which professions are not needed, in which way the modules shall be followed, evaluated and modernized, how pupils' progress will be recorded and monitored, how to document the progress and results of pupils and in which manner to treat unsuccessful pupils?

6.1. New Classification of Professions (Nomenclature of Professions)

An old nomenclature of professions applied in secondary vocational education until 1990, which included some 480 professions of the 3rd and 4th degrees of qualifications, and as many school curricula. In the period from 1990 until 1998, in some administrative units (entities and cantons), new professions were introduced, so that the total number of professions in the 3rd and 4th degrees of qualifications in BiH was some 500. In the period from 2000-2001 school year, at 18 pilot vocational schools, pupils were enrolled for 6 new professions for which modular curricula were developed under the Phare VET program. Since the period of 2004-2005 school year, 9 more new professions were introduced in the profession family of Agriculture and Food Processing, and in the period of 2005 until 2007, modular curricula will be developed for 18 more professions from the following families: Forestry and Wood Processing, Geodesy and Construction, Tourism and Hospitality and Economy, Administration, Law and Commerce.

Under the EU VET Program, in 2004, a 16-member working group worked on streamlining of the Nomenclature of Professions, and the work of this group resulted in the proposed new Classification of Professions containing 13 families with a total of 100 professions. In the Republika Srpska, this proposal was adopted and is in application since 2004, whereas the agreement on acceptance of the new classification of professions in the Federation of BiH and the Brcko District was signed in March 2006, and the application of the new nomenclature began from the school year of 2006-2007. Under the past EU VET projects, curricula were prepared for 36 professions. The GTZ took on the obligation to develop modular curricula under its program for 22 professions in the area of wood processing, textile processing, electrical engineering and mechanical engineering and processing, starting with the school year of 2006-2007. As the new classification contains 100 professions, and a total of 58 NPiPs (36+22) have been prepared, this means that are 42 curricula left to be prepared in the forthcoming program.

The Ministry of Education and Culture of the Republika Srpska used its own human and other resources to prepare modular curricula for all the missing professions and has been applying them since the school year of 2004-2005, meaning that the problem of missing curricula needs to be addressed in the Federation of BiH and in the Brcko District.

6.2. Profession Standards and Education Standards

According to some research, in the next 10 years, the European Union is expected to change some 80% technologies, to employ 80% of current employees. These changes shall also cover Bosnia and Herzegovina, regardless of whether by that time it shall become an EU member or not. The Green and White Papers point out that our school curricula in secondary vocational education are outdated, that is, that they were passed some 10 or 15 years ago, and that they have not been updated with the development of science, engineering and technology. Therefore, it is immediately needed to proceed with identification of profession standards and constantly use them to adapt education programs, not only for full-time pupils, but also for the adults.

According to the traditional notions, standards are used on the term of *measure* or *quality* or *level of accomplishments*. Under the scope of vocational education and training, standards may be an official or defined requirements set forth by employers and labor market, expert or professional organizations, education bodies. They may be based on the competencies or on the curricula, or on the agreed requirements and expectations.

A profession standard is a document containing:

- the name and code of a profession,
- level of requirement,
- competency of profession and description of the profession standard,
- key activities, knowledge, skills (core practical knowledge, vocational theory knowledge, general knowledge).

Education standards pertain to the length of knowledge, contents, lecturing methods, qualifications of teachers and associates, to core competencies, module creation, grading and certification, enrollment requirements, and the like.

Passing of profession standards requires a prior passage of the Framework Law on Vocational Education in BiH and the Law on the State Qualifications System.

Profession standards are the basis for development of school curricula, that is, modules as parts of curricula, needed to acquire a specific profession or title. Profession standards are also the basis for acquisition or recognition of state qualifications based on the documentation available or else through direct verification (passing of examinations). Profession standards are at the same time the criteria that must be met by individuals in order to be able to perform a job.

6.3. Procedures for Development, Updating and Innovation of Standards

The courses so far in the reform of vocational education and training in BiH, in addition to the representatives of education sectors (schools, pedagogical institutes, ministry of education), also involve the representatives of business sectors (commercial and craft chambers), employers (associations), labor markets (employment institutes), ministries of labor and employment, and trade unions. All documents and direct debates on participation of social partners in the vocational education and training reform processes provide the assessments that there are very few initiatives from the employer and labor market sectors, and that almost all of the activities are conducted at vocational schools and at ministries of education.

Technological development requires permanent adjustment of standards and development of new standards in line with the development of enterprises. Based on the local community needs, schools may develop new professions for which, in cooperation with the Agency for Education, curricula would be developed, which would also be offered to other interested schools. New school curricula should be developed under the supervision of the Agency for Education, and the development itself should be entrusted to schools, including involvement of business experts.

Standards should be updated upon the initiatives by employers, schools, and all of the social partners. The process of updating and passing of new standards and curricula should be reduced to the shortest time possible.

Through application in practice, the omissions observed may be corrected or expanded upon the initiative by all of the social partners.

6.4. Towards the National Qualifications Framework (NQF) for Life-Long Learning Reflecting the Principles of the European Qualification Framework (EQF).

The National Qualification Framework shall facilitate transfer, transparency and recognition of qualifications defined as learning results evaluated and certified by the competent body at the state and sector levels. The main function of the National Qualification Framework shall be strengthening of mutual confidence and cooperation among the various main players involved in life-long learning. This is important for reduction of obstacles in recognition of learning and for facilitating utilization for pupils of the knowledge, skills and competencies available to them.

Its further role would be promotion of mobility/movement of human resources on the labor market in the country and abroad. The National Qualification Framework may bring increased coherency and consistency of the fragmented VET system, such as is the case in BiH. It may also be of assistance in the conversion of the current system which is based on quantitative indicators into a system which will be based on quality. The initial tasks in preparation of the National Qualification Framework shall be to set forth the strategy for ensuring of transferability, transparency and quality of qualifications, in line with the European Qualification Framework.

A qualification framework is more than a description of qualifications only. It is a set of principles to describe and evaluate all the qualifications acquired in secondary education, associate schools, universities and jobs in the same manner. It must also ensure the principles of equality and method for recognition of the acquired knowledge, skills and competencies in the formal, non-formal and informal learning processes.

Bosnia and Herzegovina will be successful in development of the National Qualification Framework if a state-level body is formed for qualifications and if it strikes an agreement among the key players on the principles for drafting of the National Qualification Framework to include as follows:

- promotion of quality in education and training,
- updating and establishment of national standards for knowledge, skills and broader competencies,
- development of qualifications based on competencies,

- establishment of a qualification coordination and comparison system in the way that they are mutually linked,
- promotion and maintenance of procedures for approach to learning, transfer of knowledge and progress in learning,
- in order to assure quality, recognition of qualifications is ensured through knowledge, skill and capacity certification or verification processes (examinations).

The principles of European Qualification Framework may assist and provide guidelines for development of the National Qualification Framework, thus strengthening the interstate mobility or movement of pupils, students and workforce.

6.5. Evaluation and Quality Assurance in Vocational Education

Given the specific qualities of vocational education and training, and in particular of the practical training of pupils in relation to general education, it is needed to carefully select the methods and procedures for determination of the standards accomplished in learning and training. In the school system, external evaluation and grading almost do not exist. Until 1992, regional pedagogic institutes performed some forms of evaluation from time to time, specifically in the sector of general education, whereas there was no external evaluation in vocational education. Evaluation of schools is conducted from time to time, often only because of the need to determine the elements for financing of schools. Monitoring of teacher work and implementation of NPiPs at schools are conducted by the principal, assistant principal and pedagogue, and the work of the school is monitored by the pedagogical institute and the inspection bodies.

The Green and White Papers determine the guidelines envisaging establishment of the Agency for Standards and Evaluation in vocational education or else the Department for Vocational Education affiliated with the Agency for Standards and Evaluation, which was founded in 2000. The Agency was founded by the entity governments with the mandate for development of the Agency by 2004.

The expectation were that based on the experiences acquired over a four-year period, progress will be made in this very important segment for monitoring and improvement of quality in the area of education, but there was no progress at all, and functioning of the existing Agency for Standards and Evaluation was even questioned. Under the EU VET Program, a draft Law on Vocational Education and Training was prepared, proposing some very good solutions based on the applicable Framework Law on Primary and Secondary Education in BiH. Also, under the EU General Education Reform Project, the draft Law on the Agency for Education was prepared.

The Framework Law on Primary and Secondary Education and the Pledge (Statement) by the top representatives of Bosnia and Herzegovina guarantee good quality education for all young people and accomplishment of the appropriate standards of knowledge, skills and competencies at all schools and at all education levels.

6.6. Development of the VET Sector Institutions

At the state level, the education sector belongs to the Sector for Education, Science, Culture and Sports of the Ministry of Civil Affairs. At the state level, the interentity Agency for Standards and Evaluation in Education for FBiH and RS is also functioning.

At the state level, the Framework Law on Primary and Secondary Education in BiH was passed, the implementation of which was entrusted to the Ministry of Civil Affairs of BiH. However, the role of the Ministry is only a coordinating one and, in case of non-compliance with the Framework Law, no sanctions can be applied. At the state level, there are no expert institutions for the education area. In a bid to start integration processes in education, in 2000, both entity governments formed the inter-entity Agency for Standards and Evaluation, with the support from the World Bank, which secured a very favorable credit arrangement. This Agency was mandated to implement a development project by December 21, 2004, with clearly determined tasks, which were successfully completed. It was expected that by this date the Law on Vocational Education and Training and the Law on Agencies would be passed, and that two state-level agencies would be formed, specifically, the Agency for Standards and Evaluation, and the Agency for School Curricula. Both of these agencies were to have departments for vocational education and training.

The other institutions linked to education are at the entity and cantonal levels, and at the level of the Brcko District.

In the Brcko District, the competency for education lies on the Department for Education of the Brcko District Government, which includes the Pedagogical Council.

In the Federation of Bosnia and Herzegovina, the competency for education was distributed into ten cantons, each of which may transfer some of its competencies onto the Federal Ministry of Education and Science, which only has a coordinating role. At the Cantonal level, there are ten ministries of education and seven pedagogic institutes.

In the Republika Srpska, the competency for education lies on the Ministry of Education and Culture, which is also in charge of religions and sports. There is also the Republic Pedagogical Institute, which is affiliated with the Ministry. The Pedagogical Institute mainly performs the supervisory function at vocational education and training schools, and it works very little or none on development of NPiPs, establishment and development of standards, external evaluation and grading, expert development of teachers.

The organization and competencies of the current institutions in Bosnia and Herzegovina can not provide a successful reform of vocational education and training. Obstacles are found in the top enactments of the state, entities and cantons, starting from the constitution. Namely, education as one of the most important areas of social activity has been placed exclusively in the competency of the lower forms of state organization.

The fact is that the existing constitutions provide an option for transfer of competencies, but the experiences so far show that the political relations among the decision makers do not allow for progress.

An Agency for Education should be formed at the level of Bosnia and Herzegovina which would be organized by sectors and departments:

- Sector for General Education, with departments,
- Sector for Secondary Vocational Education, with departments,
- Sector for Adult Education,
- Sector for Training and Advancement of Teachers and Management.

The Council for Secondary Vocational Education should also be established, and regional centers for certification should be formed at the existing vocational schools for certification of knowledge acquired by persons in non-institutional forms of education.

The quality at schools depends on the teaching staff, due to which regional centers should be organized for training of teachers, due to practical reasons. The centers may be within the already existing institutions, faculties, or the like.

The Sector for Secondary Vocational Education would work on standards for professions at secondary vocational schools, based on which the entity and cantonal ministries would develop curricula according to the given recommendations, as well as profession catalogues, designing of new professions, or the like.

The pedagogical institutes currently attach little attention to secondary vocational education. Through transformation of pedagogical institutes, both vocational education and training would gain their place belonging to them, based on the number of children opting for secondary vocational schools. In relation to the current function, pedagogic institutes should have the function in terms of supporting the development of schools (tutoring and teaching, cooperation with parents, democratic school management, non-lecturing activities, conflict resolution), expert advancement of teachers, development of teaching materials, research and development, and support to development of school curricula in cooperation with the Agency for Education, both in organization of testing of pupils at primary and secondary schools. Pedagogical institutes should become independent public institutions in the whole country, which could partially appear on the market offering programs for training of teachers, school managers, and the like. In addition to the functions envisaged above, pedagogical institutes should also perform counseling work at schools.

The education inspection should be divided from the ministry of education, in order to ensure their autonomy.

7. Development of Teacher Competences

There are a number of definitions of competences, such as:

- competence is defined as possession and application of knowledge and skills according to the established learning results and standards corresponding with the requirements of the work place and other professional needs,
- competence means to be adequately qualified for the given job and able to perform it.

The definition of training programs by the responsible institution should increase the competences of school managers, teachers and associates.

In order for a teacher to establish the employment at a school, they must meet the requirements envisaged in the rulebooks on the types of expertise of teachers and associates at vocational schools. During their future work, teachers are obligated to undergo expert advancement in expert, methodical and pedagogic and psychological areas in various ways, individually, in groups or as teams, in order to acquire credits for extension of licenses after four years. The law governs the method for receiving of license for work at vocational schools.

Expert advancement of teachers, expert associates and managers should contribute to development of competences. The advancement process should be organized outside school hours, with previously determined topics, implementers and times (which as a rule need to be during the pupils' winter and summer holidays), so that each teacher could plan in advance which seminar to attend, to select the specific area they want to advance in, or the like. Advancement of teachers needs to be in the function of better quality and more efficient teaching.

7.1. Initial Training of Future Teachers at Faculties

The teaching staff graduating from faculties does not differ much from the existing teaching staff working at secondary vocational schools. The curricula at higher education institutions should undergo changes in line with the changes occurring in secondary vocational education and training. The newly educated teachers are not sufficiently trained in handling computers, they have poor knowledge of foreign languages, which are only some of the indicators that changes in curricula should be effected at faculties.

Single-subject groups at all faculties should be transformed into double-subject ones, which would reduce the risk of having teachers jobless.

A large problem at vocational schools are teachers for vocational subjects coming from non-teaching faculties without any pedagogic, psychological or methodical training.

In the forthcoming changes in curricula, in adapting to the Bologna Process through introduction of the credit system, the non-teaching faculties should offer the option to future students of deciding to work at schools through selection of credits in such subjects allowing them to work at schools.

All teaching faculties should also teach management in education, that is, should offer curricula (modules) to students in the area of school management.

Teacher Advancement

The existing teaching staff is mature enough for the challenge of transformation of the current education system and it is able to implement the appropriate reforms with provision of additional training and adequate awarding.

The socio-economic changes and development of new technologies impose the need for life-long learning and improvement of the teaching staff at secondary vocational schools. The development of technology understands that teacher knowledge must be continuously renewed, expanded and updated.

Changes in curricula and introduction of new professions require the teaching staff to proceed with timely supplementary or additional qualification in order to acquire new qualifications and ability for further employment at schools. The consequences of privatization shall directly or indirectly affect education, too. Non-adjustment to market economy increases work place insecurity.

Expert advancement, new or supplementary qualifications must be ensured by both the society and the teachers themselves.

The following problems should be addressed in training of the existing teaching staff:

- develop modern programs for expert advancement,
- introduce new forms and methods of training at seminars,
- allow all teachers to have the basic IT literacy and computer work,
- ensure the possibility to learn English or another foreign language,
- entrust the tasks of teacher training to special training centers,
- improve the inter-entity cooperation among the institutions providing support to development of the VET system.

Quality Assurance Measures

Quality assurance has a key role in functioning and development of education. There are four key notions, and these are: quality assurance, quality improvement, quality evaluation and quality management.

The assurance quality system in secondary vocational education and training has the following functions and goals:

- provides answers to critical questions for players at schools, social partners and those responsible for the vocational education and training system,
- discovers the examples of good practices,
- improves the education system,
- reduces differences and facilitates comparison at all levels,
- ensures that all the interested parties are those that make decisions,
- offers an integral picture of all vocational education and training segments,
- provides feedback for further planning,
- appreciates the local and regional needs.

A modern VET sector requires staff characterized by key and specific competences, such as:

- communication abilities,
- ability for quick perception of problems and adequate reaction,
- responsibility for quality,
- IT literacy,
- affinity towards and interest in permanent improvement and advancement,
- ability for independent and group work.

8. Labor Market

8.1. Features of the Labor Market

As an inseparable part of the economic and legal system in Bosnia and Herzegovina, the labor market has its specific qualities conditioned by the degree of development of the society as a whole, historical heritage and the adopted value systems. It has the freedom of action, but also the appropriate social regulations.

There are certain tendencies present in this area for an extended period of time. They are primarily the consequence of the overall reform changes typical of transition countries, and this is a significant inflow of persons into the unemployed records, due to economic reasons, organizational and technical and other changes at enterprises.

The labor market in BiH is characterized by the economic conditions, and they are:

- the majority of businesses were destroyed in the war,
- the remaining businesses have outdated equipment,
- transfer from the centralized to the market economy,
- insecurity of the political situation in BiH for investment of foreign capital into the economy,
- slow privatization process (the legislation and administration),
- new owners frequently do not continue the business activity of enterprises,
- increased need for application of new technologies in the production process.

Acting under such conditions, and with new investments and development programs lacking, the economy is not able to reabsorb a significant number of unemployed persons, which has largely caused the high unemployment rate and has significantly determined the major features of the labor market.

The labor market in Bosnia and Herzegovina is characterized by the following features:

- a high unemployment rate,
- a low demand, that is low employment rate in relation to the shown unemployment rate,
- disproportion between the employer demand and the human resources, that is, job seekers available,
- a high portion of persons with secondary, associate or higher school degree in the total supply of the (unemployed) work force,
- a large surplus in specific professions over an extended period of time,
- longer job waiting time,
- poor mobility of workforce,
- a large portion of hard to employ target groups in the total number of job seekers.

According to the official statistics from the Agency for Labor and Employment of Bosnia and Herzegovina, the registered unemployment rate in 2005 was 43.1%. On the territory of the Republika Srpska, as of December 31, 2005, there were 142,331 unemployed persons registered, whereas at the same time, in the Federation of Bosnia and Herzegovina, 346,596 unemployed persons were registered. On the other hand, in the World Bank and IMF assessments, the official data on the registered unemployment in Bosnia and Herzegovina largely exceed the actual unemployment rate, which realistically ranges between 16% and 20%⁶. The labor force survey results in Bosnia and Herzegovina also show that of the total number of registered unemployed persons, only a little more than one fourth are actually unemployed persons according to the standards ILO definition of unemployment. The others are either employed or they generate certain revenues, or they are inactive in job seeking. Using the OECD approach and the MIMIC model in its analysis, the USAID presents the relative proportion of hidden economy in Bosnia and Herzegovina in the range of 57.74% and 52.60%⁷.

The findings of the majority of studies conducted show that free access to health care is probably the major reason for such a numerous registered population of unemployed persons.

⁶ World Bank and IMF assessments must be considered with caution, because they have been taken from the living standard measure survey (LSMS) conducted on a sample of several cities.

⁷ Assessments on Hidden/Grey Economy in BiH, Marje Piirisild & Roberto Dell'Anno, p. 5

When looking at the structure of the unemployed, 46% are women, and more than 25% are youth who are underage⁸.

The data compiled through the living standard measure survey (LSMS) show that the unemployment rate among youth of 19-24 of age is 34.8%, which is by 2.6 times more than the persons between 25 and 49 of age, and by 3.6 times more than those between 50 and 60 of age⁹.

In addition to the differences on regional basis and the differences between specific groups and age groups, the structure of the unemployed in Bosnia and Herzegovina is also of concern due to the phenomenon of long-term unemployment, which 75% of the total number of the unemployed belong into, one third of which have been jobless for more than 8 years¹⁰.

8.2. Integration between Vocational Education and Labor Market

The vocational education and training in Bosnia and Herzegovina is characterized by very poor integration with the labor market. There is no sufficient cooperation with the employment institutes, which should ensure regular information sharing on the needs and changes on the labor market.

In the post-war period, by providing a large portion of funds, the international community is making major efforts to overcome those problems.

A separate role in this is on the project EU PHARE VET program and EU VET program in secondary vocational education from 1998-2004, and EU VET II program from 2004, which shall last until the end of 2006. These programs, among other things, conducted labor market surveys at 25 locations in the whole of BiH. These surveys were done jointly by the representatives of vocational schools and employment institutes, and this survey determines the labor market needs and also, a manual for research of the labor market has been made, which is already being used by the institutes.

Secondary vocational education largely depends on cooperation with the labor market. This is why it is necessary to determine goals in development of secondary vocational education, which also pertain to assurance of quality vocational education and training and to their harmonization with the European level: mobility, integration, competition, and bigger opportunities for employment of expert labor force in the EU member countries, the integration of which BiH also seeks.

The social partners are not sufficiently involved in development of school curricula in line with the needs of the labor market. Modular curricula envisaged that part of the contents in the curricula may be defined in cooperation with the social partners, for the needs of the local businesses. This option is right now not applied, due to the poor interest of businesses in cooperation with schools. Establishment of cooperation between schools and social partners would have multi-faceted significance for individuals and for the society as a whole. The

⁸ Salih Foco (2002): „Social Conditions Facing the Population of Bosnia and Herzegovina“, Southeast Europe Review, Vol 5, No. 4, pp. 17-18.

⁹ UNDP: Human Development Report Bosnia and Herzegovina 2002, Sarajevo, 2002, p. 36

¹⁰ Franci Kluzer (2003): „Labor Markets in CARDS Countries“, First Coordination Meeting on ETF Support to the EC, its Delegations in SEE and EAR, July 7-8, 2003, Turin, 2003.

labor market needs to influence the knowledge of future workers and to offer an opportunity for their quick adjustment to any changes that may arise due to technological development.

Ensuring of integration between the secondary vocational education and the labor market requires continuous cooperation between the representatives of employers, trade unions and education authorities, that is, establishment of tripartite advisory councils.

8.3. Labor Market Structure

This area is divided into 14 levels: the state, two entities, 10 cantons, and the Brcko District, which significantly restricts the mobility and supply of the workforce available. The current situation additionally multiplies the number of players active at these levels. In addition to the appropriate competent ministries, the following are actively present on the labor market:

- Agency for Labor and Employment of Bosnia and Herzegovina,
- Employment Institute of the Republika Srpska, under which there are six (regional) branches and 56 employment bureaus, as its organizational parts,
- Federal Employment Institute in Sarajevo,
- Cantonal Employment Services, under which there are 78 municipal employment bureaus,
- Employment Institute of the Brcko District, active on the territory belonging to the Brcko District of Bosnia and Herzegovina.

8.4. Employment Opportunities

In terms of the nowadays education system, particularly the vocational one, one can still speak about its excessive rigidity and close specialization, which makes difficulties in quick re-qualification of pupils according to the labor market needs. Although attempts were made to resolve this through reforms, such difficulties may still be expected in the next several years.

Due to underdeveloped economy, it is not possible to speak about massive employment.

Transfer from the education world into labor world is possible in three ways:

- After completion of primary education, which was somewhat more significant in earlier years, but today it is less and less. Persons without any qualifications may be employed pursuant to the International Labor Organization conventions after completed 15 years of age.
- After completion of secondary education. It can be after grammar school, which mainly represents a step towards acquisition of higher education at any faculties, and vocational, which mainly lasts for 3 or 4 years. The employment potential for graduated secondary school pupils depends on the capacities and needs of the economy. The devastated economy has caused much more difficulties in employment of technical educational profiles than the humanities ones, which indicates upon the domination of the public sector in employment processes, instead of domination by market economy. According to the past experiences in application of the new modular curricula, the employment opportunities for pupils from pilot vocational schools have increased. Namely, the pupils who were educated using the new modular programs for secondary vocational education have a broader knowledge, so as such they are easier to redirect onto other professions, particularly similar ones. A mitigating circumstance also is continuation of education for graduated secondary school pupils in vocational four-year education at faculties and associate schools.

- After completion of associate or higher education, which has recently also seen some fundamental changes.

8.5. Role of Employment Institutes

The majority of the obligations of employment institutes pertain to meeting of the material and legal security of unemployed persons during their unemployment status. According to the data available, some 70% of the total revenues of the institutes were allocated for that purpose in 2005.

In the previous period, to the extent possible, employment institutes in Bosnia and Herzegovina made efforts in their programmatic frameworks to follow the recommendations of the European Employment Strategy to promote self-employment, co-financing and training of unemployed persons.

8.6. Involvement of Social Partners

It is possible to identify a large number of social partners, and these are¹¹:

- Trade unions,
- Chambers of commerce,
- Employer associations,
- Trade organizations,
- State, entity, cantonal and municipal authorities,
- Agencies for local and regional development,
- Centers for development of small and medium-sized enterprises,
- Non-governmental organizations.

It is only possible to realize a successful policy in the area of labor market and employment with development of the institutional partner network and establishment of an appropriate social dialogue. Each institutional network in essence consists of the cooperation of the government (state) and its ministries, workers' representatives, employers' representatives, as well as other interested entities. Partnership is a specific type of development process with a social focus, involving various social players guided by the common intention to accomplish a certain goal. Social partnership allows for coordination of various attitudes and formation of a broad negotiation platform for addressing of key problems in the area of labor market and employment. Social dialogue is a societal process created at a certain degree of political and economic development of the society, in which, through various mechanisms, the partner decision making process is converted into a universally accepted value.

The structure of social dialogue consists of the elements needed for its understanding and definition:

- international standards and norms, defined in the documents by the UN, ILO, etc.,
- the legal basis for establishment of the social dialogue (constitution, laws...) and internal regulations of the partners,
- mechanisms for accomplishment of social dialogue (method of selection, internal organization, working bodies, participation of experts, financing...),
- contents of the social dialogue,

¹¹ EU Vocational Education and Training Program in BiH: Manual for Compilation of Labor Market Information.

- players in the social dialogue – social partners (government, employers, trade unions, and others),
- context of the state administration,
- criteria for evaluation of objectivity of the social dialogue, and the like.

The European Union countries have adopted a practice whereby this cooperation is conducted in a tripartite manner, where, in addition to the employers and workers, the government (state) also becomes involved, but only provided that the dialogue between the mentioned partners has already been established. Under the current conditions in the economy, which is a fragmented and changeable category, and the trade union which is only being organized in some segments, it is hard to establish the social dialogue. There is no adopted legal basis for establishment of tripartite advisory councils.

There is no practice in place in Bosnia and Herzegovina for formation of tripartite councils consisting of the representatives of workers, employers and the state, nor has the dialogue been established. Through establishment of the dialogue between partners, initiatives should be started for introduction of new professions, revision of the existing nomenclature of professions, and for modernization of the existing professions.

Development of the social dialogue in the transition countries is conducted under the strong influence of the European Union, which has been significantly contributed to by two conferences dedicated to development of this partnership in candidate countries, held in 1999 in Warsaw and in 2001 in Bratislava.

The Stability Pact for Southeast Europe has significantly contributed to strengthening of the general awareness on the need for establishment of cooperation and dialogue between the key partners active in the area of labor market and employment.

8.7. Monitoring of the Labor Market Needs

In line with the existing obligations arising from appropriate entity regulations on employment, brokering in employment and social security of unemployed persons, in cooperation with the cantonal services, the Federal Employment Institute and the Republika Srpska Employment Institute initiated and implemented the first systematic survey of the labor market in Bosnia and Herzegovina on the entity basis in 2005. The survey encompassed some 5,000 employers who met the project-related criteria. The results of this survey corroborated, among other things, and reemphasized the existence of a strong imbalance between the supply and demand of workforce, but also the lack of the necessary knowledge and skills with unemployed persons, as required by the employers.

The expert support to the surveying of employers was provided by the Working Group, which prepared and developed the questionnaire, and established a single work methodology. This group consisted of the representative of the employment institutes from various levels, trained under the EU VET Program and the Danish Bilateral Program for Labor Market Institution Building and Strengthening. Upon completion of the program, coordinators were appointed and trained at the level of cantonal services and regional branches, as well as bureau heads, as holders of this activity at the local level. The training of surveyors was conducted by employment bureau heads.

In order to implement the labor market at the level of Bosnia and Herzegovina, agreement was reached between the two institutes on joint preparations and implementation of this activity. In reference to this, a special consultant body was formed for surveying of the labor market in Bosnia and Herzegovina, in charge of harmonization of the contents of the questionnaires and single methodology, dissemination and promotion of the results obtained. The activities of this body were primarily directed towards harmonization of the labor market needs expressed and the supply from the education system, particularly in terms of creation of enrollment policies.

Goals:

- Analytical assessment of the situation – identification of existing and expected trends on the labor market,
- Development of appropriate database on the needs expressed for workers, needs for qualifications of workers and on employers,
- Provision of proposals for appropriate active employment policy measures.

The data compiled should serve as significant indicators in creation of future measures and activities in the area of active employment policy and enrollment policy in education.

8.8. Development Strategies in the Area of Labor Market and Employment

A comprehensive approach to employment policy in the European Union may be considered in the context of the Amsterdam Treaty, which officially came into effect on May 1, 1999. This Treaty introduced numerous novelties in the area of employment policy, by integrating stimulus towards the economic and social progress and a high rate of employment into its main goals. In addition, all the member countries pledge that they shall harmonize development of the employment strategies, with a special focus on strengthening of labor force able to adjust to the labor market changes.

The most important tasks set by the European Union primarily pertain to:

- encouragement of cooperation between member countries,
- provision of support as needed,
- filling in for their mutual cooperation.

The European Union Council undertook to provide an annual analysis of the situation (tendencies and trends) in the area of employment, in which, in consultations with the European Parliament, Board for Economic and Social Issues, and the like, it will pass appropriate decisions and define the guidelines (common goals) for employment policy.

All the member countries pledge to prepare three documents in the employment area:

- annual overview of the labor market,
- long-term employment strategy,
- annual employment action plan, harmonized with the European Union Council guidelines.

In line with the accepted provisions of the Amsterdam Treaty, the presidents of the member countries and their governments, at the extraordinary session of the European Union Council on employment, held in Luxembourg on November 20 and 21, 1997, approved a set of guidelines structured in four basic pillars:

- increase of employment among population,

- encouragement of entrepreneurship and entrepreneurial thinking,
- encouragement of flexibility in individuals and enterprises,
- equalization of employment opportunities.

In application of the employment strategy and the established guidelines, the European Union is making efforts to ensure creation of new jobs and of stable macroeconomic conditions in order to accomplish a long-term goal, which is gradual increase of the share of employed persons and reduction of unemployment rate.

8.9. Professional Orientation and Counseling

Professional orientation and counseling is not a new activity in Bosnia and Herzegovina, because it has been conducted since the 50-ties of the past century. Namely, in 1957, in the then SFRY, the Yugoslav Association for Professional Orientation was formed, and its membership included the representatives from the Republic of Bosnia and Herzegovina.

In 1958, counseling centers for selection of professions entered the composition of the bureaus for labor brokering, which in accordance with this organized professional orientation. This activity was conducted by the officers for professional enlightenment or counselors for professions. The true development of professional orientation started in 1960, when it entered the framework of work of the then Employment Institute. The Institute performed selection for the needs of identified employers, selection of candidates for expert advancement (supplementary training, supplementary qualification or re-qualification), counseling in selection and/or change of professions, and the like. The professional orientation teams most frequently consisted of a labor medical doctor, psychologist, officer for professional enlightenment and information, and a medical nurse.

In addition to the Employment Institute, professional orientation was also conducted by many schools, particularly at the level of primary education. At the level of professional orientation development, domestic experts were active who were successful in following all of the world developments, attended numerous conferences and adopted the methods and instruments of the leading experts in this area. These activities were continuously conducted until the beginning of the 90-ties.

Although professional orientation in Bosnia and Herzegovina has not yet taken the place that by all means belongs to it by its significance, the future development of this area needs to be based on the accomplishments reached in the past, wherein all the current trends need to be taken into account in order to be able to provide as efficient response as possible to all challenges. According to the European Union classification, the following activities are conducted within the scope of professional orientation¹²:

- information sharing,
- familiarization and assessment,
- counseling,
- professional upbringing,
- education for career,
- brokering of labor or education,
- representation,
- feedback to educational institutions, employers and the society in general,

¹² Educational and Vocational Guidance in the European Community, Watts, A.G., 1997, OECD.

- monitoring.

Similar trends are also present in the neighboring countries. In addition to their regular activities, employment institutes have also introduced additional activities on promotion of the idea of life-long learning. For this purpose, counseling centers are opened and similar activities are organized.

8.10. Situation in the Area of Professional Orientation

In April 2005, the European Training Foundation (ETF) conducted the review and analysis of professional orientation, following which a report was made with appropriate conclusions and recommendations.

There are numerous factors making any activities on implementation of professional orientation services more difficult. The ETF report indicated the major factors, among which the following need to be singled out:

- A high unemployment rate, low income and very poor incentives for workers, grey economy, institutional lack of understanding for professional orientation, fragmented management structure which considerably limits the flow of data and information, and others;
- Professional orientation services are underdeveloped, both in the education and in the labor market sectors;
- What is offered within the education sector is not integrated with the life-long career management perspective, which is the primary feature of this area;
- The majority of initiatives present in this area are conducted on a pilot basis with the support from limited donor funds;
- The IT segment is not sufficiently utilized, in order to provide timely, relevant and transparent information on professions and career development;
- A decreasing number of expert persons addressing these issues are active within the educational and labor market sectors.

8.11. Professional Orientation within the Education Sector

In the area of education sector, professional orientation services are clearly defined in appropriate legislation. These services are normally offered by pedagogues or psychologists, who are involved in career development, individual guidance, and the like. Although from time to time they use tests for evaluation of capacities and interests of pupils in pupil guidance in their work, nevertheless for the most part they do not possess the advanced skills and knowledge on professional orientation. There are specific activities encompassing lecturing and dissemination of appropriate brochures to parents and pupils on the topic of continuation of secondary education.

When they come to the secondary school, pupils select a certain direction which (in theory) determines the possible directions in selection of faculties and continuation of education. However, in reality, there is a certain flexibility which allows pupils to change the previously selected directions.

This flexibility was significantly supported under the VET reforms conducted at some 50% schools in Bosnia and Herzegovina. In the majority of secondary vocational schools and

grammar schools, pedagogues are active with similar obligations and responsibilities, as well as their colleagues at primary schools.

In some cases, secondary school teachers visit pupils and parents at primary schools in order to provide them with the most important information on their institution, thus helping in decision making on continuation of education.

8.12. Professional Orientation within the Labor Market

There is no formal law responsibility for promotion and implementation of professional orientation within this sector. The competent ministries of labor and social policy are too encumbered with issues coming from the social sphere, so that they are not actively involved in conducting of this activity and they do not have satisfactory cooperation with the appropriate ministries of education.

There is certain progress in the work of the employment institutes in Bosnia and Herzegovina, which is foremost reflected in the preparation of vocational and informational brochures for enrollment into secondary schools and for preparation (training) in job seeking. The association of employers in Bosnia and Herzegovina has sought inclusion of professional orientation services within the Socio-Economic Council at the state level, with a special focus on improvement of the existing workers' skills. Some of the successful employers conduct independent professional orientation for their employees, thus providing them with the ability for career guidance.

Although in principle they support the development of this area, the trade unions in Bosnia and Herzegovina have so far not invested into development of professional orientation.

A clear and concise position should be presented to the political authorities on the need to conduct professional orientation and counseling.

9. Adult Education

9.1. Systemic Approach to Development of Adult Education

Adult education shall mean to include all forms of formal¹³ and non-formal¹⁴ education of such citizens who have no pupil or student status. In BiH, adult education is not treated as an important or strategic component on the economic and social development ladder.

It has been set up as personal interest, not opening the opportunity for addressing of unemployment, restructuring of work force and protection of citizens' needs in general. The current system creates social discrimination of those who generate revenue and allocate for education and have no possibility of subsequent use of education.

¹³ Formal education is learning with a clear intention of the trainees to increase their knowledge or skills within an education system, conducted at various education institutions and serving to acquire recognized diplomas and qualifications.

¹⁴ Non-formal education is conducted independently from the official education system and it may be organized at work place or through activities of various associations or societies, such as youth organizations, trade unions, or political parties. Such education may also be acquired through music schools, sports clubs or private lessons in order to pass examinations.

Vocational schools in BiH offer adult training in the majority of cases based on the formal education curricula for those pupils-trainees who have fallen out of the regular education system and who wish to increase their employment opportunities by attending lectures in order to acquire qualifications and certificates. The adult training is conducted based on the same curricula (only shortened) and use of the same methodology as for regular education at vocational schools.

Vocational development programs that are most frequently used are in the area of administration, management, health care and psychosocial activities, computer work or learning of foreign languages, whereas the sports, environment, food production and agricultural activities have been neglected. Training for production professions has been given little attention, while it is exceptionally important for the country's prosperity.

This is why we say that adult education exists in BiH, but it is not institutionalized. This area of education obviously does not have a visible strategic status and is not recognized as an area of education that is of vital importance for the present and future of the country.

Adult education in BiH is a permanent process, started in the twenties of the last century, which currently needs to be strengthened through new strategic directions. In practice, there are a lot of education programs and projects intended for adults, but their work is neither inter-related through jointly defined standards and principles, nor through legislation that would have a common denominator in the whole of BiH, and that could still be defined in relation to the specific quality of a certain territory.

Lessons for part-time pupils are in the evening hours or during the day. The number of lessons required for acquisition of a certain degree-diploma varies by schools. In some cases, the trainees only pass appropriate examinations. Such as the case in formal education too, the school system conducts grading of pupils, and the pedagogical institute is responsible for the curricula. Attendance of part-time lectures is frequently funded by the trainees themselves, and only sometimes is this done by specific firms for their own needs or else by employment institutes.

Employers tend to have little confidence into the quality of training provided by vocational schools, because there are no mechanisms for quality control. Unless this confidence is regained, schools will not be very competitive in comparison with other institutions/organizations for adult education.

The responsibility for provision of adult education, required for employment, needs to be shared among all stakeholders.

There are a large number of non-governmental organizations (NGOs) organizing courses, mainly for computer work and foreign languages. A small number of these organizations also include vocational education and training in other areas, particularly in production activities, mainly thanks to donor funding. Social partners rarely become involved in training. The employment institute has recently begun to attach attention to the market (organization of courses similar to the NGO ones). On the other hand, enterprises in the privatization process show demand for skills, mainly for management, for which currently there is a very small number of courses. Some successful enterprises have been developing successful training through their own training centers.

There is no systematic research in terms of the needs for training for job seekers. Indirect data from the employment institute show that there is demand mainly for foreign language courses, computer work and job seeking skills.

9.2. Reform Activities

Bosnia and Herzegovina has signed many international treaties on education, mandating the state to implement specific educational standards in the country. These treaties in general rely on some common principles. The principles are also integrated into the Education Reform Strategy, presented by the Bosnia and Herzegovina authorities to the Peace Implementation Council (PIC) in 2002.

As a signatory of the Convention on the Rights of the Child, European Convention on Protection of Human Rights and Fundamental Freedoms, Lisbon Convention on Recognition of Diplomas, and as a participant in the Bologna Process, BiH has officially confirmed its commitments in the field of education. This by no means excludes but rather strongly underlines the need to make some specific breakthroughs towards institutionalization, even in adult education, which would allow for true respect of these mandating tasks in the forthcoming period as well.

At this stage of economy development, the unemployment rate is very high, and the needs are particularly strong for re-qualification of the (un)employed persons, and additional education of adults for the purpose of retaining employment.

Building of a society that would exclude and marginalize as little number as possible of unemployed (youth and adult) persons is impossible without a strongly developed and universally accessible adult education.

The basic principles and approaches on which changes in adult education are based include:

- adult education is a fundamental human right,
- education and learning is a life-long process,
- adult education is a key society transformation instrument,
- the basic elements of economic development and work force mobility,
- partnership activity implemented in cooperation among schools, markets, individuals and other stakeholders.

Adult education is seen as one of the major methods for accomplishing of the following goals:

- economic development,
- creation of a flexible and democratic system of education, open and friendly for all citizens,
- integration into the European community.

Adults are the majority of population, and a strong society interest is required for them to become intensively involved in the process of changes, rather than waiting for the results of reform in the area of formal education of children and youth. In the transition period, adult education must represent one of the most significant national projects through a number of activities, such as:

- building of a society in which children and adult education will be equally treated,
- definition and establishment of a stable and socially relevant system of financing for adult education,

- formal adult education should be organized as a process appropriate to the needs and abilities of adult learning,
- recognition of qualifications and skills acquired through expert development, supplementary qualification, re-qualification, specialization,
- development and strengthening of the needs for all types of non-formal education in the area of personal and human development of citizens,
- adapting of the manner for acquisition of education and organization of work time distribution,
- accomplishment of high-quality education and advancement, in line with the changes and requirements at work,
- encouragement and preparation of people for active participation in all areas of public life,
- approximation to the Memorandum on Life-Long Learning (European Council, Lisbon, 2000), and
- affirmation of the basic approaches for application of life-long learning in practice.

The Memorandum on Life-Long Learning¹⁵ defines learning throughout life as the basic principle of education and employment.

1. New fundamental skills for all.

This is a significant fundament of active citizenship and employment in the 21st century Europe, and the essence of this message is to overcome computer skills, knowledge of foreign languages, technical culture, entrepreneurship abilities, learning how to learn; adapt to change and ensure flow of information, and the like.

2. Higher investing into human resources.

The aim of this message is attaching priority to the biggest resource of Europe – its citizens. In some member states, employees have been offered the opportunity to attend education with subventions, and unemployed persons are also entitled to various employment opportunities.

3. Innovation in learning and teaching.

Education systems must be adapted to the changed manner of living of today. This is particularly important in order to attain gender equality and to meet the increasing activity of the third age population group.

4. Value of education.

A united Europe, open labor market, equal such as the rights of citizens to freely move, live, work, educate and advance in all of its member states, requires acceptance of knowledge, skills and competencies throughout the community.

5. Reconsideration of the guidance and counseling role in education

A new approach is necessary which envisages guidance as a service universally acceptable at all times. It is the task of experts to follow individuals on their way throughout life, providing them with incentives, supplying them with the information needed and facilitating their decision making.

6. Approximation of education to residence.

Given that cultural diversity is trade mark of Europe, and diverse and locally accessible opportunities for life-long learning assist so that people are not forced to leave their place, the aim is to ensure opportunities for life-long learning as close to citizens as possible, that is to say, to their places of residence. Densely populated urban communities on their part may integrate various communities from the center of diversity using life-long learning as an engine for local and regional reconstruction.

¹⁵ All learning activities throughout life aimed at improvement of knowledge, skills, competences and/or qualifications for personal, social or professional reasons.

9.3. Forms of Adult Education

Active continuation of learning even in ripe years is an unusually important form for application of life-long learning in everyday life. It is necessary to increase the level of demand for education, and also the supply in education, for those who have least benefited so far from education and advancement. Everyone should follow the education path selected by them, instead of always following the predetermined way towards a given goal. Therefore, the education and advancement system should be adapted to the individual needs, not vice versa.

Non-formal and informal¹⁶ education and learning is more emphasized in the continuity of life-long learning. Given that non-formal education is conducted outside schools, faculties and training centers, it is usually not deemed to be real education and therefore it is most frequently underestimated.

Further training/advancement is a short-time targeted training normally offered after the initial vocational education and training, aimed at supplementing, improving and advancing the knowledge, skills and/or competences acquired through the previous training.

9.4. Evaluation and Certification Procedures

There are a number of adult education and training forms in Bosnia and Herzegovina. Under the adult education and training forms, we understand the following:

- formal education and training,
- non-formal education and training,
- informal education and training.

Formal adult education and training is conducted at registered education institutions.

In our case, the registered education institutions include secondary vocational and technical schools. Under formal education, the evaluation process is regulated in laws and bylaws. After a minimum of 40% attended instructive lectures based on the curricula prescribed for regular lessons, the trainees proceed with passing of examinations. Once all the subjects have been passed, as determined in the curricula, the final examination is to be passed, which ultimately leads to issuance of a school report certificate which is the basis for acquisition of a profession or a title.

Non-formal education and training does not lead towards acquisition of a formal qualification, which means that there are no certified verifications of the knowledge, skills and competencies acquired. Non-formal education and training of adults may be organized at work place or through activity of various societies or associations. It is most frequently organized as a supplement to the formal education system.

Given that the informal form of adult education and training includes non-organized activity, the process of evaluation and certification is not applicable.

¹⁶ Informal learning is an everyday phenomenon. Unlike the formal and non-formal education, informal learning does not have to take place consciously, due to which individuals do not recognize it themselves immediately as a factor contributing to their knowledge and skills.

The goals of evaluation and certification in adult education and training regardless of the form of such education and training are:

- increase of the education quality at all levels,
- elimination of discrimination in education,
- evaluation and certification lead to acquisition of knowledge, skills and competencies, and ultimately to obtaining of qualifications and opportunity for further education and training,
- verification of knowledge, skills and competencies leads to the standard of quality in education and training.

9.5. Development of Standards

The current situation in BiH on the issue of identification of needs, establishment of standards and adjustment of the needs and supply on the labor market is rather unclear and as such does not correspond to the conditions of developed secondary vocational education and training, nor to the needs and demands imposed by the constantly changeable social and labor environment. The life-long learning concept as well as development of broader non-formal education standards is therefore one of the basic priority activities that the reform must bring about, in order to primarily develop the awareness on importance of life-long learning, in order so that the BiH citizens are motivated to do the same and thus take on the responsibility for their permanent personal development. It is only in this way that better quality workforce shall be secured, as well as a higher level of knowledge, skills and competencies that are the basis for the human dimension of the BiH economy development in general.

Definition of needs for adult education, development of profession standards and their certification must be in the responsibility of the main players, that is to say, of the main social partners involved in development of the VET system.

The representatives of trade unions and employer associations are responsible for identification of needs for education and training. They are also responsible for development of profession standards, specifically by forming a sort of a sectoral social forum entrusted with this task.

The advisory council for secondary vocational education shall approve standards, based on the opinions provided by the Commission for Standard Approval, which, in addition to the social partners already mentioned, shall also comprise of the representatives of the relevant education institutions. Their main task shall be to nominate expert personnel.

The implementation itself as well as the further course of this process falls into the competency of the education institution which will conduct the training. Given the current situation and the fact that there is a huge number of training centers which are actually small both by their size and curricula, we believe that it would be good to form a sort of a training center which would have the responsibility for control of quality of the training itself.

9.6. Involvement of Key Players

Pursuant to the Green and White Papers, as well as pursuant to the principles of modern and European adult education, including the vocational education in general, the social partners by all means take an important and decisive place in terms of the key players. The current situation in BiH is such that the social partnership is not yet at such level where it should be in

order to become one of the influential but also constructive partners in education. Adult education is in fact one of the fields of their common action, and as such it is at the same time the motivational force for more effective establishment of social partnership institutions at all levels.

Efficient and functional education and training, which is able to respond to the demands of the labor market is the fundament for development of economy. All of the existing players in BiH are deeply aware of this fact, and therefore there is a realistic and fully logical assumption that exactly this group will find its role in effective planning, implementation but also constant monitoring of vocational education and adult education.

The key players falling in the domain of social partners are:

- The Economic and Social Councils of FBiH and RS and their appropriate roof organization at the BiH level as a tripartite body,
- Representatives of trade unions and representatives of the employer association at the entity and canton levels,
- Representatives of branch trade unions and employer associations at the level of VET schools.

9.7. Financial Resources for Adult Education

As adult education is a continuing educational process that may last for several decades, unlike the initial vocational education that last for 3 or 4 years, the funding opportunities must be diverse:

- for education of adults who are employed, the financial funds are provided by companies,
- for education of adults who are not employed (registered at employment institutes), the financial funds are provided by institutes,
- for education of adults who are not employed or registered as unemployed persons, financial funds must be secured in the budgets of municipalities, cantons or the state,
- for education of adults in specific specialized areas of education with a predominant personal interest, the funds are secured by the persons who are interested in such training (self-financing).

The major participants in the financing system for adult education shall initially be budgets of municipalities, cantons and the state. These funds are primarily to be used to finance the facilities, equipment and key costs for institutions for adult education and training.

In creation of the fiscal policy, it is necessary to ensure stimulating measures for development of the overall adult education system.

10. Recommendations

10.1. Improved VET Relevance in Relation to the Labor Market

- Permanently monitor and analyze the situation and movements in the areas of labor market, employment and education
- Provide for appropriate data and information sharing
- Provide for development of common (coordinated) guidelines for improvement of the areas of labor market, employment and education, based on the indicators available

- Ensure continuous cooperation between the representatives of employers, trade unions and government, by establishing tripartite advisory councils
- Establish a permanent body (commission) to perform coordination of social partners in order to address the issue of unemployment
- When updating curricula, apply modular methodology
- At vocational schools lasting for three years, the general education lessons need to encompass 30-40% of the curricula, and the vocational theory and practical lessons need to include 60-70%. At technical schools lasting for four years, the general education lessons encompass 40-45% of the curricula, and vocational theory and practical lessons encompass 55-60%.
- When developing modules and complete curricula, the principle should be applied to allow horizontal and vertical mobility for pupils.
- Under the next EU VET program, develop the curricula for all the remaining professions
- Draft flexible curricula based on the needs of the labor market
- Develop curricula in terms of acquisition of higher qualifications, supplementary qualifications, re-qualifications and vocational training to include obtaining of appropriate certificates
- On a mandatory basis, include associates from among expert and scientific personnel into development of curricula
- Proceed with modernization of curricula at associate and higher schools and faculties in concordance with the changes in secondary vocational education and training
- Involve the labor market into development of curricula relevant for the local economy
- Ensure participation of the representatives of economy in the activity of external evaluation and grading (quality control in education)
- Prepare and establish profession standards and education standards at the state level according to the needs of the labor market
- Set forth procedures for passing of curricula for the needs of local communities
- Perform continuous harmonization of the Classification of Professions with the needs of the labor market
- Organize practical training lessons at school workshops and at enterprises
- Pass regulations to provide for the obligation of enterprises to ensure appropriate forms of practical training lessons that can not be conducted at schools
- Pass regulations to stimulate employers to receive pupils for practical training
- Select representatives of enterprises and employer associations into school boards
- Address unemployment issues by stronger involvement and integration of key players, as well as by defining of employment priorities
- Gradually develop the awareness with unemployed persons about how they themselves are the most responsible to start job seeking initiatives
- Establish direct cooperation with employers and education institutions, particularly in terms of definition of rational enrollment policies for vocational schools
- Allow the unemployed persons to undergo vocational training and advancement in accordance with the needs of the labor market
- Develop and strengthen the active brokering role of the employment institutes
- Create and provide incentive funds for employers to hire persons from specific target groups (disabled persons, returnees ...) through additional training and preparation of workers

Towards the National Qualification Framework for Life-Long Learning Including the Principles of the European Qualification Framework (EQF)

- Work on development of the national qualification framework
- Harmonize profession standards with the standards in the EU countries
- Fulfill the requirements for recognition of diplomas, school reports and certificates in the EU countries
- Pass laws and other regulations to ensure establishment of the institutions necessary for quality assurance in education and training
- Develop the certification system
- Address the financing system for life-long learning
- Increase mutual confidence and transparency through information systems and networks in order to strengthen the awareness on the significance of life-long learning
- Encourage the acquisition of new knowledge and improvement of capacities with all interested partners
- Allow for development of and support to institutions for adult education and training and encourage fund providers in favor of education and equal treatment of capital for education
- Determine the effects of major investments into life-long learning and creation of “a learning society”
- Identify the network of schools and training centers and issue the required approvals for provision of vocational education and training on the basis of licenses as one of the mechanisms for strengthening of the training quality

Administration and Management of the VET System

- Define the school management under our circumstances
- Establish the school for school managers
- Draft the rulebook to allow for democratic election of school principal without political interference
- The curricula for expert advancement of school managers, with focus on management in education, needs to be prepared by the Agency for Education in BiH – VET Sector
- Increase rather than decrease school autonomy with additional regulations
- Allow for integration of schools in order to ensure maximum utilization of capacities and other common interests
- School boards should have no more than 9 members
- School staff should be at least one third of the school board of the total number of members
- The school board members are obligated to consult on issues from their scope of competency with the “constituency” which has elected them and to inform them of their work
- School board decisions should be transparent
- The school board members should be reimbursed for the costs of coming to the board sessions
- At public schools, limit pupil enrollment for such professions that are the most numerous ones on the unemployment records; permit enrollment only provided that the applicant self-finances the cost of their education
- Establish the standing Council for Vocational Education and Training.

Quality Assurance in Vocational Education and Training

- Form the Agency for Education, which would be comprised of: Sector for General Education with departments, Sector for Vocational Education with departments, Sector for Adult Education, and Sector for Advancement and Training of Teachers and School Managers
- Complete transformation of pedagogical institutes
- Ensure autonomy of the education inspectorate
- Introduce external evaluation and develop procedures for conducting of external evaluation
- Define the procedures for introduction of new professions, revision and modernization of existing professions
- Strengthen the learning outcome quality through external evaluation and application of standards as determined by the Agency for Education of BiH
- Strengthen the European dimensions in vocational education and training based on the goal set forth by the Council of Europe by 2010,
- Ensure training quality by advancement of teachers and by issuing of licenses, advancement of the lecturing methods and new forms of learning fit for adults
- In addition to the interior, internal evaluation of the curricula quality at institutions and of their implementation, the external evaluation also needs to be developed
- The competent institution should develop a separate strategy for evaluation of the curricula offered
- The competent institution also prescribes standards for passing of final examinations, grading and issuance of “certificates”; issuance of certificates should be guided towards certification of the qualification acquired

Fighting Against Social Marginalization and Promotion of Social Inclusion

- Increase mutual confidence and transparency through information systems (networks) in order to strengthen the awareness on the significance of education and training
- Increase cooperation among all interest partners aimed at approximation of schools to labor markets, including establishment of a permanent social dialogue on the needs for new knowledge and skills for the purpose of use of new technologies
- In promotion of the VET system, emphasize the significance of commitment of every country towards the principles of life-long learning
- Streamline the school network in vocational education and training, that is, the professions and titles at schools (a number of schools educate for identical professions, meaning that each of such schools has studies and workshops which are not sufficiently utilized)
- Ensure more rational utilization of the built school capacities in VET
- Explore the opportunity for provision of free transport for pupils, which would help in streamlining of the school network
- Allow for development of and support to institutions for adult education and training and encourage fund providers in favor of education and equal treatment of capital for education, that is, promote the positions that investment into education and training is a pay-off
- From the financial aspects, adults should be viewed as employed and unemployed
- Financing of education and training of employed persons is the obligation of enterprises and companies, persons themselves, trade unions and state subventions for acquisition of the lacking competences necessary for economic and social development

- Financing of re-qualification and supplementary qualification should be ensured through a combination of public funding, employer funding and self-financing

Strengthening of Institutional Capacities in the VET System

- The reform course in vocational education and training must be followed by a designed system for monitoring and provision of assistance to schools in order to ensure adequate implementation and to address problems
- Mid-term goals shall provide full establishment of mechanisms and institutions aimed at monitoring, evaluation and grading of the standards reached in terms of all components affecting the quality of vocational education and training
- Define the commercial activities of VET schools
- Pass regulations on distribution of revenues generated through work at practical training
- Introduce participation for repetitive pupils
- Pass the rulebook on pupil enrollment into self-funding classes for the professions for which there is no national interest
- Pass the rulebook on distribution of the proceeds of participation
- Determine the fund distribution benchmarks per pupil
- Allow VET schools to dispose of the funds generated through commercial activities without complicated administration
- Develop criteria for financing of equipment, teaching accessories and building maintenance
- Form training centers equipped in a modern manner at the existing VET school workshops. The centers could be used by a number of schools, and they could be also used for adult education and training.
- Define the curricula for training of teachers, associates and school managers
- Introduce as many double-subject groups as possible at teaching faculties
- Non-teaching faculties should offer students curricula from the pedagogic and psychological group of subjects
- Provide VET schools with equipment according to the standards in the EU countries and train the teaching personnel to use modern teaching accessories
- Ensure training of teachers in management, administration of education institutions, culture of dialogue and foreign languages
- Restructure and advance the contents of initial education (systemic changes in higher education)
- The curricula for training of teachers including evaluation of topics in credits shall be prepared by the Agency for Education – Sector for VET Education
- Establish the school for managers in education
- Exert influence on strengthening of the general awareness, at all levels in BiH, on the significance of professional orientation for individuals and the society in general
- Harmonize enrollment policies at schools and at faculties
- Create adequate conditions for all interested persons to use professional guidance services, so that they could proceed with potential additional development and advancement

Legislation

- Support the proposed Law on Vocational Education and Training
- Accelerate adoption of the Law on the Agency for Education

- Issue a rulebook on the profiles and expert qualifications of VET school teachers in order to determine the requirements in each vocational theory subject and in practical training
- Pass rules on records and documentation at VET schools

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Chairman
 of the Council of Ministers of BiH
 Nikola Spiric, Ph.D.

Abbreviations and Acronyms

BiH – Bosnia and Herzegovina
 F BiH – Federation of Bosnia and Herzegovina
 RS – Republika Srpska
 BD – Brčko District
 EU – European Union
 VET – Vocational Education and Training
 IVET – Initial Vocational Education and Training
 CVT – Continuing Vocational Training
 LLL – Life-Long Learning
 EQF – European Qualification Framework
 NQF - National Qualification Framework
 EU VET – European Union Vocational Education and Training
 GTZ – Gesellschaft für Technische Zusammenarbeit
 NPiP – Curriculum
 LSMS – Living Standard Measurement Survey
 SFRY – Socialist Federative Republic of Yugoslavia
 NGO – Non-Governmental Organization
 CEDEFOP – European Center for the Vocational Education and Training Development
 CEE – Central and Eastern Europe
 EC – European Commission
 ETF – European Training Foundation
 GDP – Gross Domestic Product
 ILO – International Labor Organization
 IMF – International Monetary Fund
 ISCED – International Standard Classification of Education
 KM – Convertible Mark
 LG – Local Government
 LGU – Local Government Unit
 OECD – Organization for Economic Cooperation and Development
 n.a. – Not Available
 VAT – Value Added Tax
 WB – World Bank