



**YOUNG PEOPLE, MIGRATION AND THE DEMOGRAPHIC CHALLENGE
IN THE WESTERN BALKANS**
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BACKGROUND PAPER¹

**MAKING EDUCATION AND EMPLOYMENT REFORMS WORK FOR
THE YOUNG: IMPROVING EDUCATION, REDUCING SKILLS
MISMATCHES AND EASING LABOUR MARKET ACCESS FOR
YOUNG PEOPLE**

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¹ The responsibility for the views set out in this paper lies with the author. It does not necessarily reflect the official policy or position of the German Federal Foreign Office, the Aspen Institute Germany or the Southeast Europe Association.

MAKING EDUCATION AND EMPLOYMENT REFORMS WORK FOR THE YOUNG

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I. Executive Summary

This conference paper provides background for the discussions focusing on youth and migrations in the Western Balkans – with particular emphasis on the education and employment sectors. The paper provides an account of the current policy and programmatic approaches in addressing the challenges youth of the Western Balkans are faced with. It also proposes the steps towards improving youth-oriented policies and programmes, as well as towards supporting innovative projects and initiatives for the future. Both aspects of the analysis are informed by the lessons from past interventions, the available research findings and the relevant international best practice.

The paper shows how various elements of the wider policy development and implementation context translate into recurring obstacles to achieving specific reform objectives. The highlighted challenges include: (i) externally-driven reform agendas, (ii) the lack of capacity to steer national reforms by the Western Balkan central administrations, including the lack of funding for priorities set outside of the EU-accession agenda, (iii) the narrow approach to public administration reform, which overlooks the sizable pool of public servants across administrations in education, healthcare, social protection and employment sectors, (iv) a high degree of centralisation in the use of EU and other international development partners' funds and no systemic reform efforts aimed at decentralisation broadly speaking, (v) political capture of public institutions, widespread corruptive practices and the lack of implementation of anti-discrimination laws, (vi) the lack of policy learning due to the systemic absence of effectiveness studies of specific policy and programme measures, as well as (vii) the chronic lack of reliable population and administrative data. The policy reform context is further aggravated by the impact of the COVID-19 pandemic.

Within the education sector, one of the long-standing unresolved challenges remains the observed mismatch of the education curricula with the fast-changing labour market needs. Equally persistent challenges are noted in the area of education of disadvantaged children and youth, reinforcing the message about the significant education inequalities observed across the region. Although the pressure to bridge the industry-related skills gap has been prioritized in the short-term, investing in foundational and transversal skills is argued to be key to increasing competitiveness of the Western Balkan economies. Aside from curricular reforms, the paper suggests the need to extend the reform efforts to other education reform strands – to entail stronger support for the improved instructional practices, more targeted programmes in support of disadvantaged children and youth as well as the urgently needed digital transformation and governance reforms across different education levels.

Within the employment sector, common challenges of the Western Balkan six continue to be low levels of labour market participation, high unemployment rates and the less than desired levels of employment. The 'labour gains' of 2019, i.e. significant improvement of a set of labour market indicators across the Western Balkan region, have been lost due to the COVID-19 crisis, which disproportionately affected the disadvantaged categories of working age populations. Due to demographic shrinking and migration of the skilled as well as young workers, the countries of the region should urgently tap into this unused potential – the working age population among the young and disadvantaged. For instance, the number of those not in employment or education and training (NEET) is still two times higher than in the EU, while the number of Roma NEET is twice the size of the NEET for non-Roma in the Western Balkans. Young people see the entry to the labour market, the lack of information about employment opportunities and the lack of career management services as key obstacles to improving their labour market situation. The young of the region look for their first jobs for a long time, they have few opportunities to gain practical knowledge and are broadly left alone in navigating their employment and career options. There are views that a package of well-targeted active labour market policies focusing on youth could offer a solution to the above-mentioned problems.

Although the youth of the region is actively looking to relocate to the more developed countries, the research findings show that they are willing to stay if there is a clear message at home about their

education and employment prospects. This is what differentiates two groups of young people of Southeast Europe depending on whether they are from the EU member states or from the Western Balkans six. Regardless of the high degree of young people's interest to emigrate from the Western Balkans, there is no alternative to further investing in education. It is clear that youth perspectives and experiences need to be put at the centre of policy deliberations and the lack of youth participation in articulation of policies and programmes focusing on youth may be behind the less than optimal results of the youth-related reforms.

II. Introduction

A generational dilemma of today's youth of the Western Balkans is thought to be well summarised by a punch line of the 1981 song of a renowned English punk band the Clash – 'Should I stay or should I go?' Similar to the underlying punk rock philosophy, the Western Balkan youth are thinking about leaving as a statement of protest and an expression of dissatisfaction with the prospects they see for themselves in their native lands. The massive outflow of youth from the region, including of skilled youth, i.e. higher educated, has been perceived as a human capital loss. However, no effective policy solutions to the challenges youth are faced with in the Western Balkans are on the horizon. Is there a way forward?

This paper was commissioned for the purpose of providing background for the upcoming conference focusing on youth and migration in the Western Balkans, with emphasis on the areas of education and employment. The paper assesses the current policy and programmatic approaches addressing the status of youth of the Western Balkans; and it proposes steps towards improving youth-oriented policies and programmes, as well as the steps towards supporting innovative projects and initiatives for the future. Both aspects of the analysis are informed by the lessons from past interventions, the available research findings and the relevant international best practice.

In the first part, the paper discusses a wider context of policy development and implementation of the reforms in two sectors within the Western Balkans. The analysis highlights some of the often-overlooked aspects of the wider context which translate into recurring obstacles to achieving some of the specific education- and employment-related policy and programmes' goals. The two thematic sections that follow draw on the assessment of the current status in the areas of education and employment as presented in the European Commission's Progress Reports (chapters 19 and 26) for the countries of the Western Balkans released in early October 2020. Based on the available research data and the most recent analytical findings, these two sections are used to address a specific set of issues that seem to be the most concerning to the regional youth, including access and quality of education, school-to-work transition and the access to the labour market – from the youth perspective. The youth perspectives are additionally addressed in the last section of the paper in recognition of the region's youth readiness to leave the home countries in search for the more promising life prospects in the countries of the developed West. The paper concludes with a set of recommendations, which are put forward for discussion with the conference participants.

III. A Wider Reform Context

Contextualising the discussion about the domestic reforms in the sectors of education and employment with implications on the status of youth in the Western Balkans requires addressing a set of interrelated and, often, overlooked challenges. Evidence on the reform outcomes of the continuous reforms in the past two to three decades has shown that the overall direction of the reforms has not significantly changed; yet, the most recent EU recommendations for the future actions are strikingly similar to the initial ones. Over years, numerous research and analytical undertakings contributed to the collection of various descriptive statistics and survey findings making it possible to identify, describe and sometimes

explain the factors and root causes of the problems at hand. The progress in making the change happen, however, has not been perceived as satisfactory.

Some of the common challenges characterising the wider context in which education and employment reforms are taking place in the Western Balkans include: (i) externally-driven reform agendas, (ii) the lack of capacity to steer national reforms by Western Balkan central administrations, including the lack of funding for priorities set outside of the EU-accession agenda, (iii) the narrow approach to public administration reform, which overlooks the sizable pool of public servants across administrations in education, healthcare, social protection and employment sectors, (iv) a high degree of centralisation in the use of EU and other donor/international development partners' funds and no systemic reform efforts aimed at decentralisation broadly speaking, (v) political capture of public institutions, widespread corruptive practices and the lack of implementation of anti-discrimination laws, (vi) the lack of policy learning due to the systemic absence of effectiveness studies of specific policy and programme measures, as well as (vii) the chronic lack of reliable population and administrative data.

1. *Although the EU's common body of law does not focus on education, the prospect of EU accession for the countries of the Western Balkans translates into adoption of the reform packages which objectives are aligned with the EU member states' reform ambitions.* Across the Western Balkans, interventions ranging from education and training to employment and social policy are guided and framed by the policy thinking of the EU and its members. Aside from the two negotiating chapters relating to the two observed sectors (chapters 19 and 26), policy learning and, to a great extent, policy transfer takes place within the EU's Open Method for Coordination (OMC). The OMC represents a policy vehicle which creates fora for joint deliberations of the members and non-member states with implications to the policies' development of both sets of the countries. What is more, there is no single donor/international development partner of the Western Balkans since that does not start their own programming of the assistance from the national countries' priorities which are – by and large – governed by their desire to join the EU.
2. *Programming of the EU assistance is critical in steering the national reform efforts in education and employment.* The low level of domestic financing available for development-oriented projects within the education and employment sectors, on the one hand, and the accessibility of the EU funding via the Instrument for Pre-accession, on the other, affect the final shape of the reform agendas in the Western Balkans. The experience has shown that what does not get funded, does not get implemented. In comparison to other donors and development partners (the World Bank, the UN agencies, the Swiss and other bilateral partners), the EU funding in the sectors of education and employment is the most sizable. For this reason, it does not surprise that the reform efforts of the Western Balkan states often focus on the objectives set within the EU assistance programme documents—with little capacity and other funding available for other weak points of these sectors. As a result, instead of pursuing the implementation of the coherent and home-grown reform packages, the Western Balkan states often engage in a patchwork of reforms driven by financing and priorities set outside of their own states and the corresponding specific country contexts.
3. *The degree of 'absorption capacity' of the public administrations of the Western Balkan countries partly results from the centralised approaches and the (narrow) channels used in the provision of the assistance.* The IPA assistance funds are largely channelled through central administrations of the Western Balkan states and, it could be argued, as such, they represent the bottlenecks in the use of assistance funds. This way, already highly centralised institutions managing the sectors of education and employment are further made responsible for the implementation of the large-scale funding; this decreases their already limited capacities and, more importantly, discourages active participation and the leadership role in the reform processes of local administrations and organisations – and reduces the opportunities for wider citizens' participation. At the same time, as the support to the reform of public administration is limited to the central government units (ministries and agencies), it fails to recognise the relevance and the need to support a much larger

administrative network of local institutions. Those include large pools of public servants, such as teachers and healthcare workers. Furthermore, education administration cannot be limited to the ministries, as the executive public bodies placed at the centre – it also includes the technical institutes, advisory councils, a network of regionally spread deconcentrated offices and numerous schools at different levels – from pre-primary, primary to secondary schools and higher education institutions. The management and financing reform of such a large education administration has been mostly left out of the focus of the EU assistance; so far, the focus has been predominantly directed towards the content of learning (curricular reforms, including a heavy emphasis on vocational education and training at secondary level) coupled with support to a set of measures ranging from teacher training and digital literacy to inclusive education, among others.

4. *As the last set of EU Progress Reports for the region has shown, integrity of the education sector is challenged across the Western Balkan six.* There is virtually no Western Balkan country without high-profile cases of corruption in education. In addition to the cases of plagiarism and academic misconduct of other types in higher education institutions, the perception of corruption in education among the youth in the region is high. The results of the 2018-2019 youth survey show that “there are cases where grades and exams are ‘bought’” in view of 80 and 77 percent of the interviewed youth aged 16 to 27 in Serbia and Albania respectively; with 62 percent of young people stating the same in Kosovo, which is the lowest noted score in this survey across the Western Balkans (FES, 2019: 20). The EU assesses that little or no progress was made in the past year with regard to corruption and political interference in education, including the practices of political appointments of the school directors across primary and secondary schools.
5. *There is a long list of actions within the realm of fundamental rights and anti-discriminatory practices requiring urgent consideration.* Advancements in education and employment of the disadvantaged groups across the Western Balkan states are slow. Ever since the ending of the Decade of Roma² Inclusion in 2015, the level of funding and the degree of political commitment for the agenda of Roma inclusion has been on a downward path. The ongoing work of the Roma Education Fund, the institutional legacy of the Decade, as well as the regional initiatives aimed at Roma inclusion will require stronger support. Aside from Roma, the disabled are largely outside of the mainstream public education system while employment of the persons with disabilities remains addressed only on the margin in the region as a whole. Large gender disparities in both education and employment are found in Kosovo where the share of women without upper secondary education is 23.4 percent higher than that of man. Furthermore, in BiH, the laws on equality and anti-discrimination which contain provisions on gender equality in employment, education, training and professional qualification, in practice are rarely enforced.
6. *There is a lack of action in documenting effectiveness of specific reform measures.* Various efforts and valuable lessons from the policy and programmes’ implementation are lost due to insufficient attention given to evaluation. On the one hand, implementing complex policies, such as those in education and employment, often translates in suboptimal results because legislative changes and the production of strategic and related policy documents is rarely accompanied by action planning, costing and financial allocations. The lack of efforts to evaluate the ongoing work *de facto* undermines reforms; collecting lessons about reform measures’ effectiveness should be understood as a part and parcel of the effort to implement them in the first place.³

The policy reform context is further aggravated by the impact of the COVID-19 pandemic. In its recent Western Balkans Regular Economic Report, the World Bank warns about the expected negative short- and long-term impact of the COVID-19 crisis in the sector of education. “All Western Balkan countries

² In this paper, the term Roma covers persons of Roma, Ashkali and Egyptians origin who live in the Western Balkan six.

³ This challenge is not an exclusive feature of the Western Balkan region. In their Education Policy Outlook 2015, the OECD has shown that only ten out of 450 reform measures adopted from 2008 to 2014 were subject to evaluation until the date of the publication of the given report (OECD, 2015).

have responded to disruption in education delivery by introducing various remote teaching modalities. Yet despite prompt action, learning loss will be unavoidable and considerable, disproportionately affecting the disadvantaged” (World Bank, 2020a: 1). The crises exposed the weaknesses of the education systems related to the digital preparedness of the region’s schools and teachers, and has shown that the lack of access to digital resources in the societies of the region will particularly affect children from low-income families, leading to further widening of the achievement gap between the poorest and the richest students (World Bank, 2020a: 8). Unfavourable trends have been recorded in the employment sector as well. In the year 2019, “the unemployment rate dropped to historical lows in the Western Balkans [...], it declined to 13.4 percent, 2.3 pp less than in 2018, with drops in Kosovo and North Macedonia of more than 3.5 percent. In Albania it reached a new low of 11.5 percent; in BiH it fell to 15.5 percent” (World Bank, 2020b: 2). In the same way, the lowest level of youth unemployment in the Western Balkans was recorded right before the crisis. However, these trends are not expected to continue in the times post-COVID-19. The World Bank is calling the Western Balkan governments “not to lose sight of addressing longer-term challenges as acute shortages of labor and skills, and low productivity”, as the post-COVID-19 recovery starts (World Bank, 2020b: 8).

IV. Revisiting the Purpose of Education

In its October 2020 assessment, the European Commission evaluated the progress of the countries of the Western Balkan region against the objectives of the EU negotiation chapter 26 (Education and Culture) in the following way: at an early stage of preparation (BiH, Kosovo), moderately prepared (Albania, North Macedonia) and at a good level of preparation (Montenegro, Serbia)⁴.

a. In the Focus of the Ongoing Education Reforms

One of the long-standing unresolved challenges in the sector of education remains the observed mismatch of the education curricula with the fast-changing labour market needs. For the year 2020, a set of reforms monitored via the EU’s progress reports is principally oriented towards the improved supply of the relevant skills. Specifically, a lion share of the reforms cover a need for an increased relevance of curricular content (with emphasis on the interventions in the area of vocational education and training (VET), often confined to the secondary education level) and a set of institutional reforms (the set up of new institutions in support of the implementation of the national qualifications frameworks, support to the strengthening of the quality assurance systems for higher education institutions and the establishment of sectoral skills commissions or similar inter-sectoral bodies to support the work on occupational and educational standards across different levels of education). Similarly, in its country partnership frameworks for the Western Balkan countries, the World Bank Group sees the closing of the skills gap as both a short-term and long-term priority of the region⁵; it argues that such an approach offers a solution to both productivity and inclusion challenges. In recent years, more attention is given to pre-primary education and the creation of conditions for increased participation of children in early childhood education and care; it remains to be seen if these reform objectives are part of a broader strategic reorientation or a temporary change of focus of the international assistance.

Equally persistent challenges are noted in the area of education of disadvantaged children and youth. Roma children continue to be the most vulnerable and the most disadvantaged minority, often taken as

⁴ European Commission Staff Working Documents for Albania, BiH, Kosovo, Montenegro, North Macedonia and Serbia, released on the 6th of October 2020.

⁵ Country Partnership Frameworks (CPF) represent the format of strategic documents produced by the World Bank Group with an aim to establish agreements with the governments on the priority objectives and type of support to be provided in a four-year period. All Western Balkan countries have CPFs with the World Bank Group.

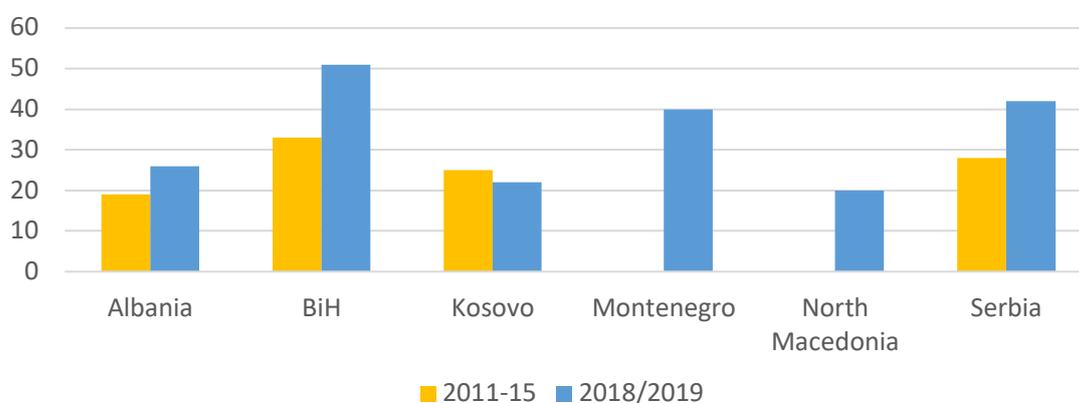
a proxy for the poor in all societies across the region. While the rates of school enrollment of Roma children have started to rise in recent years – a likely legacy of the education work during the Roma Decade – the number of dropouts among these children remains high. A recent Declaration of the Western Balkan Partners on Roma Integration within the EU enlargement process (Poznań Declaration of 2019)⁶ was endorsed by all regional governments, although the operational plans are yet to follow. There is a modest or no progress in education of children with disabilities with particular challenges in Albania, according to the EC. Recent legislation in North Macedonia allowed for the enrollment of disabled children in regular public schools, a practice which was introduced in Serbia ten years ago. More work on expanding access to education and the reduction of school dropout rates of all vulnerable children are urgently needed. The exclusionary pressures within the education systems of the Western Balkan region seem to rise with the more advanced levels of education.

As seen by youth of the Western Balkans, education inequalities and the quality of education provision are the main causes of concern. The findings of a regional youth study carried out in 2018/19 are fully aligned with the EC's above-presented assessment (FES, 2019). The majority of youth in the Western Balkans is not satisfied with either the access to higher levels of education or the quality of education services in the Western Balkans (see Chart 1 below). FES researchers recorded high levels of educational inequalities measured by the odds ratio of educational mobility across the Western Balkans; in other words, they have shown that the parental education levels are significantly correlated with the education levels of their children, indicating a worrying lack of openness of the education systems in the Western Balkan six (FES, 2019). Furthermore, the FES findings have shown that the risk of leaving the education process early is correlated with the parental education status in most South East European countries, with exception of North Macedonia and Serbia. Dropping out of school early is also significantly correlated with the material status of the student's household in all countries except in Kosovo and Macedonia. The FES Youth study demonstrates that the observed differences among countries are not related to their different levels of development, as indicated by the Human Development Indices for these countries, but are assumed to reflect the difference of the national education policies (FES, 2019)⁷.

⁶ The Western Balkan governments have made a pledge to the achievement of the following objectives: (i) in employment: to increase the employment rate of Roma in the public sector to the rate proportional of the participation of Roma in the overall population and to increase the employment rate among Roma to at least 25 percent; and (ii) in education: to increase the enrolment and completion rates of Roma in primary education to 90 percent and the enrolment and completion rates of Roma in secondary education to 50 percent (Poznań Declaration, 2019).

⁷ While FES researchers found interesting the sharp increase of the level of satisfaction with education quality among the youth in BiH, is it not clear where this increase is coming from.

Chart 1: Youth 'satisfied' and 'very satisfied' with quality of education in their countries (share of youth aged 16-27)



Source: FES Youth Study findings for 2011-2015 and 2018/2019; author’s presentation based on the study data.

b. The Missing Perspectives Within the Education Reform Agenda

Setting aside the degree of success of the past reforms, it could be argued that the intended agenda of the recent education sector reforms in the Western Balkans disproportionately emphasizes the role of education as a factor of productivity and economic growth. In the aftermath of the 2008 economic crisis the emphasis of the international development assistance was on the need to revitalize economies; it looked at the education sector as a contributor to the human capital development, an input into building knowledge-based economies. (Public) education, however, has multiple purposes where support to the economy stands for only one of them. A more balanced reform approach is required, the one that would restore the legacy of the pre-1990s, with more attention given to children and youth’s individual developmental needs (a need for personal growth and development) as well as the need for learning through social interactions and socialization (Biesta, 2017). By focusing exclusively on the role of education in terms of contribution it makes to the economy, we reinforce the implicit message that skills which are subject of the reforms are not skills of and for children and youth but for the businesses or labour markets; a message which does not appeal to youth a great deal.

Although the pressure to bridge the skills gap between education and labour markets has been prioritized in the short-term, investing in fundamental knowledge and skills is key to increasing competitiveness of the regional economies. The ongoing reforms are ‘geared’ towards the ‘supply’ of those skills which are changing the fastest as a result of the continued technological advancements. The so-called ‘sectoral’ skills – technical and vocational skills are the most impacted by technology and, thus, have the shortest ‘expiration dates’. As much as these skills are needed, investing in technical and vocational skills alone does not appear as a sustainable strategy for economic and social development in the Western Balkans. A more decisive intervention is needed in support of transversal skills or key competences for lifelong learning⁸, as defined by the EU. The latest findings promoted by the prominent global economic and education policy actors, such as the World Economic Forum and the OECD respectively, suggest that the goals of education need to be set wider; they need to enable the “acquisition of fundamental and advanced cognitive skills; adoption of the so-called transversal or

⁸ In the last revision, the EU defines the key competences for lifelong learning as a set of specific competences, as follows: literacy competence, multilingual competence, mathematical competence and competence in science, technology and engineering, digital competence, personal, social and learning to learn competence, citizenship competence, entrepreneurship competence, and cultural awareness and expression competence.

widely applicable and transferable skills; as well as the development of awareness about the need and of willingness for lifelong learning” (Aleksić, 2019: 6).

For the success of education policy interventions, curricular reforms are essential. However, the reform policy ambitions must not stop there. Policy implementation research has shown the multi-focal nature of the education sector with the need for simultaneous interventions across different education policy ‘strands’ and education levels. In addition to curriculum, education policy implementation requires parallel systemic interventions affecting instructional practices in the classroom (with teacher training as the prioritized type of intervention), targeted programmes for different disadvantaged groups as well as elaborate school management and education system management tools and resources. It further requires a novel approach to managing human resources across the system; in modern times, it also needs to include the digital transformation of the sector.

V. Getting Access to the Labour Market – and to Good Quality Jobs

In its October 2020 assessment, the EC evaluated the progress of the countries of the Western Balkan region against the objectives of the EU negotiation chapter 19 (Social Policy and Employment) in the following way: at an early stage of preparation (Kosovo), at some level of preparation (Albania, BiH, Montenegro), and moderately prepared (North Macedonia, Serbia). Limited progress in this area was recorded for Kosovo and BiH, some progress in the case of Albania, North Macedonia and Serbia, and good progress in Montenegro⁹.

a. Selected Labour Market Indicators and Challenges

Some of the common challenges of the Western Balkan six in the area of employment include low levels of labour market participation, high unemployment rates and less than desired levels of employment among the working age populations. Before the COVID-19 crisis, the year 2019 was seeing the most favourable labour market indicators in the region in recent times (World Bank & WIIW, 2020). For instance, in 2019 the Western Balkans recorded the highest level of employment and a record-low unemployment – a result in which the emigration from the region played an important role; however, due to the COVID-19 crisis, all of these ‘labour gains’ were wiped out already in April 2020 (World Bank, 2020b). Pre-COVID-19 crises, the favourable trends since 2012 until 2019 included the overall increase in labour market participation, particularly in Albania, BiH, North Macedonia and Serbia – due to an increased participation of women in the labour market. As reported by the World Bank and the WIIW, Montenegro and North Macedonia saw an increase in employment that was driven by effective implementation of the active labour market policy measures (mostly in the form of employment subsidies); jobs were created in the service sector in both countries, as well as in industry (in North Macedonia) and construction (in Montenegro) (World Bank & WIIW, 2020).

The demographic situation of the Western Balkan countries is further aggravating an already complex labour market situation. A prolonged trend of shrinking of the working age population in the region continued, with a recorded loss of about 760,000 individuals or 6 percent of the working-age population since the year 2012 (World Bank & WIIW, 2020). This is partly a result of the low birth rates and its flip-side, i.e. population aging (with an exception of Kosovo); it is also associated with the high levels of emigration particularly among the skilled workers and young generations.

⁹ European Commission Staff Working Documents for Albania, BiH, Kosovo, Montenegro, North Macedonia and Serbia, released on the 6th of October 2020.

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Table 1: Unemployment rates and the youth unemployment rates in the Western Balkan six, in percentages (2019 Q2)

Western Balkan six	Unemployment rate	Youth unemployment rate
Albania	11.5	26.7
BiH	15.7	33.8
Kosovo	25.2	49.1
Montenegro	14.3	20.7
North Macedonia	17.5	34.9
Serbia	10.3	24.4

Source: World Bank Group & WIIW, 2020. Author's presentation.

Youth unemployment as well as the high rates of unemployment of the most disadvantaged groups remain a challenge in the sector. In view of the World Bank and WIIW (2020), young people of the Western Balkans as well as different disadvantaged groups represent the 'untapped' potential, i.e. a subsection of working age population to be urgently made a subject of the region's labour market policies – "in order to boost the region's competitiveness" (World Bank & WIIW, 2020: xii). Long-term unemployment of these categories of populations is of particular concern as well as the high level of youth who are neither in employment, nor in education or training (the NEET youth) across the Western Balkans. In the year 2019, with exception of Montenegro, the youth unemployment rate across the Western Balkans was at least two times higher than the overall unemployment rate in these countries (see Table 1). On the other hand, the NEET population for the age group 15 to 24 has been steadily declining since 2012 but is still at a quarter of total regional population in that age group (World Bank & WIIW, 2020); differently put, it is at least two times higher than the EU average for 2019 (10.4 percent). In 2019, NEET population was the lowest in Montenegro and Serbia and the highest in Kosovo (see Table 2). However, the Roma NEET rates are much higher than that. In the year 2017, Roma NEET rates were two times higher than the NEET rates of non-Roma populations in the Western Balkans, i.e. at least two thirds of all Roma aged between 15 to 24 were not either in employment nor in education and training (World Bank Group, 2019).

Table 2: Youth not in employment nor in education and training (2019)

Western Balkan six	NEET population in 2019
Albania	26.6
BiH	21.6
Kosovo	28.5*
Montenegro	16.2
North Macedonia	24
Serbia	16.5

Source: World Bank Group & WIIW, 2020. Author's presentation; *Data for Kosovo is for the year 2018

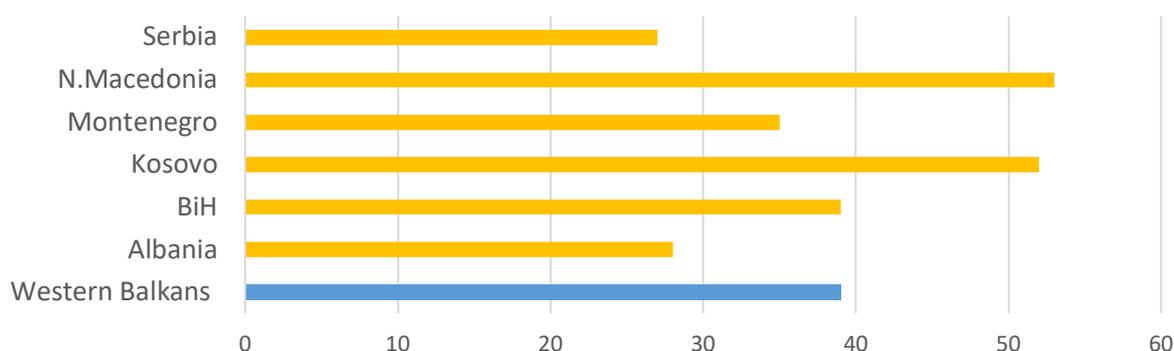
b. On the Needed Labour Market Interventions Focusing on Youth

Access to the labour market, the lack of information about employment opportunities and the lack of career management services are seen by youth as the main barriers to their labour market entry. Among youth in the Western Balkans, it is believed that two leading obstacles to gaining employment include 'knowing the right people' and the shortage of adequate jobs, according to the 2018 Balkan Barometer (RCC, 2020). In 2020, 41 percent of young people believed that the most important asset for finding a job today was having 'personal contacts', while 36 percent believed the main asset was the level of one's qualification/education.

According to this survey report, “the perceived levels of nepotism in hiring are a major cause for concern and indicate that trust in employers, whether private or public, is at a low and must be addressed in a structural manner by the region’s economies” (RCC, 2020: 13). Having personal contacts was perceived as critical in Albania (at 73 percent) as well as in Bosnia and Herzegovina and Serbia (at 57 percent, i.e. at the same level in both countries).

For most youth in the Western Balkans, school-to-work transition lasts too long and leads to discouragement. According to the 2020 Balkan Barometer, about 61 percent of the Western Balkan graduates secured employment within the three years upon completing education and only one quarter found employment within one year following graduation (RCC, 2020). Nearly 40 percent of the respondents was looking for the first job for more than three years (see Chart 2).

Chart 2: Youth who spent more than 3 years between completing education and finding a first job; survey data 2019/2020 (in percentages)



Source: Balkan Barometer 2020, Regional Cooperation Council; authors presentation of the survey data.

Even though there is a broad recognition that formal education alone does not enable young people to acquire practical skills relevant for the labour market, there are not enough opportunities for youth internships and traineeships. According to the FES study of 2018/2019, the share of young persons aged 16-27 who have participated in the “practical aspects of schooling” has increased at a regional level, although it varies across the countries. It is the lowest in Albania (at 21 percent); it is at about a third of youth in this age group in Kosovo and North Macedonia; at about half of youth in this age group in Montenegro and BiH; and at 60 percent in Serbia. No Western Balkan country has developed the regulatory framework on traineeships and the *ad hoc* information about the youth experiences with traineeships have shown the low availability as well as low quality of such opportunities for youth in the region (BOS, 2018).

There is a systemic lack of professional orientation and career services for youth, while the active labour market policies rarely target youth as a stand-alone beneficiary category. Professional orientation and career services both in schools/formal education as well as within the employment-related institutions (local employment services, for instance) are underdeveloped. For instance, in Serbia, two thirds of young people reported never to have used career guidance services (BOS, 2018); similarly, the BOS 2018 report also shows that in Albania there is only limited understanding of the concept of career guidance. Across the Western Balkans, even where career guidance and counseling services exist, they are reported to be of poor quality. Additionally, with rare exceptions (Serbia, for instance), the Western Balkan countries do not use active labour market measures to target youth as a particularly vulnerable group of beneficiaries. Even when those measures exist, they are used at small-scale. Overall, active labour market measures appear to be severely underfunded across the region.

VI. Youth Perspectives – In Perspective

Despite the official rhetoric, youth policies do not appear a top priority for the Western Balkan six. All Western Balkan countries have developed youth-related strategies or legislation targeting youth (for instance, the latter counts for Albania); similarly, across the region, all employment-related strategies include measures dealing with the challenges of school-to-work, as well as those measures in support of developing entrepreneurial skills and start-up opportunities (Belgrade Open School, 2017). All Western Balkan governments recognise the trend of youth emigration and perceive it as a loss to their societies and economies. Yet, youth perspectives and experiences are rarely put at the centre of policy deliberations and the lack of youth participation in articulation of policies and programmes focusing on youth may be behind the less than optimal results of the youth-related reforms.

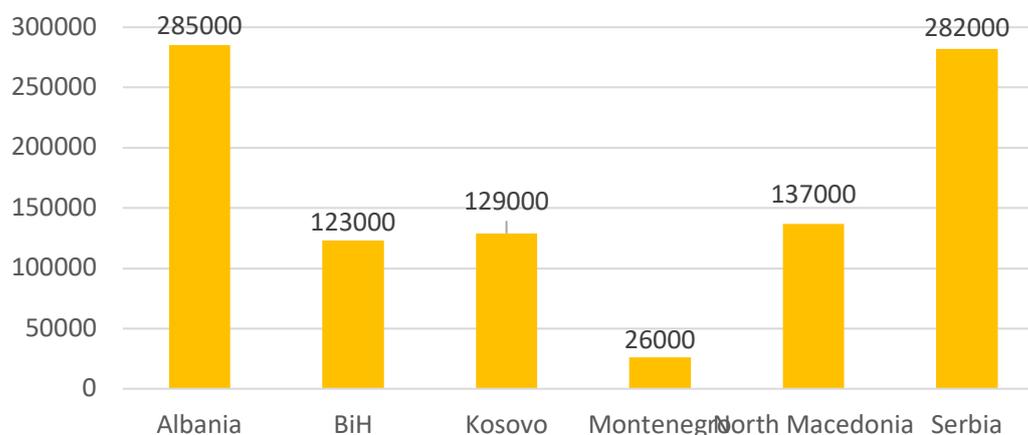
Main drivers for youth emigration from the Western Balkans are rather straightforward – young people have less and less illusions about their life prospects at home, and are leaving for economic reasons. Higher living standards in the destination countries, better prospects of finding employment and the likelihood of earning a higher salary – combined, these are the main reasons for young people to consider emigrating (Lavrič, 2019a). Based on the data from the youth survey in the SEE region, educational reasons follow as the second most important; and Lavrič has shown that those are significantly less important when compared to the economic motives. Furthermore, Jusic and Lavrič (2019) point at the significant negative correlation between “one’s desire to move abroad and level of educational attainment [...] Employment status also matters, as those who are employed are more likely to state that they do not intend to move abroad, while the opposite is true for the unemployed” (Jusic et al., 2019: 74). Similarly, youth who are not in education, employment or training (NEET) are also among those looking more to emigrate (Jusic et al., 2019: 76).

Nearly one million young people in the Western Balkans represent this region’s emigration potential. The most recent data confirms that youth and highly educated individuals are among those most likely to emigrate (World Bank & WIIW, 2020). An emigration potential index constructed based on the 2018 data from the SEE youth survey shows that nearly 20 percent (18% of today’s SEE¹⁰ youth) is “likely to emigrate within the next ten years” (Lavrič, 2019a: 2); in the Western Balkan six, this stands for nearly one million or a total of 982,000 of the young, as shown in the chart below. Lavrič’s contribution to understanding youth emigration potential¹¹ of SEE youth in comparative perspective is of particular significance; he showed that young people from the SEE region’s EU member states (Slovenia, Croatia, Bulgaria and Romania) are less interested in emigrating than the young of the Western Balkans (Albania, BiH, Kosovo, Montenegro, North Macedonia and Serbia). Additionally, his analysis also reveals that the youth wanting to emigrate does not consist only of those with higher education levels, but it includes youth with low education as well (Lavrič, 2019a).

¹⁰ Ten SEE countries include also Croatia, Slovenia, Bulgaria and Romania, in addition to the Western Balkan six countries (Albania, Bosnia and Herzegovina, Kosovo, Montenegro, North Macedonia and Serbia).

¹¹ An assessment of the number of young people in the observed set of SEE countries who displayed a serious likelihood of emigrating according to the six dimensions of the emigration potential; for further methodological details, please consult Lavric (2019a).

Chart 3: Youth emigration potential, the Western Balkans



Source: FES Youth Studies, Lavrič (2019a).

VII. A Way Forward?

The proposed set of recommendations that follows is organised around a set of selected sub-themes, as identified in the previous discussion. The sub-themes include: (i) Improving data for improved planning of reform interventions; (ii) Maximising the use of the available assistance instruments; (iii) Recommended specific interventions in the sector of education; and (iv) Recommended specific interventions in the sector employment. All recommendations are leveraged towards the interventions that might contribute to the improvement of the position of youth in the Western Balkans going forward.

A. Improving data as a basis for more accurate policy and programmes' planning

1. *Making use of the new population census data.* All Western Balkan countries will carry out the population censuses in the year 2021 and will possess up-to-date demographic data (including at the level of generational cohorts), to be used in planning education and employment interventions.
2. *Strengthening the systems for collection of administrative data.* Policies are too often articulated based on survey data as opposed to relying on administrative databases within the two observed sectors. For instance, the Western Balkan countries still do not operate country-wide Education Management and Information Systems, which are essential for the effective management of large and geographically disbursed, multi-level public administration systems.
3. *More qualitative research about youth experiences is needed.* The region has greatly benefited from the long-term commitment of the FES in undertaking regular youth surveys. To complement insights of this and similar studies, there is a need to initiate a set of studies which would use qualitative methods of research in order to increase understanding about a variety of individual experiences and career paths as well as different barriers youth is experiencing in the education process as well as at the entry to the labour market. This is of particular importance for the advancement of the position of the deprived youth, such as Roma, youth with disabilities as well as young women, whose education- and employment-related challenges are greater across the region in comparison to non-Roma, youth with no disabilities and young men.

B. Maximise the use of the available assistance instruments, including the financial ones

1. *Lessons learnt from past interventions should be collected by implementation scholars not only by the project management teams.* There is often not enough time or resources for the effectiveness studies investigating specific programmes and policy measures, putting at risk learning from the funded interventions. Similarly, a results-oriented approach in programming leads to project and programme reporting which focuses on monitoring of isolated variables and how they change over time; the quality of the reform processes, beneficiary participation and satisfaction are not always recorded.
2. *There is a clear momentum for aligning international financial assistance, including plans for supporting youth interventions.* As announced in early October 2020, the European Commission (EC) prepared a new financial perspective which includes the new EU Investment package for the Western Balkan region 2021-2027. Going forward, more funding will be invested in the Human Resources Development sector. At the same time, the World Bank Group (WBG) will be renewing its Country Partnership Frameworks (CPFs), a strategic planning documents reflecting the WBG's agreements on the future assistance. Across the Western Balkans the CPFs are currently about to be revised. It is the right time to address the issue of financing of an emerging youth agenda for the Western Balkans as well.

C. Recommended actions in the sector of education

1. *Advances achieved in the curricular reforms need to be backed up by a set of measures to strengthen governance across different levels of education.* Curricular reform as an ongoing challenge and a continuous reform requires catering for other aspects of work in the sector – those that will enhance implementation success. Ensuring that reforms are implemented consistently across education facilities within a single country requires skills and resources which lack chronically – from managing the system as a whole to managing schools locally. A dialogue on education decentralisation is long overdue as well as the related question of school autonomy and the de-politisation of the education sector.
2. *The COVID-19 crisis has shown that the regional schools, particularly the network of primary and secondary schools, lag in terms of digital transformation.* The temporary solutions devised in the spring of 2020 enabled the completion of the school year 2019/2020, exposing a set of vulnerabilities related to the lack of digital skills among the teachers and parents, the lack of digital resources (from digital content to connectivity issues and the outdated equipment). Although schools most certainly will not be permanently converted into remote teaching facilities, the digital component of the education system development will need to be addressed urgently.
3. *Youth needs to be able to access initial professional orientation and career counselling as a part of the regular school offer.* Career guidance and counselling sits at the intersection of education and employment/employability and will be instrumental to facilitating the young people's transition from school to work. Development of the so-called career management skills should start in schools through the structured offer of services – from general career management skills to specific, such as vocational guidance and counselling.
4. *Regardless of the high degree of young people's interest to emigrate from the region, there is no alternative to further investing in education.* Youth will continue to leave the Western Balkans in search for better standard of life, better quality jobs and more employment opportunities. However, the lessons from Slovenia, Croatia, Bulgaria and Romania (based on the survey finding of FES) have shown that, after the initial youth outflow following the EU membership of the above countries, the youth of those countries is less willing to leave in comparison to the youth of the

Western Balkans six. Gradual improvement of conditions in their home lands and a sense of perspective encourage young people to start planning their lives at home.

D. Recommended actions in the sector of employment

1. *Introducing a set of active labour measures targeting youth as a specific beneficiary group – and securing their stable funding.* Aside from Serbia, no other Western Balkan country has taken the step in this direction. Overall, active labour market policies have been an underused policy measure in the region, although in North Macedonia and Montenegro they resulted in job creation in 2019, according to World Bank Group and the WIIW. As noted earlier, in this region, active labour market measures tend to be funded only at a small-scale – further limiting the potential impact of this type of measures.
2. *Moving fast in mobilising funds aimed at Youth Guarantee schemes across the Western Balkans.* Youth Guarantee has been welcomed by North Macedonia, the only Western Balkan country which uses this model of support to the NEET population via IPA II. This is the type of intervention with proven track record of effectiveness in the EU as well. Within the new financing envelope, the EC will fund similar schemes across the region and this vehicle of youth activation should be used without a delay.
3. *Private businesses as well as public institutions at different levels should be made an active part of the acquisition of practical skills for the young.* All of the Western Balkan countries have been a part of the setup of the dual education systems, often limited by a small and economically weak private sector. In addition to industry-based training, opportunities for practical learning in the form of internships and traineeships should be created for youth broadly speaking. At this time, legislative frameworks need to be improved, to include safeguarding job quality for the young.
4. *More opportunities for entrepreneurial learning and more financing for youth start-ups should also be supported.* Based on the youth surveys in the region, majority of youth is looking for some kind of wage employment in order to get first working experience and to avoid the so-called ‘experience trap’ (BOS, 2017). While jobs in the public sector still appear more appealing to the ones in private sector (Balkan Barometer, 2020), youth entrepreneurship should be encouraged both in terms of skills building and in terms of access to financing.

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