



**REVIEW OF PROGRESS IN
VOCATIONAL EDUCATION AND
TRAINING REFORM
IN BULGARIA
2003**



etf

SHARING EXPERTISE
IN TRAINING

**THE EUROPEAN TRAINING FOUNDATION IS THE
EUROPEAN UNION'S CENTRE OF EXPERTISE
SUPPORTING VOCATIONAL EDUCATION AND TRAINING
REFORM IN THIRD COUNTRIES IN THE CONTEXT OF
THE EU EXTERNAL RELATIONS PROGRAMMES**

HOW TO CONTACT US

Further information on our activities, calls for tender and job opportunities can be found on our web site: www.etf.eu.int.

For any additional information please contact:

External Communication Unit
European Training Foundation
Villa Gualino
Viale Settimio Severo 65
I – 10133 Torino
T +39 011 630 2222
F +39 011 630 2200
E info@etf.eu.int

**REVIEW OF PROGRESS IN
VOCATIONAL EDUCATION AND
TRAINING REFORM IN BULGARIA
2003**

A great deal of additional information on the European Union is available on the Internet. It can be accessed through the Europa server (<http://europa.eu.int>).

Reproduction is authorised, provided the source is acknowledged.

TABLE OF CONTENTS

1. OVERALL ASSESSMENT	5
2. KEY PRIORITY AREAS FOR FUTURE ASSISTANCE	11
LIST OF ACRONYMS	13

1. OVERALL ASSESSMENT

1

As highlighted in the following paragraphs, progress has been made with further elaboration of policy documents for human resource development with particular relevance for Bulgaria's economy, start of the implementation of the Employment Promotion Act (new labour market law which came into force in 2002), further implementation of the Crafts Act (adopted in 2001) and the Vocational Education and Training Act (VETA, adopted in July 1999).

In this context the Joint Assessment Paper of Employment Priorities in Bulgaria was signed between the European Commission and the Bulgarian government in October 2002. It outlines the finalisation of vocational education and training (VET) reform responding to economic needs as a specific priority, including the development of a continuing vocational training (CVT) strategy.

Furthermore, the National Development Plan (NDP) 2000-06, was updated in April 2003; it confirms human resource development as one of the top priorities, but includes also improved employability, employment promotion and quality

improvement in VET. In complement, the National Action Plan on Employment (NAPE) 2003 was approved by the Council of Ministers in April 2003. It outlines the key employment actions for 2003, and includes training adults to the acquisition of a vocational qualification as a substantial part of the active measures. It is foreseen that over 70,000 adults will participate in training in 2003 – twice as much as in 2002. In addition to increased participation, maximum per capita funding levels have also increased substantially – from BGN 200 in 2002 to BGN 450 in 2003 (approximately €102 and €230, respectively).

With the objective to foster active social policy, the Bulgarian government developed a strategic document, 'The New Social Policy Strategy' (2002-05).

There has been little follow-up of the consultation process on the European Commission's Memorandum on Lifelong Learning with two conferences organised by international donors. A progress report has been submitted to the European Commission.

With regard to the implementation of the Employment Promotion Act, the Crafts Act and the VETA, there have been the following developments.

The Employment Promotion Act

The National Advisory Board on Vocational Qualification of the Labour Force based on tripartite principles, and including representatives of ministries and other state institutions, employers' organisations, trade unions, and non-government organisations (NGOs), is in the process of being established. The main objective of the board will be the coordination and control of the activities related to training for the acquisition of professional qualifications in line with the skills needs of the Bulgarian economy. Links and cooperation with the National Agency for Vocational Education and Training (NAVET) will need monitoring.

The implementation of a national policy and strategy for the vocational training of both unemployed and employed people (Art. 58 of the Employment Promotion Act), which is organised and managed jointly between the Ministry of Labour and Social Policy (MoLSP) and the Ministry of Education and Science (MES), will start under a Phare 2003 project.

The Employment Promotion Act (2002) and the New Social Policy Strategy define a shift from passive (financial) social assistance to active measures for increasing employment. Changes resulting from the adoption both of the new strategy and the new law include a more differentiated approach towards different groups in need, more active labour market measures, and decentralisation of the management and coordination of different policies.

Therefore, the Employment Agency, the regional employment agencies and local labour offices have focused on active labour market measures, financed directly from the state budget (previously funded from the Professional Qualification and Unemployment Fund). The promotion of targeted support to individual clients will require the further development of

competencies among Public Employment Services (PES) staff.

The Professional Qualification and Unemployment Fund, responsible for paying unemployment benefits, has been replaced by the Unemployment Fund, administered by the National Security Institute. The active labour market measures are paid directly by a state subsidy.

The Employment Promotion Act has introduced incentives for employers to hire and train the unemployed (Art. 45, financial remuneration), to maintain and enhance the qualifications of existing employees (Art. 44, funding for further training), and to offer new traineeships or apprenticeships to the unemployed (Art. 46). The implementation of these incentives has only recently started and no information on levels of participation is yet available.

The Crafts Act

While the Crafts Act makes provision for craft teaching, which is a kind of on-the-job training leading to apprentice, journeyman and master qualifications, procedures for implementation of craft training need to be elaborated and inter-linkages with the VETA need to be defined.

The Vocational Education and Training Act (VETA)

The VETA was first passed in 1999. The amendment of 5 November 2002 abolished the accreditation of all training institutions. For a certain period the licensing of VET schools and private training centres, which had been a legal precondition for delivery of both short- and long-term courses for adults funded by the labour offices, was also stopped (but has, since spring 2003, resumed). Consequently, licensing is currently only possible for institutions that provide training leading to state-recognised vocational qualifications (which, by their nature, are generally long-term courses offered traditionally by educational institutions or training centres typically in the public sector). The licensed centres then also have the right to organise short-term courses for each of the licensed

vocations. The result is that providers of short-term courses only (for example, in the private sector) will not be allowed to offer courses funded by labour offices, which may have a detrimental effect on the offer of the short-term courses. It is likely that private providers will limit their services for the labour offices, as the Employment Promotion Act stipulates that the NAVET¹ list of licensed training providers will replace, as of 2004, the register of training institutions providing training for the unemployed on behalf of the labour offices.

In addition, the 2002 amendment further extended the deadline for the completion of the transformation of VET schools from 2002/03 to 2003/04, allowing the gradual transformation of secondary vocational technical schools (four years) and technicums (five and six years), into vocational gymnasias (four, five and six years) with the main purpose of upgrading schools (quality) and reducing the number of school types. The changes introduced so far seem more a renaming rather than a real change, based on the VET law (Art. 18) and with no strategic document available to underpin the planning process.

With regard to the implementation of the VETA, developments are gradual and are as follows.

- The dissemination of results of the Phare Vocational Education and Training, Education, Research, Science and Technology programme (VETERST, 1995 to 2000) has continued, with 100 VET schools (out of 506) implementing revised curricula. There is currently an ongoing review to decide whether the modular approach should be applied in the future.
- The development of standards has continued with 12 standards approved by the end of 2002. There are currently 35 standards under development and it is expected that the process of elaboration of standards for all 172 vocations will continue until 2006/07, assuming that approximately 40 standards are drafted annually. Development of specific curricula only

occurs following the approval of the standards by the NAVET. Further efforts should be undertaken to increase cooperation between the MES, the NAVET and branch chambers.

Optimising the vocational education and training system has remained a priority of the MES, however, with few developments mainly due to social tensions: in 2002/03, two VET schools were closed and there has been some reduction of admission to VET in 129 general schools, mainly in economic subjects. Optimisation is necessary given the decline in VET student numbers in the late 1990s (206,570 in 1996/97; 191,328 in 2001/02 and 201,591 in 2002/03)² and the ongoing economic reform process, which requires different vocational profiles and new quality skills for the labour market. The substantial increase in the number of students in 2002/03 is due to the fact that the educational programmes were prolonged by one year. It will be a challenge to provide an appropriate number of public schools (547 in 1996/97; 516 in 2000/01 and 504 in 2002/03) in terms of quantity and quality.

While the MES catalogue of criteria for optimising the school network puts emphasis on the needs of the labour market and the social dimension, the main criteria for closing or merging schools is the number of pupils attending classes. Another criteria seems to be to keep teachers employed.

In 2001 expenditure on education was equivalent to 4.7% of the GDP, which is an increase compared to 2000 when expenditure was 4.4% of the GDP (including 0.5% of GDP on VET). Funding of VET schools has remained centralised with a total of 12 VET (out of 504) schools financed by municipalities and 120 (about 25%) of VET schools funded by other ministries (such as agriculture, transport, and culture) although separate figures on expenditure are not available.

In 2002, regarding in-service teacher training, the Department for Information and Teacher Qualification of the University

¹ National Agency for VET

² Data from the National Statistical Institute

REVIEW OF PROGRESS IN VOCATIONAL EDUCATION AND TRAINING REFORM IN BULGARIA - 2003

of Sofia carried out training for about 10% of all VET teachers. This has been short-term training to cover issues such as the use of new technologies in teaching, the development of curricula and national examination tests, the methodology of modular training, and instruments for assessment of pupils' achievements. In comparison to 2001, the participation rate is stable. While in percentage terms there are more VET teachers trained than general secondary education teachers or primary education teachers, there is no tailor-made VET teacher training system in place. There is little cooperation with the reform project of the World Bank on general secondary education, including teacher training.

While the educational attainment levels for the population of the age group 25 to 64 are characterised by a high percentage of people with higher education (17% in 1996 compared to 21% in 2001), the enrolment figures for higher education are decreasing, partly because of the demographic decline but also because of increasing restrictions by the government on the number of places available. From 1999/2000 to 2002/03 enrolment has fallen from 261,321 to 230,513³. At the same time the early school leavers' rate (share of 18 to 24 year-olds having achieved lower secondary or less and not attending further education) was 20% in 2001 and 21% in 2002 (the average for the EU is 19%, acceding and candidate countries is 8%). In addition participation rates in education show that for 1999/2000 only 82.5% of 16 year-olds (corresponding to the last year of compulsory education) were still in education.

According to the National Statistical Institute in 2001 dropout rates were between 2.7% for primary schools (approximately 9,782 children) and 8.0% for four-year VET schools. The dropout rate for vocational gymnasiums was 2.9%. The dropout rate for general secondary education was 2.6%. The highest dropout

rates are among pupils of Roma origin, but there are no figures available for this.

The number of students in educational programmes leading to the Matura in 2001/02, were as follows: 148,581 students enrolled in general education (grades 9 to 13) and 185,062 in vocational secondary education (technicums, vocational secondary technical schools and art schools).

Cooperation between companies and schools remains limited mainly to the informal exchange of information on skills needs and one to two-week visits to companies defined as practical training for students from technicums. This is partly due to the poor economic situation of companies and partly to the missing strategies for reinforcing the involvement of the business sector in education and training.

The unemployment rate in 2002 remained high at 18.1%⁴, with 17.4% registered unemployed, but was down slightly compared to 2001. The annual average number of long-term unemployed in 2002 was over 330,000, up by 0.7% compared to 2001⁵. The long-term unemployment rate in 2001 was 12.6%. Approximately 70% of the long-term unemployed in 2002 had low or no educational qualifications (61% of the total unemployed). In 2001 this figure was 50%⁶. According to DG Employment and Social Affairs' *Employment in Europe 2002* another feature of unemployment in Bulgaria has been the high level of youth unemployment with rates of 33.3% in 2000 and 39.3% in 2001.

Participation in CVT is among the lowest levels in Europe with 28% of businesses providing CVT to their employees in 1999⁷ and according to national follow-up surveys even fewer (25%) in 2000 and 2001. CVT is also provided under Active Labour Market Measures under the heading 'retraining for the employed', and some is

³ Data from the National Statistical Institute

⁴ ILO Labour Force Survey unemployment rate

⁵ Employment Agency Annual Report 2002, p.10

⁶ Joint Assessment Paper, p.10

⁷ Eurostat CVTS2

also offered by social partner institutions. While there has been a decrease in labour market training expenditure from the 1999 amount of BGN 1.6 million to the 2001 amount of BGN 1.4 million in 2002 (around €820,000 and €716,000 respectively), the budget for training of the unemployed increased to BGN 2.5 million (€1,280,000 approximately)⁸. There is also the network of 3,500 *Chitalishte*, the traditional Bulgarian culture and educational centres, which provide language courses, music lessons, traditional and modern dances, theatre school, computer clubs and others. This network seems to be little used for CVT but might have some potential in the future.

In 2002, BGN 81 million (around €41.5 million) were spent on active labour market measures, and BGN 164 million (around €84 million) on passive measures. Compared to 2001 this represents a shift away from passive measures towards active measures. For example, in 2001, BGN 70 million (approximately €36 million) were spent for active measures and BGN 228 million (approximately €116.7 million) for passive measures⁹.

In 2003 the budget for active labour market measures has increased to BGN 324 million (€166 million), of which the government has allocated BGN 217 million (€111 million) to the initiative 'From Social Assistance to Employment'. The purpose of the programme is to provide jobs for the long-term unemployed. It includes both literacy and qualification components to enhance the skills and increase the employability of the long-term unemployed. The amount allocated by the Bulgarian government is higher than the total expenditure for 2002 for both active and passive measures (BGN 246 million –

€126 million), and would indicate the commitment of the Bulgarian government to combating the high levels of long-term unemployment in Bulgaria.

Regarding social partnership involvement in VET, compared to 2001 the work of the Regional Employment Commissions (previously called Employment Councils) further progressed in 2002, with the evolution and implementation of regional development plans, which include training components.

In 2003 a working group was established composed of representatives from the MES, MoLSP, the Ministry of Health, and the State Agency for Child Protection, as well as a coalition of NGOs. Its main task is to develop a National Plan for integrating children with special educational needs into the formal education system by gradually including them in the education process in all types of schools and kindergartens. To support this, a new Department for Educational and Cultural Integration has been created within the MES.

The Bulgarian government in 2002 set up the Consultative Council on Education of Children from Minority Groups which consists of experts from the MES, the National Council for Ethnicity and Demography (NCED), other state organisations and NGOs. As a first step the MES has developed an education policy for children of minority and ethnic groups, through which Roma children can be integrated into the mainstream education system. This policy is to be implemented through accompanying support programmes, including teacher training on intercultural pedagogical aspects (for grades 2 to 8).

⁸ Data from the Employment Agency

⁹ Ibid.

2. KEY PRIORITY AREAS FOR FUTURE ASSISTANCE

2

In comparison to last year's assessment and in the light of the above, key priority areas for future assistance, previously highlighted, remain valid.

- Further dissemination of Vocational Education and Training, Education, Research, Science and Technology programme pilot school activities to a systemic level of reform, as well as further upgrading of the quality of initial vocational training by providing support targeted in particular at the development both of new training standards based on occupational requirements and of a new assessment/certification system. Also, in this context teacher-training reform should be considered as a priority, as well as close inter-linkages among all activities in a lifelong learning context.
- Further capacity building and VET development at national and regional level, including improved coordination between ministries as well as more active involvement of the social partners and companies in the priority fields of the VET system. In addition, the optimisation process of the VET school network needs to continue as part of the reform process.
- Further development of continuing training activities both for employees and for the unemployed as an integral part of active labour market measures, especially for those population groups at risk of unemployment and/or social exclusion. In this context emphasis should be placed on improvement of equipment and development of methods for training of adults, and wider implementation of modules and distance training.

LIST OF ACRONYMS

CVT	Continuing vocational training
EU	European Union
GDP	Gross domestic product
MES	Ministry of Education and Science
MoLSP	Ministry of Labour and Social Policy
NAVET	National Agency for Vocational Education and Training
NGO	Non-governmental organisation
VET	Vocational education and training
VETA	Vocational Education and Training Act

