

**REVIEW OF PROGRESS IN VOCATIONAL EDUCATION AND
TRAINING REFORM IN BULGARIA** **2004**

1. OVERALL ASSESSMENT

The main developments over the last 12 months may be summarised as follows.

The unemployment rate substantially decreased in 2003. The data of the National Statistical Institute indicate that on average the employment rate for 2003 was 13.7% (around 500,000 unemployed) as compared to 18.1% in 2002. However, the number of long-term unemployed remains a challenge – in 2003 the share of the long-term unemployed in the overall unemployed group (15-64 years of age) represented 65.2% compared to 65.7% in 2002). The data also indicate that youth unemployment (up to the age of 29) remains high at 28.1% (2002: 29.3%).

There was significant economic growth in 2003 with an increase in GDP of 4.3%. However, the economic activity rate of the population (15-64 years of age) is declining (an average of 60.9% in 2003 compared to 61.9% in 2002).

The Public Employment Service is mainly dealing with active labour market measures. While most of the active labour market measures include training components, the government has put particular emphasis on the subsidised employment scheme 'From Social Care to Employment', to integrate the long-term unemployed into the labour market. The net impact of this programme will be evaluated at the end of 2004.

While there is an increase in overall budget for all active labour market programmes (0.88% of GDP in 2003 compared to 0.27% of GDP in 2002), the earmarked funds for labour market training still remain low.

In 2002 public expenditure on education was equivalent to 4.7% of GDP, comparable to the previous year (2001). According to the National Statistical Institute data there has been a 14.8% increase in public expenditure for VET between 2001 and 2002, while for the same period the private expenditure for VET has gone down by 9.0%.

With regard to the completion rate for upper secondary education (20-24 years of age), in 2003 it was 75.6 % in Bulgaria compared to the EU average of 76.8%. The early school leavers' rate has shown a recent increasing trend, reaching 22.4% in 2003, which is substantially higher than the EU average of 15.9% and far ahead of the EU 2010 target of 10%.

The IVET sector reform is progressing step by step, with developments in different areas such as standard development, where the total number of approved standards until July 2004 is 36. It is expected that the process of elaboration of standards for all 200 vocations will continue until 2006/07, assuming that approximately 40 standards are drafted annually. There has been some curriculum development, which is expected to be applied in the school year 2004/05 when the updated list of vocations adopted in January 2004 will enter into force for all types of vocational school. However, the information available so far on the curriculum reform process is rather general (such as, introduction of IT, foreign languages, and entrepreneurial skills in grades 9 and 10), and does not allow a precise judgment to be made about its relevance to the economy and labour market.

The optimisation of the vocational education and training school network has remained a priority of the Ministry of Education and Science, with the following developments. According to the National Statistical Institute data, in the 2003/04 school year, VET was provided by 496 vocational schools (as compared with 553 in 1998/99 and 504 in 2002/03). The reduced number of schools from 2002/03 to 2003/04 is associated with the reduced number of post-secondary vocational colleges.

With regard to continuing vocational training, licensing of private training providers for its provision is progressing well, with an additional 95 centres licensed in 2003, thereby attaining a total number so far of 176. Still, adult participation in any form of education and training is very low (only 1.4% of the adult working population aged between 25 and 64, compared to the EU average of 9% and the Lisbon goal for 2010 of 12.5%).

A national strategy for the overall reform of secondary education, including vocational education and training, is under development. The document is available for feedback on the web site of the Ministry of Education and Science. There is no further information as to when

the strategy will be finalised and when implementation will start. In addition, an overall education strategy, from primary education to higher education, is under preparation by the Ministry of Education and Science.

Also, a national strategy for continuing vocational training is being developed. Results are expected to feed into Phare 2003, which should support both a policy and system for adult learning. To this end, the Ministry of Education and Science has set up a working group with representatives of the relevant authorities. An internal document on continuing vocational training has been developed by the Ministry of Labour and Social Policy and adopted by the National Employment Council, and this should also feed into the overall national strategy.

There is uncertainty about the existence of a coordinated approach to the development of the above strategies for initial education and continuing vocational training, and this is of particular importance for the development of a lifelong learning perspective.

Employment

The first progress report of the Joint Assessment Paper (JAP) of Employment Priorities in Bulgaria was delivered to the European Commission in April 2004. In the JAP follow-up seminar in May 2004 investment in human resource development for employability, growth and social inclusion was confirmed as an important policy priority and a major challenge, and was to include active labour market measures and the VET reform. This is also reflected in the National Action Plan on Employment 2004, which was approved by the Council of Ministers in February 2004. As in 2003, and following the Employment Promotion Act, it outlines the key employment actions for 2004.

In addition to the above policy documents, and with a view to long-term planning, the government adopted the National Employment Strategy (2002–10), inspired by and designed in line with the European Employment Strategy. The main aim for the period 2004 to 2007 is to boost employment, decrease unemployment, and increase the economic activity rate.

The National Advisory Board on Vocational Qualification of the Labour Force has been established. It includes representatives of ministries and other state institutions, employers' organisations, trade unions, and NGOs. Implementation of activities has not begun yet.

The Ministry of Labour and Social Policy (MLSP) has allocated BGN 479.8 million in 2003 for the implementation of active labour market measures and programmes: 71.2% of this budget (BGN 341.6 million) will come from the state, 17.5% (BGN 83.7 million) from the European Union, and 11.3% (BGN 54.5 million) from local, private and other sources. According to MLSP information, in 2003 BGN 138.4 million were actually spent (compared to BGN 80 million in 2002), BGN 131 million of which was for employment programmes and measures including some training, and BGN 7.4 million for adult vocational training (motivation training and vocational training programmes), compared to BGN 2.2 million in 2002.

In 2003 around 30,000 people completed training courses for the unemployed, which is 66% higher than in 2002, but less than the goal for 2003 in the National Action Plan on Employment (72,648). Further efforts will be needed to enhance the implementation of such measures.

Vocational education and training

During 2003 and 2004 the transformation of the former secondary vocational/technical schools (of four-year duration) and technica (five and six-year duration), into vocational schools (four years) and vocational gymnasia (four, five and six years) has been completed. The changes introduced seem to be more a renaming rather than a real change, with no strategy in place to underpin the planning process.

The first series of compulsory State Matriculation Examinations for secondary education (including examinations in Bulgarian language and mathematics) have been postponed to 2006, even though the first intention of the government was to introduce it in 2003. Only those

who have lower than average performance during the course of upper secondary education in Bulgarian literature and mathematics (including in IVET schools) have to sit a final exam.

For students enrolled in VET, the school State Qualification Examinations will be held for the first time at the end of the school year 2003/04 following the national examination programmes for vocational qualification level 2. While each vocational school sets the dates for the practical exams according to its specific conditions, the exams will be conducted according to national standards. It is also the first time in the commission of the examinations that the employers and trade union representatives of the respective branches will be represented. After 2006 vocational graduates will be able to sit State Matriculation Examinations and the State Qualification Examination, which will guarantee access to both the secondary education diploma and vocational qualification.

The modular approach to training was first introduced into VET under Phare in 1995 with the VET Improvement Project (BG 9506, Vocational Education and Training; Education; Research, Science and Technology). The project started in 33 pilot schools offering modular training in 18 professions. During 2003 and 2004 the modular approach was applied in 63 vocational gymnasia, with 288 classes and almost 7,000 students. In autumn 2003 a survey and analysis on the modular approach was carried out with the conclusion being to continue with the system-wide dissemination and implementation of the modular approach for effectiveness and sustainability.

With regard to in-service teacher training for VET, there are some pilot projects under Socrates or Leonardo, but overall teacher training reform has not moved forward. The reform project of the World Bank on general secondary education, including teacher training, was stopped.

The education attainment level for the population in the 25 to 64 age group is characterised by a high percentage of people with higher education (2001: 21.3%, 2002: 21.1%), which is equivalent to the EU average. In 2002, 28.5% (EU average: 35.4%) had at most basic education and 50.4% (EU average: 42.9%) upper secondary education, which is at the same level as in 2001.

Regarding the education structure of the employed (working age population 16+), in 2003 those with secondary education prevailed, accounting for 56% (VET 40.4%, and secondary general education 15.8%). The employed with higher education account for 25.8%, and those with basic or lower education account for 18.2% of the total number of employed. In comparison with 2002, those with secondary education accounted for 55.7% (VET 38.3%, secondary general education 17.4%). The employed with higher education accounted for 23.4%, and those with basic or lower accounted for 20.9%.

The participation in education of students aged five to 14 is close to the EU average (99.2% in 2000, 98.0% in 2002 and 98.2% in 2003). However, there is a substantial difference in participation rates between Bulgaria and EU countries with regard to the 15 to 19 age group. While the net rate for Bulgaria was 70.5% in 2002 and 74.2% in 2003, the EU average is 81.3% ('Education at a Glance OECD Indicators', OECD, 2003).

The number of students enrolled in IVET programmes as a percentage of all students in secondary education has slightly decreased over the years. However, for the school year 2003/04 it remains at the same level as the preceding year (1998/99: 57.8%, 2001/02: 56.3%, 2002/03: 55.7%, 2003/04: 55.8%).

In 2003 a lifelong learning survey was conducted by the Bulgarian National Statistical Institute, as a module of the Labour Force Survey for the second quarter of 2003. The module was included in the survey on the recommendation of Eurostat. According to the survey the total number of the persons aged 15 and over who were participating in at least one form of education (formal, non formal and informal) was 1,329,500 (for the period second quarter of 2002–second quarter of 2003), or 19.9% of the total population of this age. However, almost half of the trainees – 625,800 (47.1%) were aged between 15 and 24, which indicates that the respective part of those reported to participate in education and training were those who were still in the formal education system. Furthermore, there are significant discrepancies between the urban and rural areas. In the cities one in four people participates in a form of education, while in the villages it is only one in 13.

Latest data on continuing vocational training published in May 2004 by the National Statistical Institute¹ demonstrate that only 5.9% of all employed participated in continuing vocational training in 2002. In 2003 the number of employed persons who participated in a state-funded training scheme established by the Employment Promotion Act (in force as of 2002) was 16,064, as compared to 554 the previous year. The above scheme has not yet been fully exploited given its rather recent creation and the still low awareness among the employers of this opportunity.

The Ministry of Education and Science has carried out a survey on the involvement of vocational schools in continuing vocational training. Although precise data is not available as yet, empirical evidence invoked by the Ministry of Education and Science indicates that their number is high.

In 2003 a working group was established, composed of representatives from the Ministry of Education and Science, the Ministry of Labour and Social Policy, the Ministry of Health, the State Agency for Child Protection and 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. The primary objective is to gradually include such children in the education process in all types of schools and kindergartens. As a result, a national action plan for integration of children with special educational needs was approved in December 2003. To support this, a new Department for Educational and Cultural Integration has been created within the Ministry of Education and Science. Also, training for Regional Inspectorates, school directors and teachers was implemented with regard to integrated education and training in kindergartens, basic and secondary general and vocational schools.

In 2002 the Bulgarian government set up a consultative council on the Education of Children from Minority Groups, which consists of experts from the Ministry of Education and Science, the National Council for Ethnicity and Demography (NCED), other state organisations and NGOs. In this context and as a first step the Ministry of Education and Science has developed an education policy for children of minority and ethnic groups, through which Roma children will be integrated into the mainstream education system. In the 2003/04 school year the new position of assistant teacher was introduced, aiming to facilitate the integration of children from minority groups into regular school life. In addition, the Ministry of Education and Science has drafted a proposal for the establishment of a fund for 'Educational Integration of Children and Students from Minority Groups'. The accumulated resources from the state and donor organisations will be utilised to support the de-segregated education of Roma children.

¹ See the link: <http://www.nsi.bg/SocialActivities/Education.htm>

2. KEY PRIORITY AREAS FOR FUTURE ASSISTANCE

In the light of the above, the key priority areas for future assistance, highlighted in the previous year's assessment, remain valid.

- Further dissemination of pilot school activities to a systemic reform level and further upgrading of the quality of initial vocational training. This is to be achieved by providing support targeted in particular at the development both of new training standards based on occupational requirements and a new assessment/certification system. Also in this context, teacher training reform should be considered as a priority, as well as developing close inter-linkages among all activities in the lifelong learning context. In addition, the optimisation process of the vocational school network needs to continue as part of the reform process.
- Further capacity building and VET development at national and regional levels is required. This is to include improved coordination between ministries, in particular, with regard to the policy development work currently under way in initial and continuing vocational training, as well as more active involvement of the social partners and companies in the priority fields of the VET system.
- Taking steps to put into practice the continuing vocational training strategy about to be finalised to increase access to training of the adult population and to contribute to enhancing the skills level of the workforce. This should include 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 of social exclusion. In this context, emphasis should be placed on strengthening public-private partnerships, exploiting the underused potential of formal schools, improving equipment and developing methods for training adults, including wider implementation of the modular and distance learning approaches.