

## EXECUTIVE SUMMARY

During the last years, considerable reforms have been carried out in the Vocational Education and Training (VET) sector of Ukraine. The achievements are mainly connected with decentralisation processes, which is stimulating modernisation of legislative and regulatory framework and revision of funding mechanisms, with the aim of improving internal efficiency of the VET system at both national and regional levels.

These are, for instance, pursuing improving teacher performance, standardising the VET content (development of national competence-based VET standards based on occupational standards elaborated by employers) and implementing innovative educational technologies and methods. The increased use of information and communication technologies, enhancing the flexibility of the VET system through the recognition of non-formal learning outcomes (etc.) <sup>(1)</sup>. further approval of a new VET Law is work in progress.

Nevertheless, the system still suffers from a number of unsolved problems related to different aspects of VET. Analysis of national policy documents, reports produced by the international structures and also at national level, as well as focus groups conducted in this project suggest that the main challenges of the VET system in Ukraine can be formulated as follows:

- Inefficient network of VET institutions accompanied with outdated infrastructure in the majority of the VET institutions (in many schools no improvements have been made for last 30 years);
- Low quality of VET provision, absence of quality assurance system, mismatch with the LM requirements; Overlapping of professions and qualifications; Insufficient provision of training means and materials, lack of practical training;
- Poor VET governance and management at all levels particularly as a result of insufficient understanding of VET system's benefits for the country and for the regions development; Lack of sector coordination; Low level of autonomy for VET institutions;
- Growing lack of quality teaching staff (specifically masters of practical training);
- Insufficient financing of VET, inefficient funding schemes of VET institutions, lack of medium-term budget planning;
- Stable decrease of the students' population (and their enrolment) due to low attractiveness of VET and demographic issues; Ineffective organisation and outdated methods of Vocational Guidance; Lack of sufficiently credible medium-term forecast of the LM needs, at both national and regional levels;
- Fragmentation of the Vocation Education system into "Professional Technical" and "Professional Pre-tertiary".
- Poor motivation of partners to be engaged in any VET processes resulting in weak involvement of the social partners specifically the employers in all components of VET, including development of the contents, provision, evaluation, funding, governance and management;
- Almost complete inaction of the Regional VET Councils.

However, during last year's, many efforts have been made by public education authorities and VET community ,working with ETF in Ukrainian regions, to push forward decentralization as a key driver to introduce sound reforms for modernising vocational education and training (VET) in the country.

Among those, decentralisation of the VET system (transferring the VET institutions and their funding from the national to the regional (community) level <sup>2</sup>. The optimisation of the VET providers' network and rationalisation of the offered qualifications, accompanied with increased relevance of the state and regional orders; strengthening cooperation with the employers and attracting private investments to VET particularly through creation of '*modern educational-practical centres*' and establishment of effective mechanisms for Public-Private Partnership (PPP).

<sup>1</sup> Torino Process Report Ukraine 2016-17. ETF, 2017.

<sup>2</sup> Decentralisation of the funding system was effectively launched in 2016.

According to key figures presented in this report, VET demography and networks is on continuous declining since more than 20 years ago. This trend seems to be continued, as migration and aging population are major issues, as well employment perspectives for youngest cohorts. All this is calling for smart and urgent restructuring of VET networks whilst profiting decentralization to modernize VET system, in order to contribute on the preparation of a highly competitive workforce that meets the current requirements of the labour market, and ensures equal access to vocational education.

However, in the reform of VET networks it will be extremely important to balance regional and sectoral skill approaches for –national- socioeconomic development and matching of skills in the labour market. The gathered evidence informs on disparities among Ukrainian regions, increased migration, over education phenomena and scarce opportunities for employment growth.

The recently drafted Concept paper “Modern Vocational Education: Conceptual Principles of Reforming Vocational Education in Ukraine”, optimisation of the VET providers’ network foresees creation of *multi-profile, multi-level institutions by establishing new ones and reorganising (merging, transforming) the existing institutions that will provide vocational education services, and forming a model of a multifunctional centre of vocational excellence.*

Some characteristics and functions of those centres are proposed in the Concept but in general, there is still a vision to be better build to implement concept of VET Centres of Excellence in Ukraine. The way CoVEs should be established and organised, what schemes of governance, management and funding are the most suitable for country, what shall be the specific role of CoVEs within the national VET system, their goals, objectives, scope of functions, level of autonomy, (etc).

The notion of Centres of Excellence and , in particular, *VET Centres of Excellence* (CoVEs) is widely used around the world and in many countries there are a number of institutions enjoying this title. However, there is no internationally accepted definition of, or a set of criteria for, homologated vision on CoVEs which could more or less acknowledged.

CoVEs mostly refer to a network organisation, comprised of VET institutions, linked together by a public-private partnership, established in different regions of the country, reflecting national priorities in terms of industrial and economic development, therefore tend to have a strong orientation towards technological and innovative sectoral or multi-sectoral training.

They should meet the skill needs of companies and also individuals; provide high quality qualifications via VET and CVT programmes, and may be connected to tertiary education routes; take a variety of different forms and go by a variety of different names such as *industrial training institutes, industrial training centres, industry skills centres or multifunctional centres*. CoVEs can become strategic ambassadors for marketing VET policies and systems laid on the pillars of excellence and innovation, and also initiate (although sometimes *vice versa* – require) optimisation of VET providers’ networks. However, require both *high-level human and financial capacities*.

In this context, CoVEs could be briefly defined as *partnership-based vocational education and training network organisations forming ecosystems of excellence and innovation to provide high-level skilled specialists required in national and international labour markets and for contributing on the development of national and regional economies*<sup>3</sup>.

Analysis of the existing international practices shows that in many countries, VET Centres of Excellence (or similar structures) not only ensure a high (or at least better than country average) level of performance but also considerably contribute to the improvement of the national VET systems particularly through networking with other VET providers, experience sharing, methodological support and introduction of innovations;

Models of CoVEs may vary from country to country, or even within the country and are usually adapted to the regional or local contexts (e.g. social and economic, industrial, etc.). Multi-level (multi-

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<sup>3</sup> Galvin Arribas, J M (2020)

stakeholder) governance is one of the key features of the CoEs which ensures dialogue between different parties, relevance to the regional and national development needs and priorities, and matching the VET offer with the LM demand.

The report introduce a definition on CoVEs and a taxonomy for facilitating policy thinking, dialogue and further learning on how to set up CoVEs. Five possible policy options could be:

- a) To set them up as an independent training provider;
- b) Independent training institutions created from existing provider, which could deploy extended functions;
- c) CoVEs as a part of other training institution;
- d) CoVEs as network organisations for feeding excellence and innovation in VET communities;
- e) CoVEs as multiprofile/sectoral provider.

This typology introduces broad categories as VET Centres of Excellence and Innovation might not always fall under one single category, form and/or type. The taxonomy builds from increased number of examples worldwide of those selected and presented in this paper. Some countries might have more than one modality of implementation. In any case, the issue of *status vs type* of institution might be as crucial as it is also the challenge to feed excellence and innovation dimensions for steering reform of VET institutional networks.

In general, the following models are possible, when the Centre is:

**R-S** – *regional sectoral*, i.e. specialised in one of the main economic sectors of the region and serves the skill/employment needs of this sector for the region,

**R-MP** – *regional multi-profile*, i.e. specialised in several main economic sectors of the region and serves the skill/employment needs of the region,

**IR-S** – *inter-regional sectoral*, i.e. specialised in one economic sector and serves the skill/employment needs of this sector for several regions or the entire country,

**IR-MP** – *inter-regional multi-profile*, i.e. specialised in more than one economic sectors and serves the skill/employment needs of those sectors for several regions or the entire country.

The recommended options attempt to answer particularly the following questions:

***Why should CoEs in Ukraine be established?***

- Based on the best international, as well as national experience and practices, to ensure preparation of highly qualified specialists meeting the requirements of the local, regional and national labour markets;
- Promote introduction of innovations and development in VET;
- Found centres of methodological and professional experience exchange, teacher training and accumulation and transfer of wide range of educational resources to other institutions of the VET system;
- Ensure inclusiveness in education particularly for the adult learners;
- Ensure higher efficiency, targetedness, impact and visibility of the VET reforms through centralisation of investments and concentration of results.

***What should CoEs be in Ukraine?***

A Centre of Excellence and innovation is multifunctional educational institution having a solid material and technological, professional, managerial, teaching and methodological potential for providing high quality initial and continuing, both formal and non-formal vocational education and training for all age groups as well as contributing to, and disseminating, the reforms in the field of VET, thus playing a significant role in satisfying the skill needs of the Labour market and also in harmonious social and economic development of the region(s) and the country, in general.

***What are the key characteristics of the CoEs in Ukraine?***

- The CoEs are institutions with very high quality physical conditions (well refurbished buildings and other facilities), provided with a modern training equipment and furniture, thus ensuring not only high level of teaching/learning environment but also attractiveness for the learners and partners including those representing the business sector;
- They ensure advanced education content and for this purpose are equipped also with modern curricula and programmes fully meeting the requirements of the labour market and the training needs of the partner companies' employees (e.g. for qualification upgrade or re-qualification), with teaching/learning technologies, methodologies, techniques and didactic resources;
- The teaching staff has high proficiency and capacities to ensure effective teaching and learning process according to the requirements of the standards and with purposeful use of the available training equipment and other means; the administrative staff is capable to carry out modern ways of effective and collaborative management;
- The CoEs have internal quality assurance mechanisms (and units) and are subject to systematic external quality evaluation;
- They have capacities (dormitories and/or transportation means) for hosting students from other municipalities and regions as well as invited teachers and other specialists;
- Financial means (from public and private sources) are available for continuous development of the Centres, for the staff (both administration and teachers) training and exchange, for communication means, purchase of new resources, implementation of other necessary activities, e.g. organisation of events, promotion and awareness raising campaigns, provision of surveys, etc.;
- At the same time, the CoEs are legally allowed and fully capable to generate additional income *via* provision of different types of services and activities;
- The CoEs are closely liaised with other VET providers of the region (different forms and mechanisms of liaison are possible) and to each other (preferably also with similar centres in other countries) and compose a platform for information sharing, experience exchange and peer learning.

#### ***What should be legal status of CoE? What can be the CoE management scheme?***

For Ukraine, two options are possible: i) an **independent type** of institution; ii) a **status** awarded to institution(s). For the first option, the CoEs can be established via:

- a) Reorganisation (transformation) of an existing VET institution into a CoE, **or**
- b) Merger of two or more organisations including at least one VET institution, **or**
- c) Acquisition of one or more organisations to, or by a VET institution, **or**
- d) Foundation of a new organisation as a CoE.

For the second option, the scenarios can be:

- a) Awarding CoE status to an existing VET institution, **or**
- b) Awarding CoE status to a group of institutions (including at least one VET institution), clustered (networked) in the framework of an agreement or another type of association, **or**
- c) Foundation of a new institution with CoE status.

A multi-level and multi-stakeholder management is proposed for CoEs in Ukraine. The following managing bodies can be foreseen: the Founder(s), the Governance Board and the Executive Manager (Director, Principal, Head, etc.). Except the State (represented e.g. by the Ministry of Education and Science or by the Government), any natural and/or legal person(s) can also be the founder(s) of the Centre.

The Board of the Centre will be its collegial governance body and will include representatives of different stakeholders, i.e.: Founders; Social partners, nominated by employers and/or their unions and associations, and trade unions; Regional and/or Community authorities; Territorial Employment Service; the Centre's Pedagogical workers; the Centre Students and/or learners, etc.

***How to select the regions where CoEs shall be established, and the institutions which should be reorganised into CoEs? What shall be the selection criteria?***

It is proposed that institutions apply for obtaining the status of CoE or being reorganised into CoE. In this context, establishment (regardless of the formal procedure) of every Centre will be considered as an independent project and every application – as a project proposal. Therefore, selection of the best applicant institutions will be organised on the base of competition, while evaluation of the bids – according with the selection criteria established in advance. This paper recommends 15 selection criteria grouped under the three main clusters: I) Socio-economic profile of the region and selection of the sector(s) of specialisation; II) Institutional characteristics; III) Location, territorial coverage and cooperation. In total, around 90 indicators equipped with sources of verification and weights are proposed for those criteria.

Due to the proposed transition from *centralised* to *networking governance*, different stakeholders will have new roles (e.g. the governmental and regional bodies – in the processes of establishing and management of CoVEs. The private sector representatives – in participating in taking policy decisions and sharing social responsibility; administrators of the CoEs – in business planning, project design and project management, marketing, etc.

These new roles will require specific abilities of the stakeholders and for many of them capacity development and policy learning will be necessary. For this, a training needs assessment against the scope of required competences shall be done, however, such topics as Social partnership in education; Communication, Team work and Negotiations; Policy and Strategy development, implementation, monitoring and evaluation; Inter-sectoral cooperation, etc. should be addressed.

Last but not least, the paper also proposes an overview for understanding major regional patterns and key trends shaping VET sector in the country during last years. Developing analytical approaches is a must for further advisory and/or decision making on how to set up VET Centres of Excellence and Innovation in the country.

In summary, the analytical framework of this report addresses a set of necessary indicators to understand better how to set up CoVEs in the country in 24 Ukrainian regions and supporting policy dialogue. Such dialogue might be implemented working together national, regional, sectoral and provider governance levels, whilst applying effective cooperation with EU and other international stakeholders (donors community) looking at the future.