Strategic Roadmap for Vocational Education and Training in Azerbaijan Republic
1. EXECUTIVE SUMMARY ................................................................. 3
2. GLOBAL TRENDS ........................................................................ 5
3. HIGHLIGHTS ON CURRENT SITUATION ........................................... 8
  3.1. CURRENT STATUS OF VOCATIONAL EDUCATION AND TRAINING SECTOR .................................................. 8
  3.2. SWOT ANALYSIS OF VOCATIONAL EDUCATION AND TRAINING SECTOR ............................................... 10
4. STRATEGIC VISION .................................................................... 11
  4.1. STRATEGIC VISION FOR 2020 .................................................. 11
  4.2. LONG TERM VISION FOR 2025 ............................................... 12
  4.3. ASPIRATIONAL VISION FOR POST 2025 ................................. 14
5. TARGET INDICATORS .................................................................. 16
6. STRATEGIC OBJECTIVES .......................................................... 17
  7.1. STRATEGICTARGET1.INTEGRATE EMPLOYERS WITH VOCATIONAL EDUCATION AND TRAINING SYSTEM ........................................... 18
    7.1.1. Priority 1.1. Building partnership with employers .................. 18
    7.1.2. Priority 1.2. Attract new professional specialists to vocational education system .............. 24
  7.2. STRATEGIC TARGET 2.ESTABLISH STRONG PERFORMANCE BASED FUNDING SYSTEM .......................... 27
    7.2.1. Priority 2.1. Identify additional public, private and international funding sources to ensure future development of vocational education system .... 27
    7.2.2. Priority 2.2. Implement performance based incentive mechanisms ......................... 30
  7.3. STRATEGICTARGET 3.ESTABLISH FOCUSED PROFESSIONAL DEVELOPMENT PROGRAMS ................................................................. 32
    7.3.1. Priority 3.1. Provide vocational adult training and upskilling ........................................ 32
  7.4. STRATEGICTARGET 4. ESTABLISH SECTOR-SPECIFIC PROGRAMS ......................................................... 35
    7.4.1. Priority 4.1. Establish model factories for small and mid-size enterprises and organize the activities of vocational education and training schools so that they are oriented towards the promotion of entrepreneurial mind-set ........................................... 35
    7.4.2. Priority 4.2. Support sectorial needs ........................................ 37
  7.5. STRATEGIC TARGET 5.IMPLEMENT KEY ENABLERS TO REALIZE VOCATIONAL EDUCATION AND TRAINING ASPIRATIONS ......................................................... 38
    7.5.1. Priority 5.1. Recognition of competencies acquired through informal and non-formal schemes ........................................................................ 39
    7.5.2. Priority 5.2. Ensure transparent data monitoring and a single database ..................... 40
8. FINANCING MECHANISMS ........................................................... 43
9. IMPLEMENTATION, MONITORING AND EVALUATION .................. 44
10. ACTION PLAN ............................................................................. 46
1. EXECUTIVE SUMMARY

Based on “Order of the President of the Republic of Azerbaijan on approving “the Main Directions of the strategic roadmap for national economy and its key sectors” and subsequent issues” dated March 16, 2016 No.1987, a work group has been created and appropriate instructions have been given with regard to preparing a strategy and action plan for the development of 11 sectors of Azerbaijan’s economy until 2020, including 8 main and 3 supporting sectors, long-term vision for 2025 and aspirational vision for post 2025 period and, in order to implement those instructions, the Strategic Roadmap for Vocational Education and Training in Azerbaijan Republic (hereinafter referred to as the Strategic Roadmap) has been developed.

By considering global trends available in the sector of vocational education and training, this document has been prepared, building on flexibility and integration principles, with the aim of developing a vocational education system which could prepare skilled workforce based on curriculums that meet the requirements of the labor market.

This document determines the strategic vision for the sector of vocational education and training for 2020, long-term vision for 2025 and aspirational vision for post 2025 period. It also details the targets and priorities to achieve the strategic vision for the sector of vocational education and training for 2020, including appropriate actions with completion dates, main and other responsible entities, expected impacts and implementation mechanisms. The thorough selection and implementation of short-term priorities will build foundation for works to be carried out in the mid to long term. Furthermore, the Strategic Roadmap will serve as a source of information and partnership for private sector representatives at domestic and international levels.

Guided by the main directions of the strategic roadmap for national economy and its key sectors, the following strategic targets have been determined for Azerbaijan’s vocational education and training system for the period until 2020:

- Integrate employers into vocational education and training system;
- Establish a strong performance based financing system;
- Establish targeted vocational development programs;
- Establish sector-specific programs;
- Apply enablers to achieve vocational education and training targets.

While the priorities set for vocational education and training sector will have AZN 6 million direct impact on real GDP, these priorities will lead to AZN 1 billion indirect impact within the framework of other sectors’ priorities. Thus, due to its interrelation with other economic sectors, vocational education and training will play an important role in the realization of the potential of those sectors, and investments made in this sector will result in a multiplying impact on overall economy.

The table below shows the results to be achieved and investments to be required for vocational education and training priorities within the Strategic Roadmap.
Table 1. Required investments and expected results of actions to be taken within the Strategic Roadmap

<table>
<thead>
<tr>
<th>№</th>
<th>Name of priority</th>
<th>GDP impact in real terms (AZN million, 2020)</th>
<th>Employment (full time employees, 2020)</th>
<th>Investment (AZN million)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.1</td>
<td>Build partnership with employers</td>
<td>1</td>
<td>–</td>
<td>165</td>
</tr>
<tr>
<td>1.2</td>
<td>Involve new professional specialists in vocational education system</td>
<td>2</td>
<td>195</td>
<td></td>
</tr>
<tr>
<td>2.1</td>
<td>Identify additional public, private and international financing sources to ensure the future development of vocational education system</td>
<td>2</td>
<td>–</td>
<td>23</td>
</tr>
<tr>
<td>3.1</td>
<td>Provide adult vocational and up skilling courses</td>
<td>1</td>
<td>177</td>
<td>–</td>
</tr>
</tbody>
</table>

**Note 1.** This table shows only the priorities that will require more than AZN 10 million investments and create more than 100 jobs. Other priorities will be the enablers to achieve the expected results.

**Note 2.** These figures have been provided to give an idea of impacts of priorities. Each priority should be analyzed in detail and the figures should be re-confirmed when implementing the actions.
2. GLOBAL TRENDS

Vocational education is of great importance for competitive economy and shaping of a developed society. Local and international institutions as well as responsible entities that determine the directions of economic development in different countries attach special significance to establishing an up-to-date educational system aimed at economic development and social equality.

Four major global trends increase the importance of vocational education and training as a factor for economic productivity. These are globalization, global economic environment, productivity imperatives and increased focus for education for employment.

First, globalization is increasing the connection between economies and as a result it is increasing interest in the comparative performance and efficiency of education systems. Furthermore, increased industry competition among countries in regional and global value chains create requirement for better skilled labor. The global innovation economy rewards those countries with more qualified workforce.

Second, the global economic environment has increased the focus on fundamental economic skills. For some countries, the impact of global economic uncertainty has resulted in lower business confidence, and fewer jobs available. Talent shortages co-exist with high unemployment, driven in part by mismatches between education and the labor market. Particularly in the current global environment, youth unemployment is a critical issue (Exhibit 1), as it depresses economic growth and undermines social stability.

Exhibit 1. Youth unemployment rate between the ages of 15-24 (percent, 2010)

1. In addition, 152 million young people are employed but still living in poverty (surviving on less than 1,25 USD per capita per day).

Source: International Labor Organization, Global Employment Trends
Third, there is an emerging productivity imperative related to economic uncertainty, and increased competition from accessing additional markets. For this purpose, globally governments are focusing on the policy challenges towards increasing the productivity of markets, companies and individuals. Technology works as a catalyst, providing education institutions with the tools to respond to market forces. IT-enabled advances facilitate productivity increase across the teaching and learning model.

Fourth, there is an increasing focus on education for employment to respond to the growing skill gaps and to meet student and employer needs. The growing skill gap is driven in part by mismatches between education and the labor market around quantity, quality and expectation dimensions. For quality, there is often oversupply and undersupply at different levels of degree attainment (primary, secondary or higher qualifications) and/or mix of disciplines (healthcare, technology etc). For quality, there is some employer and student dissatisfaction with employment-related skills and readiness. For expectations, misperceptions about opportunities, what it takes to succeed, or value of degrees lead to uncertainties.

Many nations around the world are implementing relevant legislative and economic reforms to develop vocational education and bring down the employment rates. The reforms carried out in the area of vocational education are aimed at training the potential workforce in line with the requirements of the ever-changing and competitive labor market where small and mid-size enterprises constitute a majority.

Global trends show that students, who are willing to continue their education at higher institutions, prefer finishing secondary school with vocational diplomas. By doing so, along with obtaining secondary school diplomas, they master a profession and assimilate more in-depth knowledge in an area that they desire.

The demand for graduates with international vocational certificates is still high both at local and international levels. Such students have much more chances to work abroad. Using electronic textbooks and simulators makes vocational education more practicable.

Optimizing infrastructural and other spending through public and private sector partnership and increasing efficient use of funds creates new cooperation opportunities in vocational education. Rapidly adapting the relevant curriculums of vocational education to the requirements of the ever changing labor market, matching with the training requirements of employers in a timely manner including retraining of personnel are the main features that are characteristic of the modern vocational education. Moreover, one of the major trends in modern vocational education is to impart business skills to vocational education graduates and, in this way, motivate them to create their own jobs.

Creating vocational education systems that could prepare workforce in accordance with the requirements of labor market is more important or emerging countries. Thus, TIMSS (Trends in International Mathematics and Science Study) scores are on the decline in these countries. Furthermore, improper quality monitoring and evaluation of the system in such countries are the factors that negatively affect education quality.
Recognizing importance of vocational education and training for overall economic development, countries around the world design and execute programs to develop this sector. Apprenticeship is proven to be a successful instrument to make the transition from education to employment easier for low- and medium-skilled graduates and this form of collaboration with the industry represents a huge opportunity for real economic impact.

Global experience signals that there are three key success factors across the VET value chain to design effective interventions. First, successful interventions have better data collection and dissemination to educate stakeholders, build transparency and manage performance. Second, most transformative solutions are those that involve multiple providers and stakeholders working within a particular industry or function. Sector wide collaborations to build industry consensus, share costs, and reduce poaching risk are incentivized.

To improve the attractiveness of vocational training countries are undertaking efforts to incentivize both students and employers to improve system output. Additionally, countries are more and more focusing on efforts to improve community perception of vocational training through marketing campaigns.
3. HIGHLIGHTS ON CURRENT SITUATION

3.1. Current status of vocational education and training sector

**Historical traditions**

Being part of the national education system, the vocational education and training in Azerbaijan has a rich history. A vocational high school in Nakhchivan in 1879, which prepared carpenters and locksmiths, a silk production school in Sheki in 1883, art schools in Gandja in 1884 and in Baku in 1887 were founded; the number of art schools reached 10 in 1914.

Under the Soviet Union, the network of vocational high schools was extended and its material and technical base was improved. In the 1980s, more than 100 thousand students were educated in 300 professions in 185 vocational high schools and, as a result, skilled workforce specialized in various professions was provided for industries, which is a vivid example of the development of this sector.

Developments, which occurred in the social and economic life of the country in late 1980s and early 1990s, affected the evolution of this sector negatively, the material and technical bases of vocational education schools became unserviceable and the vocational education system was facing the risk of total disintegration.

**Frameworks of new vocational education policy**

Since the mid-1990s, more attention has been given to vocational education and a range of targeted actions have been implemented in the direction of its improvement. In accordance with Resolution of the Cabinet of Ministers of Azerbaijan Republic “On actions to improve basic vocational education system” dated 23 August 1996 No.116, vocational high schools that have insufficient material and technical facilities or do not meet up-to-date requirements have been merged or abolished, technical vocational education schools have been granted the status of vocational high schools and vocational lyceums.

Within the framework of “State Program for the development of technical vocational education in Azerbaijan Republic 2007-2012)” approved by Decree of the President of the Republic of Azerbaijan dated July 3, 2007 No. 2282, a range of appropriate actions have been taken and, as a result, the enrolment to vocational education schools has increased. In recent years, the diversification of economy and targeted reforms carried out to ensure the sustainable development of non-oil sector in the country have necessitated the establishment of flexible and market-oriented vocational education system by ensuring the development of value-adding sectors of economy and thereby increasing the demand for competitive and skilled workforce.

As part of targeted actions implemented to ensure the development of Azerbaijan’s vocational education system, in accordance with Decree of the President of the Republic of Azerbaijan “Regarding establishing and ensuring the activities of State Vocational Education Agency under the Ministry of Education of the Republic of Azerbaijan” dated April 20, 2016 No. 869, the State Vocational Education Agency was established under the Ministry of Education of Azerbaijan Republic. The agency carries out the execution and coordination of the state policy of Azerbaijan
Republic in the basic vocational education sector including organizing the activities of basic vocational education institutions. The establishment of the agency is of great importance in terms of the development of vocational education and adaptation to up-to-date standards.

The vocational education system of Azerbaijan consists of basic vocational education institutions (vocational high schools, vocational lyceums and vocational education centers). Currently, the vocational education system of the country comprises 118 educational institutions including 116 public (out of which 109 educational institutions are under the Ministry of Education of Azerbaijan Republic) and 2 private educational institutions. Out of which, 6 institutions are vocational high schools that used to function in Nagorno-Karabakh and regions around it, and currently their activities have been suspended. Around 24 thousand students in 154 professions are educated in the vocational education schools that operate under the Ministry of Education. Education in vocational education institutions is mainly financed by the government and only partly fee-paid.¹

Despite the actions that have been undertaken, there are certain problems available in the vocational education and training system, which is one of the priority areas of the entire education system. Furthermore, while 40-60 percent ² of the secondary school graduates in developed countries are admitted to vocational education schools, in Azerbaijan this figure is less than 11 percent³, which demonstrates weak interest of population in this area of education.

The vocational education and training system in our country is defined by the following characteristic problems:

- Out-of-date and inflexible regulatory framework for basic vocational education;
- Obsolete and unserviceable of material and technical base, and educational equipment;
- Curriculums, textbooks and teaching resources that are not aligned with modern requirements;
- No advanced mechanisms of evaluating and monitoring the performance of vocational education schools;
- The existing management practices in the vocational education system do not fully correspond to the principles of the market economy and the mechanism of its financing from the government budget is not quite efficient;
- Employer organizations are not involved in funding vocational education schools and relevant legal framework is not available;
- Unsatisfactory competency and salaries of personnel working in the vocational education system;
- Weak coordination among vocational education organizations having different forms of ownership;
- Weak vocation-oriented efforts in comprehensive education organizations;
- Graduates do not meet the requirements of the labor market;

¹Source: Ministry of Education of Azerbaijan Republic
²Source: Eurostat
³Source: Ministry of Education of Azerbaijan Republic
- Availability of vocational education schools which educate students on the same professions in parallel;
- A large majority of educational institutions are not used for intended purposes.

Although there is a number of problems in the vocational education and training system, trends that are being observed in the country’s overall economy within the framework of targeted nationwide reforms have set new requirements for vocational education system. The actions undertaken to diversify economy and develop high value-adding non-oil sectors alongside oil and gas industries have increased the demand for competitive and professional workforce. From this point of view, the vocational education and training system is assumed to provide advance workforce training to meet the growing and dynamically changing demand.

### 3.2. SWOT analysis of vocational education and training sector

<table>
<thead>
<tr>
<th>Strengths</th>
<th>Weaknesses</th>
</tr>
</thead>
<tbody>
<tr>
<td>Availability of “State strategy for the development of education in Azerbaijan Republic; Establishment of State Vocational Education Agency under the Ministry of Education of Azerbaijan Republic; Availability of land and other property in the assets of vocational education schools; Availability of vocational standards for hundreds of professions; Availability of various vocational traditions in Azerbaijan.</td>
<td>Obsolete infrastructure, equipment and material and technical base; Out-of-date curriculums, textbooks and teaching resources; Unsatisfactory competency level of teacher personnel; Inefficient management staff in vocational education schools; Insufficient financing for vocational education schools; Unsatisfactory vocation-oriented efforts; Low public image of vocational education; No motivation-based salary system; The requirements of the labor market are not met; Weak coordination with employers; Private sector not involved in education.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Opportunities</th>
<th>Threats</th>
</tr>
</thead>
<tbody>
<tr>
<td>Government’s interest and support in carrying out reforms in the vocational education sector; Determining vocational education as a priority sector in the Strategic Roadmap; Interests of international organizations and financial institutions in the vocational education sector; Support to the vocational education system by private sector through public and private sector partnership; Demand for skilled and competitive workforce in the labor market; State policy aimed at non-oil sector development and economic diversification.</td>
<td>Impact of global economic and financial crisis on the country’s economy; Documents to confirm craft professions are not required at the time of recruitment; Insufficient number of enterprises manufacturing competitive products; Employers do not show interest in cooperation with educational institutions; Weak legal framework for vocational education sector and bureaucratic obstacles; Negative public perception of vocational education does not change; Specific share of SMEs in the country’s economy is not at a desired level; Refugees and misplaced persons reside in the majority of vocational education schools.</td>
</tr>
</tbody>
</table>
4. STRATEGIC VISION

4.1. Strategic vision for 2020

The strategic vision of vocational education and training sector for 2020 is to form a vocational education and training system consisting of pilot and optimized vocational education institutions that will have engineering teacher personnel, curriculums and vocational standards matching with the requirements of the country’s labor market.

Highlights on strategic vision

The strategic targets and priorities specified in this document will be implemented by fully leveraging the existing potential of the country. For this purpose, strategic vision components have been prioritized in the Strategic Roadmap.

Strategic vision for 2020 envisages developing and adopting a law on vocational education in Azerbaijan. The proper optimization of vocational education schools in the country will be carried out. This can be implemented by improving the material and technical base through the shutdown, suspension of activity or merger of the vocational education schools that have weak material and technical base and limited capability to prepare highly qualified workforce as well as by establishing fully equipped new vocational education schools that could meet the requirements of up-to-date standards via learning the best international practices. Furthermore, the specialization of vocational education schools will be implemented and appropriate mechanisms will be developed to attract additional financial and non-financial aid from employers and other external parties to strengthen the existing institution towards creating a developed network of vocational education schools by 2025 and beyond.

In addition, the involvement of private sector in the vocational education and training system will be incentivized as well as a mechanism based on the public-private partnership between the private sector and vocational education institutions will be developed, and this joint cooperation mechanism will be implemented by pilot vocational education schools selected against specified criteria. Such cooperation will support vocational education schools by leveraging the material-technical base and professionals of private sector, will promote high quality performance-based education in vocational education and training schools through curriculums that meet the requirements of employers, increase the integration of graduates into the labor market and drive their productivity.

In order to modernize the training process, the competency of engineering teacher personnel will be improved. For this purpose, the performance assessment of the engineering teacher personnel working at educational institutions will be carried out as well as a variety of relevant projects will be implemented to help them to gain appropriate knowledge and skills. The knowledge and skills of the engineering teacher personnel will be aligned with the needs of the labor market through up skilling and retraining courses.
Alongside formal education (which results in granting a state education certificate), the methodology of recognizing skills (competences) gained by informal (self-study) and non-formal training schemes (various courses, interest groups and private tuition that are not supported by state education certificates) will be prepared. Once the recognition process of such competences has been completed, subsequently, a relevant regulatory framework on the compulsoriness of requiring documents to confirm craft professions at the time of recruitment will be built.

As a result of implementing the above targets, the public perception of the vocational education in the country will be improved, and the graduates of secondary schools will show more interest in this education sector. This will ensure the inclusiveness of vocational education and its broad availability and will involve socially sensitive groups of population in the vocational education. The graduates of vocational education schools will better meet the growing demand in the labor market for competitive and qualified workforce. This will also support the social integration of invalid persons and disabled teenagers by enabling their access to the labor market through mastering various professions.

In general, the impact of vocational education and training priorities are greater than direct and indirect impacts specified herein, and these will be noticeable in other sectors where the graduates of vocational education schools will work. Thus, the major objective of the vocational education and training sector is to sufficiently supply competent workforce to support the priorities that will be implemented in other significant sectors. While the vocational education and training priorities will bring AZN 6 million direct impact on GDP in real terms, they will create AZN 1 billion indirect impact within the initiatives of other sectors’ priorities. As we can see, the vocational education sector interacts with other sectors and plays an important role in the realization of the potentials of those sectors.

4.2. Long term vision for 2025

The long term vision of the vocational education and training in Azerbaijan for 2025 is to form a vocational education system that will prepare qualified workforce based on vocational standards and educational programs (curriculums) matching with the requirements of the labor market, build close partnership with employers from each sector and include functional vocational education and training institutions.

Highlight on long term vision

Based on the experience of pilot vocational education schools which will be established as a result of works carried out within the strategic vision for 2020, new vocational education schools will be built until 2025 within the framework of broad cooperation with employers as well as the infrastructure of the existing vocational education schools will be completely improved.

In this period it is envisaged to adopt National Qualifications Framework and implement it stage by stage. Privileges for the graduates of vocational education schools to continue their studies at higher education institutions will be applied and relevant mechanisms will be developed to ensure that the graduates of vocational education schools who have excellent learning results are admitted to higher education institutions without entrance exams. The recognition of skills (competencies) gained by informal (self-study) and non-formal training (various courses, interest
groups and private tuition that are not supported by state education certificates) will be implemented for certain professions as a pilot project. In case of certain professions that require strict compliance with safety standards or special skills, the compulsoriness of requiring documents to confirm craft professions will be taken into consideration at the time recruitment.

The quality and quantity of vocational education schools will be substantially improved by working closely with prominent employers from various sectors. This full integration of employers with vocational education system will enable vocational education schools to benefit from the practical sectorial experience and to raise more funds. Also, employers will succeed in tailoring vocational training for their needs.

By 2025, the vocational education system will be enabled to establish educational processes that are based on curriculums prepared according to sectorial requirements, promptly respond to dynamically changing requirements of the labor market due to the continual updating of curriculums with the participation of employers, and supply the labor market with competitive and high quality workforce.

The systemized co-operation with employers will also provide opportunities for vocational education schools to upgrade and modernize their equipment while not straining the public budget. Apprenticeship and on the job training will form an integral part of student learning. Teaching resources will be updated according to new curriculums and will reflect the application of new technologies.

Vocational education schools in Azerbaijan will be fully integrated with an online education infrastructure. Students will have access to study materials, have opportunity to attend online seminars and will be able to experiment different production methodologies in e-labs. Vocational education schools will be supported by mobile applications and other types of software. Employers will also be integrated to these systems through which students can look for appropriate job opportunities conveniently over large number of alternatives.

Simultaneously, the strategic vision for 2025 brings to the foreground entrepreneurship development, financial literacy and technological development in vocational education. This will also provide students with the base financial and practical knowledge to enable them to start their businesses. In addition to creating an entrepreneurial mindset, vocational education schools will also organize non-formal education courses for personal development. As a result, this will develop innovation and entrepreneurship mindset that will contribute to the nation’s economy in the long term.

The actions taken in vocational education sector until 2025 will enable to form a new public perception about this sector. As a result of updating vocational education infrastructure and content, eliminating negative perceptions about vocational education schools will ensure that they will be recognized as respected institutions for building up promising career paths. High school students will be better informed about opportunities at vocational education schools, and will have the opportunity to contact with these schools before making their decision on professions to pursue. Similarly, students at vocational education schools will have access to dedicated career advisory services that will help to match their skills with the requirements of employers.
Establishing working relationships between vocational education schools in Azerbaijan and their international counterparts will ensure that education quality is improved.

The enrollment rates of vocational education schools will be improved by 2025. As a result of partnership between employers and vocational education schools, employers will commit to recruit a number of students from these schools every year, which will encourage more students to enroll to those education schools. In addition, an improved graduate database for vocational education schools will be created.

Providing a differentiated funding mechanism to vocational education schools in Azerbaijan will enable fully aligning the material and technical base of well-performing schools with modern standards. Besides, by 2025, a vocational education policy and regulatory framework to support public interests in this area will be developed and the involvement of private sector partners will be more incentivized.

In order to ensure sustainability of the actions envisaged for 2025, the mechanisms to monitor the performance of vocational education schools will be improved. Creating central exams for each vocational area to test technical skills on top of knowledge could also be considered to certify all graduates objectively against the same standards. This way, this exam could be recognized as an indicator of labor skill by employers, increasing the students’ employability.

4.3. Aspirational vision for post 2025

The aspirational vision of vocational education and training system for post 2025 period is to establish a competitive and globally recognized system that would identify and attract potential young talents, and supply the priority sectors with innovative and well-performing labor.

Highlights on aspirational vision

In post 2025 period, the recognition of skills (competencies) gained by informal (self-study) and non-formal training schemes (various courses, interest groups and private tuition that are not supported by state education certificates) will be implemented in the country on a broad scale, and the submittal of documents to confirm craft professions at the time of recruitment will compulsorily be required for all professions that are trained at vocational education schools. Over this period, the profession selection process will be established at comprehensive schools in an efficient manner. From the earlier ages in the primary school, the educational system school counselors will make sure, through targeted observation, that the candidates choose the right vocational education and training schools and programs that would fit them the best. To better familiarize students with potential areas for specialization through first-hand experience, various events and competitions will be organized. The artistic and technical skills of students will be evaluated at early ages as well as educational materials and systems will be digitized.

Azerbaijan will implement an educational process which will result in granting international certificates by vocational education schools. To achieve this goal, high level education and training standards and facilities will be put in place in vocational education schools. Granting international certificates will ensure that vocational education schools apply best world practices in their management systems. International partnerships will be built between vocational
education schools in Azerbaijan and their international counterparts. Increasing education quality and employment options will also bring up the enrollment rates of vocational education schools. An increased competition among vocational education schools will push non-competitive vocational schools out of system, and will help the number and quality of the vocational education schools, which are up to the standards, to reach the optimal levels.

After 2025, employers will be fully integrated into all aspects of vocational education system, from curriculum to financing. Some vocational education schools will start serving more specific needs of employers and will be fully or predominantly financed by private players. Such employers will select their potential employees among students whose education they will fully finance, and they will provide access to their facilities for holding practical classes, start to identify talented students and to provide private scholarships for these students. These developments in employer-vocational school relationships will provide students in Azerbaijan with greater career certainty.

Adult reskilling courses will be integrated with the courses provided by governmental bodies for decreasing unemployment. As a result of these measures, the number of morning to evening classes will increase, resulting in a higher utilization of vocational schools.

By this era, Azerbaijan aspires its vocational schools to become support hubs for entrepreneurial initiatives and creative ideas. Students starting their own ventures will be able to use laboratories at vocational education schools for experiments on different ideas. Vocational education schools will leverage their relationship with industry, and will help successful ideas to find funding and be realized. Constant development of entrepreneurial ideas and close interaction with the industrial centers will spur involving more experienced and knowledgeable teacher personnel in these vocational education schools.
5. TARGET INDICATORS

In 2020, the strategic priorities for vocational education and training sector are estimated to bring AZN 6 million direct GDP impact in real terms and AZN 1 billion indirect impact within the priorities of other sectors.

The below target indicators have been defined for the actions that are envisaged to be taken in the vocational education system until 2020:

- Establish 10 differently specialized pilot vocational education schools within employer partnership;
- Increase the enrollment rate of comprehensive school students at vocational education institutions up to 25 percent;
- Increase the employment rate among graduates of pilot vocational education schools up to 50 percent within 6 months;
- Increase the number of students of vocational education schools by 50 percent;
- Increase the share of students from sensitive population groups in the total number of vocational education students to more than 5 percent;
- Create 195 new jobs in total and 176 directly in vocational education sector by attracting 264 specialists and 176 seconded adjunct teachers to vocational education;
- Double the salaries of teacher personnel at pilot vocational education schools;
- Achieve 17 percent annual increase rate of adult reskilling course attendants.
6. STRATEGIC OBJECTIVES

The strategic objectives for vocational education and training sector include the following:

- Ensure improved regulatory, economic and informational framework for vocational education;
- Form a new positive public perception of vocational education;
- Create an improved management structure for vocational education schools that will be based on public and private sector partnership;
- Establish a streamlined and quantity-wise optimal network of public vocational education schools;
- Increase attractiveness of vocational education system for private sector;
- Form vocational education schools that will have modern infrastructure, technical and educational base;
- Achieve the funding of vocational education system based on new economic models;
- Ensure that curriculums at vocational education schools are updated in line with modern requirements;
- Prepare engineering teacher personnel in vocational education system, which could meet the requirements of the labor market;
- Increase employment rate among the graduates of vocational education schools;
- Include vocational education in priority areas as one of the educational stages
7. STRATEGIC TARGETS

7.1. Strategic target 1. Integrate employers with vocational education and training system

Cooperation with employers is one of the main enablers to modernize the education system of Azerbaijan. It is necessary to involve employers in the vocational education system as one of the key stakeholders, educate workforce in accordance with the requirements of employers and implement public and private sector partnership system. For this purpose, integrating employers into vocational education and training system has been determined as one of the strategic priorities. This priority covers building partnerships at different levels between public and private sector employers and employer unions that operate in various sectors of economy as well as includes relevant actions that will be taken within the framework of this partnership.

7.1.1. Priority 1.1. Building partnership with employers

Rationale

Partnerships between employers and vocational education institutions offer a lot of benefits, from aligning education and instruction with real sector needs to ensuring graduate job placement. Human capital asset has been defined as one of the most important factors in the strategy that aims to diversify the economy and reduce dependence on oil and gas revenues, and the vocational education system could make a significant contribution to this process by preparing qualified and competent workforce.

As is well known, the existing vocational education system of Azerbaijan is a legacy left from the era of former Soviet Union. There was a direct connection in this system between vocational education schools and industrial-commercial enterprises. Thus, in most cases vocational education schools were linked to a single enterprise and that enterprise played the role of a base enterprise which provided industry training and future employment opportunities. In early 90s of the last century, the connections between vocational education schools and base enterprises were broken due to large enterprises losing their traditional markets, social and economic problems that arose in the country and for some other reasons, which, in its turn, resulted in employability problems among the graduates of those vocational education schools and weakened the involvement of the vocational education system in the economy. On the other hand, as a result of the weakened connections between the vocational education system and business sectors and due to their non-businesslike and non-systematic nature, limited employment opportunities for vocational education graduates were one of the causes that reduced the attractiveness of this sector.

The above issues have necessitated the establishment of partnerships between vocational education schools and employers, public and private sector companies. While a number of actions have been taken in order to build partnerships between public-private sector employers and vocational education schools, cooperation opportunities are still limited in certain areas. Both parties can benefit from such partnership by tailoring educational content and training to the needs of employers as a result of extending such cooperation and due to enabling vocational education
schools to prepare skilled workforce to match with the requirements of the labor market (Exhibit 2).

**Exhibit 2. Employer involvement in vocational education system in benchmark countries**

<table>
<thead>
<tr>
<th>Employer involvement VET</th>
<th>Azerbaijan</th>
<th>Australia</th>
<th>United Kingdom</th>
<th>Germany</th>
</tr>
</thead>
<tbody>
<tr>
<td>Collaborate to prepare required programs</td>
<td>✔️</td>
<td>✔️</td>
<td>✔️</td>
<td>✔️</td>
</tr>
<tr>
<td>Select private training companies</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Set specific qualification standards using own needs</td>
<td>✔️</td>
<td>✔️</td>
<td>✔️</td>
<td>✔️</td>
</tr>
<tr>
<td>Shape curriculum by using own employee toolkits</td>
<td>✔️</td>
<td>✔️</td>
<td>✔️</td>
<td>✔️</td>
</tr>
<tr>
<td>Commit to providing apprenticeship opportunities</td>
<td>✔️</td>
<td>✔️</td>
<td>✔️</td>
<td>✔️</td>
</tr>
<tr>
<td>Provide resources, including new and old equipment for vocational education schools</td>
<td>✔️</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Provide ongoing industrial coaching by partnering students with actual employees</td>
<td>✔️</td>
<td>✔️</td>
<td>✔️</td>
<td>✔️</td>
</tr>
<tr>
<td>Regular monitoring student learning / progress</td>
<td>✔️</td>
<td>✔️</td>
<td>✔️</td>
<td>✔️</td>
</tr>
<tr>
<td>Guide student enrollment numbers by giving specific guidance/forecasts into future market/company needs to vocational education schools</td>
<td>✔️</td>
<td>✔️</td>
<td>✔️</td>
<td>✔️</td>
</tr>
</tbody>
</table>

Partnership between vocational education schools and employers can be built at low, medium and high levels of commitment (Exhibit3).
Exhibit 3. Levels of commitment in public-private vocational training partnership

<table>
<thead>
<tr>
<th></th>
<th>Low level of partnership</th>
<th>Mid level of partnership</th>
<th>High level of partnership</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Equipment support</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Providing modern equipment</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td><strong>Curriculum support</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Providing market-driven curriculum and support on curriculum design</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td><strong>Trainer support</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Training teachers and trainers</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>• Providing own employees as additional course instructors</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td><strong>Management support</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Taking the ownership of one school and handling the end to end management</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td><strong>Apprenticeship opportunity</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Facilitating on the job training</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td><strong>Employing graduates</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Guaranteeing uptake of trainees passing courses</td>
<td>✓</td>
<td></td>
<td>✓</td>
</tr>
</tbody>
</table>

Exhibit 4. Incentivizing actions for employers versus partnership levels

<table>
<thead>
<tr>
<th></th>
<th>Low level of partnership</th>
<th>Mid level of partnership</th>
<th>High level of partnership</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Human resources incentives</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Aligning student selection with employer requirements</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>• Provide access to vocational education infrastructure</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>• Prioritizing in graduate recruiting</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td><strong>Managerial incentives</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Offering control of management in vocational education institutions</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td><strong>Legal incentives</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Relaxing apprenticeship law on:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Minimal pay</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>- Employment duration</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td><strong>Financial incentives</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Giving tax breaks</td>
<td>✓</td>
<td></td>
<td>✓</td>
</tr>
<tr>
<td>• Supporting social security insurance for apprenticeship</td>
<td>✓</td>
<td></td>
<td>✓</td>
</tr>
<tr>
<td>• Subsidizing employee training</td>
<td>✓</td>
<td></td>
<td>✓</td>
</tr>
</tbody>
</table>
Global experiences show that depending on the level of commitment, incentives are determined for employers (Exhibit 4). The primary incentive for such cooperation is that employers are provided with a pool of qualified talents. In the short- and long-term, implementing additional incentivizing actions can enable employers to take more interest in partnership with vocational education. Such actions can include financial, legal and other incentives and privileges.

**Actions to be taken**

**Action 1.1.1. Identify strategic employment areas and forecast the demand for workforce**

In the first place, the strategic employment areas as well as the biggest employers inside the country will be identified. To achieve this target, relevant governmental bodies will analyze the market demand by regions in the priority sectors of economy and perform surveys among employers to identify requests for relevant professions. Also, “The Classification of professions in basic vocational education” will be updated according to the existing and forecast requirements of the labor marker.

**Action 1.1.2. Prepare an action plan to study in detail and to optimize the current status of vocational education schools**

The Ministry of Education will study the current status of basic vocational education schools that operate in the country, assess their infrastructure, material and technical base, potential of teaching personnel and, based on the results received, will prepare an action plan aimed at rationalizing and optimizing those educational institutions, ceasing or suspending the operation of certain vocational education schools if deemed necessary as well as at determining the basic vocational education schools that have to be built, and it will also put forward appropriate implementation proposals.

**Action 1.1.3. Implement an optimization process in large industrial centers and in regions**

The rationalization of vocational education network will be carried out based on an action plan within the scope of Action 1.1.2 by merging vocational education schools and creating vocational education centers specialized in certain vocational disciplines. In the first place, the optimization process will be started in large industrial centers such as Baku and Sumgait by merging vocational education schools that provide the same type of education and, similarly, will be completed by optimizing certain vocational education schools located in regions including shutting down unpromising educational institutions and suspending the operation of schools in whose area new vocational education schools will be built in future.

**Action 1.1.4. Establish pilot vocational education schools**

Based on the data obtained through surveys and investigations as required by actions 1.1.1 and 1.1.2, the Ministry of Education will select pilot vocational education schools that will be capable of preparing new skilled workforce for high demand priority areas. In order that the selected pilot vocational education schools may meet the requirements of modern standards and operate in accordance with the demand, they will be refurbished or new vocational education schools will be constructed when appropriate. When building the infrastructure of vocational education schools, proper actions will be taken to provide such facilities that will enable invalid and disable students
to move conveniently. Also, the relevant governmental body will take appropriate actions to resettle refugees and displaced persons, who reside in the premises of the selected pilot vocational education schools, in other residential areas. Proposals to facilitate the increased involvement of private sector in vocational education system will be developed and submitted. Also, proposals will be made with regard to the initiatives to incentivize the involvement of private sector in establishing vocational education schools or in managing public vocational education schools.

**Action 1.1.5. Build mechanisms for the partnership of pilot vocational education schools with employers and develop vocational standards and curriculums**

The implementation of the mechanisms for mutually beneficial cooperation with employers will start from pilot vocational education schools within the scope of Action 1.1.4. To achieve this goal, the Ministry of Education will put forward proposals for making relevant amendments to the existing regulatory framework in order to consolidate and implement mechanisms aimed at stimulating the interest and commitments of partnering employers as well as incentivizing their cooperation.

Considering practices applied in benchmark countries, the interests and commitments of employers as well as the extent of those commitments will be determined within the scope of mechanisms that are based on public-private sector partnership. Depending on the extent of employers' interest and commitment, this partnership will be defined as low, medium or high.

Further-on, by building cooperation with employers and employer unions that represent public and private sectors, the Ministry of Education will create conditions for their partnership with vocational education schools. Within the framework of this partnership, the employers will be incentivized to improve and upgrade the material and technical base of the selected pilot vocational education schools. To ensure that knowledge and skills are taught in line with the requirements of the labor market, relevant governmental bodies will involve employers in preparing appropriate vocational standards, creating relevant educational programs (curriculums) based on those standards, as well as in evaluating the knowledge of students and school-leaving exams. The relevant requirements and recommendations of partnering employers will be taken into consideration when making changes to educational programs (curriculums). On a regular basis, the Ministry of education will carry out mutually coordinated activities with employers to give an impetus to increasing practical training and apprenticeship for vocational education students as well as increasing their employability. This will envisage concluding trilateral apprenticeship agreements between partner companies, vocational education schools and their students. Also, the employers will be incentivized to appoint supervising instructors (mentors) at their companies for the students of vocational education schools who attend practical training.

In addition, in order to ensure the efficient use of technologies and equipment that will be brought in the country in future and to ensure the adequateness of the qualification and skills of the personnel who will operate them, this equipment or its training prototypes or simulators will be provided, first and foremost, to vocational education schools, and if not possible, the mechanisms of training the teacher personnel of vocational education schools at the premises of those
enterprises will be developed. Also, an efficient school management model will be prepared by involving representatives of employer organizations.

**Action 1.1.6. Ensure public awareness about pilot vocational education schools and implement enrolment**

The partnership between vocational education schools and employers will be publicized and communicated to the public via media. The Ministry of Education will also utilize social and other relevant media to deliver to the public such significant information within pilot projects as student enrolment to vocational education schools and relevant professions, opportunities for students to be employed by partner employers etc. In its turn, this will contribute to vocation-oriented work practices. Once the above information is properly delivered, the enrolment to pilot vocational education schools will be implemented. By making appropriate changes to the regulatory framework, the optimal number of classes will be determined to match with market requirements and professions selected by students. In this case, in order to ensure transparency, the admission to the selected vocational education schools will be carried out within the framework of “ASAN Peshe” project at ASAN Xidmet centers

**Action 1.1.7. Organize the monitoring and control of partnership programs**

In order to determine the conformity of educational quality and progress at vocational education schools to the initial requirements specified for the partnership program, a dedicated monitoring system will be implemented. The Ministry of Education will take appropriate actions with regard to deficiencies identified as a result of this monitoring that will be conducted on a regular basis.

**Action 1.1.8. Communicate information on the efficiency of partnership programs to the public**

The Ministry of Education will ensure that information on the progress and effectiveness of the employer partnership program is communicated to the public. For this purpose, the Ministry will perform studies on programs’ effectiveness, and publicize reports reflecting the outcome of these studies. Any deficiencies identified as a result of these studies will be incorporated into the future action plan by the respective government bodies.

**Action 1.1.9. Apply the vocational standards and educational programs (curriculums) of pilot vocational education schools to other vocational education schools**

In order to ensure that the whole vocational education and training system benefits from the successes achieved within the framework of pilot projects, the Ministry will evaluate educational programs (curriculums) and apply them to other vocational education schools, where appropriate.

**Expected results and indicators**

As a result of partnership between employers and pilot vocational education schools, vocational standards and educational programs (curriculums) will be prepared in line with market requirements, graduates’ employment rate will be increased, and this will lay foundation for applying these practices to other vocational education schools in order to ensure that talents are educated with high quality. Moreover, a positive public perception of vocational education will be formed and the number of candidates selecting vocational education will increase.
This priority is estimated to create indirect real GDP increase of AZN 1 million through increased productivity of vocational education graduates and additional employment opportunities.

Until 2020, it is envisaged to organize 10 pilot vocational education schools and to increase employment rate among their graduates up to 50 percent within 6 months. The number of students at the pilot vocational education schools will increase by 50% due to increased employment opportunities. The share of students attracted to vocational education from sensitive groups of population will make more than 5 percent in the total number of vocational education students.

**Required investment**

Estimated AZN 165 million investment is needed for the reconstruction of the selected pilot vocational education schools (construction works, refurbishment and technical facilities) and estimated AZN 150 thousand for new curriculums to be compiled (educational resources, books, including online textbooks).

**Expected risks**

- Employers don’t show interest in cooperation with determining the labor market demand and requests for appropriate professions;
- Unavailability of vocational education schools with satisfactory infrastructure and technical base for pilot projects;
- Failure to enact a relevant regulatory for incentivizing and stimulating employer partnership;
- Insufficient financial resources to optimize vocational education schools and to establish pilot vocational education schools;
- Failure to resettle refugees and displaced persons, residing in the premises of vocational education schools, in other appropriate residential areas.

**7.1.2. Priority 1.2. Attract new professional specialists to vocational education system**

**Rationale**

One of the specific features of the vocational education system is that the combination of teacher personnel’s pedagogical knowledge and practical competence in their profession is of great importance. This requirement makes it difficult to supply the sector with professional teachers. It should be noted that the unavailability of a higher education base to produce master craftsmen is one of the problems in the vocational education sector. The fact that the majority of vocational education teachers are more than 50 years old (Exhibit 5) makes it necessary to replace the teacher personnel of this system with new talents over the next 5-15.4

---

4Source: The Ministry of Education of Azerbaijan Republic
Exhibit 5. Age distribution of trainers in vocational education schools (persons)

Source: the Ministry of Education of Azerbaijan Republic

On the other hand, current trainer salaries in vocational education make it an unattractive option for those looking for full-time jobs. The average monthly salary of vocational education teachers makes AZN 203\(^5\) which is lower than the average salary in Azerbaijan (AZN 444).\(^6\) The above-mentioned factors make it difficult to attract competent talents to vocational education sector. For this reason, supplying the labor market with competent workforce and carrying out educational practices up to high standards necessitates the involvement of employers in educational and training processes. This will ensure that the knowledge and skills of graduates are in line with the requirements of the labor market and quality standards, and that the demand of educational institutions for competent teachers is met. Furthermore, such mutual cooperation enables training for teachers, their upskilling and additional education as well as extends opportunities for knowledge evaluation and application of new technologies. Also, attracting industry professionals ensures that the knowledge and skills acquired by students are based on the latest technology innovations and advanced sectorial information.

Actions to be taken

Action 1.2.1. Carry out an assessment of current teacher personnel in vocational education schools and increase their knowledge and skills

With the aim of identifying the potential and competence level of the current teacher personnel in vocational education schools, the Ministry of Education will conduct a relevant assessment within

\(^5\)Source: The Ministry of Education of Azerbaijan Republic

\(^6\)Source: State Statistical Committee of Azerbaijan Republic
the scope of Action 1.1.2. In the event that the knowledge and skills of teacher personnel does not fully match with the requirements of disciplines included in educational programs (curriculums), up skilling and retraining for that personnel will be take into consideration.

Action 1.2.2. **Determine actions to attract new teacher personnel to vocational education and training process**

The Ministry of Education will undertake appropriate actions to attract highly qualified industry professionals and teacher personnel to the pilot vocational education schools for the priority professions that will be identified based on a survey to be conducted within the scope of Action 1.1.1. For this purpose, this action will establish particular conditions and criteria to select the above teacher personnel, and simultaneously it will identify professional areas that are appropriate for involving industry professionals in the process of vocational education and training as well as determine employers that carry out activities in those professional areas. Further-on, incentivizing and stimulating actions will be taken both for employers and their professionals that will be involved in the educational process. The Ministry of Education will reach out to employers to have their relevant professionals involved in the educational process as teachers (through adjunct or secondment programs in the capacity of trainers for one year).

**Actions 1.2.3. Select new teacher personnel with industry expertise and organize relevant training**

While reaching out to employers for adjunct teachers, the Ministry of Education will make a list of personnel invited from partner employers at its request that are interested in teaching at vocational education schools. The recruitment of new teachers requested will be carried out by means of evaluation against conditions and criteria specified in Action 1.2.2. Once the selection process is completed, relevant training seminars will be provided for these potential teachers in order to ensure that they are familiarized with pedagogical procedures and are prepared for teaching process. For this purpose, the organization of pedagogical evening courses can be envisaged for these teachers. The Ministry of Education will identify opportunities for conducting teacher training seminars and recurrent training at specified intervals, and it will take appropriate actions in this direction.

**Action 1.2.4. Monitor the performance of new teacher personnel**

To ensure the quality of teaching standards, the Ministry of Education will continuously evaluate the performance of teachers attracted from employer organizations. The evaluation will be carried out based on the criteria determined by the Ministry of Education and at regular intervals. Based on the evaluation results, the teachers will be provided with necessary proposals and recommendations. To evaluate the performance of the teaching personnel, student feedback surveys will also be conducted, and based on the results of these surveys, the Ministry of Education may also make changes in the course content and structure.

**Expected results and indicators**

New competent talents having industry expertise will be attracted to the educational process.
This priority will be an enabler for the priority 7.1.1 and it is estimated to have AZN 2 million direct impact on real GDP and also to have certain indirect impact. The estimation of this impact envisages that new teacher personnel that have industry expertise and are attracted to the educational process will be compensated at a rate of AZN 15 per hour. This priority also envisions that 264 industry guests from employer organizations and 176 seconded adjunct teachers will be attracted to the educational process until 2020. As a result, this priority is expected to create 195 new workplaces on the whole, with 175 workplaces created directly in the vocational education sector.

**Required investment**

In order to achieve these impacts, an investment need of AZN 100 thousand is estimated to be required for training adjunct teachers and AZN 150 thousand for the conduct of the assessment.

**Expected risks**

- Low salary levels for engineering teacher personnel in the vocational education system and as a result, challenges of attracting new teachers;
- Employers refuse from providing their employees to be involved in the educational process as teachers.

### 7.2. Strategic target 2. Establish strong performance based funding system

Increased funding will be crucial to ensuring the success of Azerbaijan's vocational education system in the future. Improving the existing vocational education system will contribute to the growth of Azerbaijan's economy. To reach this goal, public, private and international funding sources will be identified, performance-based incentives for vocational education institutions and teachers will be implemented to ensure the efficient use of funds, and strong performance based funding system will be formed.

#### 7.2.1. Priority 2.1. Identify additional public, private and international funding sources to ensure future development of vocational education system

**Rationale**

To ensure that the programs to be implemented in the vocational education and training system of Azerbaijan are successful, it is crucial to match its funding system to modern standards. Education quality in the vocational education system is directly dependent on the extent of funding, which is one of the key enablers in incentivizing teacher personnel as a component part of education and training system, ensuring the alignment of materials and technical base, infrastructure and equipment with up-to-date requirements and resolving other relevant issues flexibly. However, ensuring transparency and efficiency in the funding of the vocational and education system as well as creating an advanced funding management model are also among significant issues.
Currently, the government budget contributes 96 percent of funding for vocational and education system in Azerbaijan. However, the development of regulatory mechanisms related to intended use of funds raised by vocational education schools from non-budgetary sources could be a driver to increase these revenues.

Funding that is based on public-private partnership principles, provided by private sector, supported by international donor and financial organizations, which is widely used in international practices, has been determined as one of the enablers to give an impetus to substantial changes in the vocational education and training system and to stimulate its development. This will also spur reducing the budget burden in financing vocational education system, organizing the activities of vocational education schools based on business principles as well as ensuring high quality and transparency.

**Actions to be taken**

**Action 2.1.1.** Improve the legal framework related to the sales of products and services produced by vocational education schools and assess the production capabilities of selected pilot vocational education schools

To increase the opportunities of attracting non-budgetary funds to vocational education schools, appropriate actions will be undertaken to improve the legal framework relevant to the sales of products and services produced by vocational education schools. Within the scope of Action 1.1.4, the Ministry of Education will make an assessment with respect to analyzing the financial status of the selected pilot vocational education schools, extending the opportunities of non-budgetary funds acquired as well as with regard to the efficient use of governmental funding. During the assessment, it will prepare a profit and loss report based on an analysis which will be aimed at identifying production and service provision areas, increasing non-budgetary revenues in vocational education schools, inventoring land property, equipment material and technical base related to those schools as well as efficient use of the infrastructure existing in educational institutions for production and service purposes.

**Action 2.1.2.** Determine the scope of products and services to be produced by vocational education schools as well as and the minimal standards for those products and services

Based on the results of the assessments to be conducted as specified by Action 2.1.1 and market requirements, the Ministry of Education together with vocational education schools will identify the scope of products and services that are envisaged to be produced by those vocational education schools. In addition, the Ministry of Education will establish the minimal standards for those products and services. Furthermore, in order to create an appropriate infrastructure to provide the specified products and services, the Ministry of Education will carry out works to ensure that the pilot vocational education schools selected within Action 1.1.4 are supplied with necessary technical base and are prepared for operation.

**Action 2.1.3.** Governance and monitoring system for non-budgetary funds

---

7 Source: The Ministry of Education of Azerbaijan republic
With the aim of conducting practical training and raising more non-budgetary funds, the Ministry of Education will develop and implement a transparent governance mechanism to ensure the high quality of products and services produced by ready-made pilot vocational educational schools and to control the revenues that are acquired from the sales of products and services offered, and it will also prepare a system for regular auditing and monitoring of financial outcomes. Integrating vocational education schools, which produce products and services, into a centralized procurement system will enable minimizing procurement costs at those schools. The Ministry of Education will consider establishing a vocational education development fund under its jurisdiction to ensure that revenues and costs are managed in a transparent, efficient and centralized manner and are fairly distributed among vocational education schools.

**Action 2.1.4. Organize the sales of products and services produced by vocational education schools**

The sales of products and services produced by the vocational education schools will be organized accordingly. To encourage the sales of these products and services at initial stages, the Ministry of Education and then other public enterprises and organizations will be their first buyers. The Ministry of Education will upgrade its procurement system and reflect the production capabilities of vocational education schools in its system. In addition, the trademark (brand) of products and services produced by vocational education schools will be created and, in order to deliver these products to private companies and mass market, actions will be taken to hold annual sales exhibitions and thereby increase non-budgetary revenues.

**Action 2.1.5. Evaluate production activities in vocational education schools that are carried out for sales purposes**

The relevant governmental body will evaluate the activities aimed at producing and selling products and services provided by the pilot vocational education schools. Based on the evaluation results, the Ministry of Education can incorporate amendments and changes into the program’s structure. The Ministry of Education will then consider possibilities for expanding the program beyond the selected pilot schools.

**Action 2.1.6. Identify alternative financing sources**

The Ministry of Education will prepare budget required to help the vocational education schools to reach the specified targets, and, with the participation of the vocational education schools, employers and international organizations, it will identify best international practices related to alternative sources of funding. The Ministry of Education will prepare and approve a regulatory document that will envisage granting special privileges or applying incentivizing and stimulating mechanisms for the non-public funding of vocational education schools. Exploring opportunities for the funding of vocational education schools by employers will be carried out based on the mechanisms specified in Strategic Priority 1. In addition, the Ministry of Economy will explore opportunities for involving international organizations such as European Union, World Bank and UNESCO in the funding of several specific areas such as management and organization of training for teacher personnel and preparation of educational programs (curriculums).

**Expected results and indicators**
This priority is expected to have AZN 2 million impact on the GDP increase in real terms. This impact reflects the additional funds earned by the pilot vocational education schools due to sales of products and services as a result of these action steps.

**Key performance indicators:**

- Ensure that at least 65 percent of vocational education schools participate in the program and these schools on average generate an additional AZN 105 annual profit per student;
- The amount of funding per student is expected to go up by 20% in vocational schools.

**Required investment**

Full realization of this priority is estimated to require AZN 23 million investment in the vocational education system including: inventorying land property, equipment and technical base; carrying out profit and loss analysis based on studying the efficient use of the existing infrastructure for production and service provision in vocational education schools; creating an appropriate infrastructure for the production of products and service; integrating into a single centralized procurement system; establishing a vocational education development fund; creating a trademark (brand) for selling products and services produced by vocational education schools; organizing sales exhibitions and involving international experts to identify best international practices related to alternative financing; organizing visits.

**Expected risks**

- No appropriate regulatory framework enacted for raising non-budgetary funds;
- No production infrastructure created for vocational education schools;
- Challenges of selling products that will be manufactured;
- Transparency and efficiency in the management of non-budgetary funds is not ensured;
- Additional funds are not raised for vocational education system.

7.2.2. **Priority 2.2. Implement performance based incentive mechanisms**

**Rationale**

Currently, the majority of vocational education students benefit from appropriate opportunities offered by vocational education and training system. Thus, students, who get a free vocational education, are offered government scholarships in the amount of about AZN 38. Regardless of other criteria, this factor makes vocational education attractive to some students. These scholarships, however, are not linked to outcomes and enrollment only is enough for receiving this scholarships. Also, when scholarships are being allocated, the performance indicators of these vocational education schools and those of students educated and trained at those schools are not taken into account. Therefore, one of the major objectives is to establish a performance-based scholarship system in order to increase the impact of government scholarships on the development of vocational education system.
The performance of vocational education schools is evaluated without considering key performance indicators and each one receives some predefined amount of funds from the government budget. Such evaluation result in lack of competition among vocational education schools and decrease of overall vocational education quality. Thus, it becomes impossible to differentiate well-performing schools from others. Once of the main reasons is that a regulatory framework for funding based on the key performance indicators of vocational education schools is not available.

Considering the above-mentioned, it is necessary to carry out reforms in the mechanisms of financing vocational education system from the government budget. To align with modern requirements, the enactment of an improved regulatory and legal framework is one of the critical tasks which will enable creating a differentiated funding system based on key performance indicators, using the government budget efficiently, developing mechanisms for the targeted funding of well-performing vocational education enterprises.

**Actions to be taken**

**Action 2.2.1.Determine key performance indicators for vocational education schools**

Considering specialization areas, the Ministry of Education will develop relevant key performance indicators for vocational education schools (such as employment rates of graduates, evaluation points, competency of teacher personnel etc) for the purpose of their performance evaluation. These indicators will be prepared and accepted based on joint discussions by considering the overall interests and feedbacks of students and vocational education schools. Once the indicators have been determined, vocational education schools will be informed accordingly.

**Action 2.2.2.Establish performance based funding system**

By consulting with interested parties, the relevant government body will prepare proposals with respect to making amendments to funding and scholarship mechanisms in the regulatory framework in order to implement a performance-based funding system. Once relevant amendments to the regulatory framework have been made, the funding of vocational education system will be implemented by using performance-based funding system. This funding system will comprise two elements: base element performance element. The base element envisages that vocational education schools are paid for time, material and basic costs. As for the performance element, payment will be made at the expense of funds accumulated in Vocational Education Development Fund which will be established within the scope of Action 2.1.3 as well as through additional governmental financial support to ensure further increase of quality indicators in vocational education schools whose key performance indicators are high, as specified in Action 2.2.1. These funds will be spent to cover the salaries of well-performing teacher personnel, student scholarships and other significant costs.

**Action 2.2.3. Monitor the performance-based funding system continuously**

To ensure that data on key performance indicators are appropriately gathered and analyzed, the Ministry of Education will establish a database. At the same time, it will establish a dedicated verification process to ensure the accuracy of the data gathered from vocational education
Based on the data gathered, the Ministry of Education will prepare an appropriate mechanism for ranking vocational education schools, and, along with identifying under-performing schools, this will enable establishing support mechanisms for under-performing schools. Funding will be implemented based on key performance indicators in accordance with the ranking of vocational education schools. The Ministry of Education will carry out a continuous monitoring of the performance-based funding system. Finally, the Ministry of Education will prepare and implement public communication for the results of the works performed under this action step.

**Expected results and indicators**

The implementation of performance-based incentive mechanisms will be a key enabler for increasing the quality of education, and productivity of vocational education graduates respectively. Performance based incentive mechanisms will be key enablers for success of strategic priorities and thus do not have a direct GDP or employment impact. As a result of implanting the new mechanisms, it is expected to double the number of teacher personnel in vocational education schools.

**Required investment**

This priority will not require considerable investments.

**Expected risks**

- Proposals for making amendments to the regulatory framework to implement a performance based funding system are not accepted;
- Data on evaluation of vocational education schools are not accurate and transparent.

### 7.3. Strategic target 3. Establish focused professional development programs

#### 7.3.1. Priority 3.1. Provide vocational adult training and upskilling

**Rationale**

Being a component part of lifelong education system, adult education (for persons who are above the age of majority, live an independent life and mostly pursue a profession) is an educational process which ensures that population can adequately and flexibly adapt to dynamic changes that take place in society and economy.

In this modern era, the rapid development of science and technologies makes the best part of knowledge out of date in a short time and results in many professions becoming obsolete. It is well-known that the cause of unemployment does not only lies in lack of working places but it also depends on the fact that the vocational education background and skills of jobless persons and job-seekers do not match with the requirements of the labor market.

Currently, vocational training for unemployed persons and reskilling to help them enter the labor market are not provided in a streamlined manner. Typically, for the reason that job-seekers cannot fully realize their vocational potentials in the labor market, they have some difficulties finding jobs. Such situation, in its turn, results in the shortage of competent workforce in the priority professions
of the labor market. On the other hand, the fact that the professional knowledge and skills of employed people do not meet the requirements of modern standards causes low labor productivity, failure to launch high quality products, works and services into the marketplace, which ultimately lowers the competitiveness of national economy.

Nowadays, it is crucial to carry out trainings to develop business activities among population and improve skills related to the application of modern information technologies. At the same time, globalizing and integration with the world economy sets new requirements before the country’s population. In the first place, this should be accompanied by the adaptation of population’s education level to international standards, correct understanding of democratic values and their use in everyday life and compliance with the “lifelong learning concept” to ensure sustainable competitiveness.

**Exhibit 6. Current availability of vocational education schools and additional potential**

Currently vocational education schools work half day and the potential of educational and training base at these schools is not used to the full extent (exhibit6). To ensure that job-seekers and other persons acquire new skills, adult training by using the base of vocational education schools, organization of reskilling and up skilling courses are of great importance. This will enable decreasing unemployment level, increasing workforce professionalism and competency in the labor market as well as increasing opportunities for personal development of the population.

**Actions to be taken**

**Action 3.1.1. Establish appropriate legal framework for adult training and up skilling courses in vocational education schools**

Having been consulted on making necessary amendments to the regulatory framework with respect to organizing adult education and up skilling courses, relevant governmental bodies will
prepare appropriate proposals aimed at establishing a liberal and democratic legislative framework to regulate the vocational education sector in a streamlined manner.

**Action 3.1.2. Hold discussions with interested parties regarding the organization of adult education and up skilling courses**

The Ministry of Education together with relevant governmental bodies and employers will determine opportunities for the organization of adult education and up skilling courses in priority sectors where there is a demand for such courses, mechanisms to incentivize training investments from companies and organizations, governmental compensation of costs related to the participation of poor and low-income persons in the courses, and it will implement the compilation of education programs (curriculums) for those courses, selection of appropriate teacher personnel and organization of their additional training when appropriate.

**Action 3.1.3. Prepare mechanisms to organize adult education and up skilling courses**

Basing on data obtained as a result of studies, discussions carried out and changes made to the regulatory framework, the Ministry of Education will prepare a mechanism to organize adult education and up skilling courses in vocational education schools. Within this mechanism, it will organize boot-camp reskilling courses for professions that are most needed in the labor market, refresher courses to up skill employed persons and to extend opportunities for personal development as well as training courses for different groups of population to acquire certain skills (computer, languages, sewing, weaving, locksmith’s trade, welding etc). The relevant governmental bodies will prepare educational programs (curriculums) for the above courses in cooperation with the private sector. Recourse centers for adult education (for profession-oriented, informational, educational, promotional and other functions) will be established.

**Action 3.1.4. Organize the monitoring of courses’ quality**

The Ministry of Education will establish a database and improve statistical process to gather data and evaluate the current situation in the educational system in a streamlined manner with the aim of ensuring the monitoring of training courses, increasing quality and sustainability. In addition, the Ministry of Education will perform works to ensure that similar courses are expanded to other vocational education schools all around the country.

**Expected results and indicators**

This priority is estimated to have AZN 1 million impact on GDP increase. The impact reflects the amount of expected spending by adults and public institutions on reskilling courses, with the assumption of AZN 400 average attendance fee. The number of attendants of adult courses will increase at a rate of 17% a year till 2020. Overall, this priority is expected to create 177 new workplaces, including 140 new direct workplaces in educational sector.

**Required investment**

This priority is estimated to require AZN 300 thousand to develop curriculums (teaching resources, textbooks including online books) that will be used in adult training courses.
Expected risks

- Weak cooperation among organizations for the implementation of adult education mechanisms;
- Weak interest of adults in adult training courses;
- Unavailability of relevant funding;
- Inaccuracy and non-transparency of data gathered for quality monitoring.

7.4. Strategic target 4. Establish sector-specific programs

Within the framework of “The main directions of strategic roadmap for the development of economy and its key sectors” it is crucial to increase workforce competency level through educational initiatives to implement specified priorities for the majority of sectors. When appropriate, the vocational education system will be a partner to these sector-specific priorities, including establishing a model factory for small and midsize enterprises (SMEs); growing the agriculture sector through increased education offerings at the university, vocational education and informational advisory services levels; expanding the Banking Academy to better serve the financial services sector; increasing the number of qualified tourism graduates; and increasing computer literacy of businesses and other priorities.

7.4.1. Priority 4.1. Establish model factories for small and mid-size enterprises and organize the activities of vocational education and training schools so that they are oriented towards the promotion of entrepreneurial mind-set

Rationale

Based upon “The strategic roadmap for the production of consumer goods at the level of small and mid-size enterprises” and with the aim of helping small and mid-size enterprises (SMEs) to meet their demand for qualified, skilled and ever improving labor resources, it is envisaged to organize activities in two major directions (establishment of a model factory and promotion of entrepreneurial mind-set). The realization of these activity directions also necessitates implementing relevant actions in the vocational education system.

Real time on the job training and practice-based training are preferred at model factories, which complements theoretical knowledge with more practical exercises. To support supplying SMEs with highly qualified workforce, it is crucial that the educational needs for different professions are identified correctly within the framework of cooperation between vocational education schools and model factories; educational programs (curriculums) that are based on experimental training and practices to match with these needs are prepared; and students are provided with practical training and evaluation in a variety of professions to foster qualified workforce.

Imparting entrepreneurial knowledge and skills in students from early ages, using educational methods aimed at forming business-oriented non-standard thinking and different approaches as well as developing the skills of adults will create favorable conditions for promoting entrepreneurial activities. In this light, it is possible to enable mastering appropriate skills to increase the employment rate of graduates, start up own businesses and to be engaged in entrepreneurial activities by including “Entrepreneurial Module”, which is one of the links in educational chain as
well as in all educational programs (curriculums) as their component part aimed at promoting entrepreneurial mind-set.

**Actions to be taken**

**Action 4.1.1. Build cooperation between vocational education schools and model factories**

The vocational education system will take an active part in selecting relevant sectorial areas of economy and respective skills for the model factories to be established in industrial zones, identifying educational and training needs for those sectorial areas, establishing appropriate educational programs to meet those needs, determining the technical base and equipment to be used in trainings that will be based on educational programs. At the same time, in order to supply the labor market with highly qualified workforce as well as for evaluating their knowledge and skills, vocational education schools will extensively use the capabilities of model factories, within the framework of their cooperation with model factories, to organize industrial training and practices for their students who learn different professions. SMEs will give preference to employing the graduates that have passed practical training in model factories.

**Action 4.1.2. Promote entrepreneurial mind-set in vocational education system**

Training and educational programs (curriculums) will be developed for different competences in cooperation with SMEs for the purpose of forming an entrepreneurial mind-set among students in the vocational education system, imparting non-standard approaches and entrepreneurial skills as well as providing relevant theoretical and practical knowledge for student who intend to start up their own businesses. Entrepreneurship will be promoted in practical classes by organizing meetings with successful businessmen. The retraining of teacher personnel in charge of teaching Entrepreneurial Model as well as the evaluation of entrepreneurship knowledge and skills of students will be implemented with the involvement of SME representatives.

Establishing model factories for SMEs is defined in more detail in priority 4.2 of “Strategic roadmap for the production of consumer goods at the level of small and mid-size enterprises”.

**Expected results and indicators**

Here only the amount the model factory would charge the companies for trainings to sustain model factory’s own operating costs is considered as the driver of additional GDP creation. Other impacts on GDP and companies are described in the document “Strategic roadmap for the production of consumer goods at the level of small and mid-size enterprises”.

**Required investment**

AZN 50 thousand investment is estimated to be required for the retraining of teacher personnel in charge of teaching Entrepreneurial Module.

**Expected risks**

- No cooperation with vocational education schools when organizing model factories;
- Appropriate opportunities are not created for the apprenticeship and training of students in model factories;
Businessmen do not show interest in contributing to the process of teaching the entrepreneurship program.

7.4.2. Priority 4.2. Support sectorial needs

Rationale

Vocational education schools will undertake appropriate actions to prepare highly qualified workforce for the priority sectors (agriculture, financial services, tourism, telecommunications, utility services, heavy industry and machinery manufacturing). The implementation of actions for the selected sectors will require a relevant regulatory framework, infrastructure, advanced educational curriculums and coordinated efforts of engineering teacher personnel. Based on the above conditions, the establishment of modern pilot vocational education schools will require preparing professional workforce to meet the requirements of the labor market for the priority areas of the country’s economy. The activities of these vocational education schools will be directly aimed at fulfilling the requirements of the enterprises, which operate in the priority areas of economy, for qualified workforce. By considering the great importance of qualified labor to foster the future development of economy, works will be performed to strengthen continuous coordination between vocational education schools and selected sectors.

Actions to be taken

Action 4.2.1. Support alignment with overall sectorial requirements

Vocational education schools will implement preparing highly qualified workforce in accordance with relevant sectorial requirements. Considering current sectorial development trends in Azerbaijan and worldwide, relevant governmental bodies will develop the vocational standards for new professions in demand, include those professions “Classification of professions in basic vocational education” and, in cooperation with international organizations, they will prepare new educational programs (curriculums) based on the modules that are required by the labor market. They will ensure that highly qualified industry professional from relevant sectors are attracted to vocational education schools on an adjunct basis and apprenticeship in selected sectorial enterprises is organized.

Action 4.2.2. Support alignment with sector-specific requirements

Agricultural sector: To promote agricultural vocational education, meetings with successful farmers will be held, and also field trips to advanced and exemplary agricultural enterprises will be organized.

Tourism sector: Considering that language communication skills are required for tourists visiting the country, actions such as organizing appropriate foreign language and tourism courses in vocational education schools located in recreational zones, including other relevant actions, will be implemented.

Telecommunications sector: Considering the rapid development of information and telecommunications sector and the necessity for a wide use of this sectorial knowledge in all other areas, an educational process, which envisages granting international certificates (Microsoft,
Cisco, Autodesk etc), will be organized in “IT STEP ACADEMY” that will operate on the base of vocational education schools preparing talents in accordance with international standards.

**Industrial and machine manufacturing sector:** Vocational education schools together with the existing large industrial machine manufacturing enterprises will develop and implement a mechanism for dual vocational education system (“dual study”) for professions in demand.

In addition to the above actions, relevant sectorial strategic roadmaps describe the role of vocational education schools in other sectors.

**Expected results and indicators**

Although this priority does not have distinct direct impact on the GDP of Azerbaijan, it is estimated to help to reveal AZN 1 billion GDP in the other sectors. Moreover, by supporting other sectorial needs through higher quality vocational education measures, this priority may be able to increase the skills of graduates of university and vocational schools from semi-skilled to skilled labor. This priority will result in an increase in the productivity of the labor force and, ultimately, in higher efficiency and competitiveness of companies operating in Azerbaijan.

**Required investment**

Developing new curriculums (teaching resources, textbooks including online books) is estimated to require AZN 1.5 million investment.

**Expected risks**

- No relevant regulatory and legal framework enacted to promote cooperation between enterprises operating in the selected sectors and vocational education schools;
- Enterprises do not provide apprenticeship opportunities for vocational school students;
- Vocational standards are not determined for the selected sectors;
- Insufficient support from enterprises in preparing educational programs (curriculums);
- Students are not provided with employment.

7.5. **Strategic target 5. Implement key enablers to realize vocational education and training aspirations**

Development of vocational education is considered to be one of the significant action steps to be taken in the direction of meeting the country’s demand for qualified workforce. In this direction, the establishment of a database for vocational education, recognition of competencies acquired through informal and non-formal schemes and subsequently the compulsoriness of requiring the documents to confirm craft professions at the time of recruitment are among important features that will give an impetus to the rapid development of vocational education. The employers that do not require documents proving craft professions and failure to execute the mechanisms of recognizing the competencies acquired through informal and non-formal methods slow down the development of the country’s vocational education. This situation is being observed at large companies that are expected to ensure high quality and SMEs that use wage labor. As one of the key indicators confirming the quality, the requirement for submittal of documents to prove craft
professions is one of the main reforms that will positively change the public perception of vocational education on the whole. Currently, little information on Azerbaijan's vocational education system is collected and made publicly available. In addition, what is available is spread across multiple platforms, forcing potential students to sift through several sources to find information that can help them choose between education providers. It should also be noted that many countries around the world provide varying levels of data transparency to not only inform the public but also entice more students to pursue jobs in in-demand trades.

7.5.1. Priority 5.1. Recognition of competencies acquired through informal and non-formal schemes

Rationale.

Beyond formal lifelong education, people acquire certain skills and competences (knowledge of foreign languages, ICT, sports degrees, nursing, apprenticeship etc). Acquiring a variety of significant competences and skills through on the job training, volunteer activities etc is considered as one of the key educational areas in countries around the world. “The Law of Azerbaijan Republic on Education” specifies three types of education: formal, informal and non-formal. Formal education is a type of education which results in granting a state education diploma, informal education is a type of education where knowledge is gained by self-study and non-formal education is a type of education where knowledge is gained through different courses, interest groups and private tuition, which is not supported by state education diplomas. In developed European and other countries around the world, favorable conditions have been created for the mechanisms of recognizing the competences and skills acquired through informal and non-formal education schemes so that they are available and convenient to everyone. In this modern era when human capital assets are becoming more important and competition is getting more severe, the recognition of such skills and competences is crucial for the development of individuals, community and economy. This goal can be achieved by recognizing skills in this way and requiring documents to confirm craft professions at the time of recruitment. Although comprehensive, secondary-level vocational or higher education diplomas are currently required depending on the complexity of a profession, the documents confirming craft professions are not required at the time of recruitment. This has led to the fact that a large portion of population who are working actively in the market does not have any profession. The fact that graduates who finish comprehensive schools are not directed to other educational stages and don’t acquire any specialization slows down the creation of competitive production in the country’s economy. Requiring craft profession documents will, in its turn, deliver good results in improving safety in all sectors, increasing labor productivity, manufacturing competitive products and providing works and services on the whole.

Actions to be taken

Action 5.1.1. Prepare mechanisms for the recognition of competences and skills acquired through informal and non-formal schemes

The Ministry of Education will enact a regulatory document with respect to the mechanism of recognizing the competencies acquired through informal and non-formal schemes. According to
this mechanism, the professions that can be recognized on the base of vocational education schools will be determined.

**Action 5.1.2.** *Form legal framework with respect to the requirement for documents confirming vocational profession at the time of recruitment*

Once the recognition of competences acquired through informal and non-formal schemes has been implemented, this action will consider the enactment of a regulatory framework with respect to the compulsoriness of submitting documents to confirm craft professions for persons who are willing to enter the labor market. In future, the craft professions which will require confirmation documents at the time of recruitment will be determined.

**Expected results and indicators**

The realization of this priority will increase the number of qualified workforce joining the labor market.

**Required investment**

This priority does not require additional investments.

**Expected risks**

Failure to enact a regulatory framework with respect to competence recognition and the compulsoriness of requiring documents to confirm craft professions at the time of recruitment could be the main risk factors.

### 7.5.2. **Priority 5.2. Ensure transparent data monitoring and a single database**

**Rationale**

Currently there is no centralized and accurate database in Azerbaijan that would include vocational education and training system and its activities, taught professional courses, performance based evaluation results, career selection and other relevant information. Data gathered in a non-systematic way, having limited volume and spread across multiple platforms forces potential students to sift through several sources to find information that can help them choose between vocational education and training schools, and substantially lowers the efficiency of selection process. The unavailability of data on professions, skill definitions, employers, employment options for graduates, salaries for different professions etc makes decision-making complicated for students, their parents, employers and educational institutions (exhibit 7).

**Exhibit 7. Vocational education data infrastructure**
On the one hand, the extensive use of up-to-date information communication equipment and technologies relevant to the performance of vocational education and training system, organization of regular discussions and consultations, communication of relevant developments in this area to the public and wider user audience through media, internet and social networks will lay foundation for changing the public perception of vocational education for the better and, on the other hand, this can spur opportunities for vocational education students to join the labor market through integrated job and career options.

It is important to integrate all stakeholders of the vocational education system with the same database and to accumulate all relevant data and analytical studies conducted based on these data. Furthermore, in order to ascertain that data gathered is accurate, transparent and comprehensive, it is also necessary to establish a single coordination center and to ensure that this coordination center controls the nature and volume of information gathered as well as determining the content of data to be published.

**Actions to be taken**

**Action 5.2.1. Analyze current data infrastructure**

Having analyzed the current data infrastructure in vocational education schools, the Ministry of Education will undertake appropriate actions to prepare a relevant regulatory legal framework.

**Action 5.2.2. Establish a database**

With the aim of improving the education quality at vocational education schools and better serving labor market needs, the Ministry of Education will establish a database based on data and reports
provided by relevant organizations in order to collect, process and analyze data. At the same time, this database will be integrated with a unified educational data infrastructure.

**Acton 5.2.3. Create a website to reflect data on vocational education system**

As the next step, the Ministry of Education will build a website that will show employment opportunities available for vocational education students, and ensure that data communicated to the public are transparent and easy to use. Except the evaluation of competences and skills, all document flow procedures will be executed electronically through this website. To make the website the most useful for the public, the Ministry of Education will decide on the types of data and details as well as on the timelines for each type of data to be published. To ensure the accuracy of data submitted by vocational education institutions, the Ministry will decide on the respective audit and verification mechanisms, and also will periodically run analysis on the collected data to understand the changes in the labor market. Based on the results of such analysis, the Ministry of Education may publicly communicate the changes in demand for the workforce and thereby stimulate the number of students studying in these areas.

**Action 5.2.4. Ensure public awareness about the website**

The Ministry of Education will then start efforts for increasing public awareness about the website. The information about the website will be communicated to the public with videos, TV shows and employer interviews. The Ministry of Education will continuously monitor the website for any potential design improvements and data updates.

**Expected results and indicators**

Although there is no direct GDP impact, as a key enabler this improvement will have positive effects on all other priorities. Employment impact is estimated to be around 10 new jobs.

**Required investment**

The strategic priority will require an investment of AZN 700 thousand into building the necessary IT infrastructure in the vocational education institutions, and creating the website.

**Expected risks**

- Relevant governmental bodies and employers don’t submit data in an accurate and timely manner;
- Other governmental bodies and employers don’t show interest in coordination and implementations works related to the database;
- Additional administrative workload on vocational education institutions;
- No appropriate actions taken as a result of analyses and evaluations.
8. **FINANCING MECHANISMS**

To achieve the strategic priorities specified, AZN 190 million 950 thousand investment will be required. The implementation of the actions envisaged in the Strategic Roadmap will be financed from the below sources:

- Government budget;
- Non-budgetary funds;
- National Entrepreneurship Support Fund;
- Local budgets;
- Funds from local institutions, enterprises and organizations irrespective of their forms of ownership;
- Direct foreign investments;
- Loans and grants from the country’s banking system;
- Loans, technical and financial support from international organizations and foreign countries;
- Other sources that are not prohibited by legislation.

To ensure that the funds for the specified strategic targets are spent in the most efficient way, the budgets will be developed within the framework of performance based funding processes. A larger portion of the required funds will be provided through restructuring the current budgets and joint financing efforts of the private sector and different investors.
9. IMPLEMENTATION, MONITORING AND EVALUATION

Implementation of the Strategic Roadmap

Coordination and governance Accelerated decision making, clear accountability, and additional execution capacity will ensure appropriate coordination and governance.

- A mechanism for accelerated decision making at the highest political level will be set up for the Strategic Roadmap. This mechanism will enable appropriate leadership from key stakeholders for other decision makers for the implementation of the program. Decisions about implementation priorities and concrete targets will be made using this mechanism.
- The main executive organization will appoint responsible persons for each relevant priority and action in order to implement them in a timely and proper manner. With the involvement of other organizations specified in the action plan, working groups under the top management of responsible organizations will also be formed for each priority. Reporting meetings of the work groups with the top management of the main executive organization will be conducted on a quarterly basis. Quarterly work progress and activities to be performed during the next quarter will be discussed in the meetings. The work groups will carry out their activities based on annual work programs. Daily work schedules and task allocation will be determined by the responsible person. Typically, current work group meetings will be held in the offices of the main executive organization as requested by the responsible person. The main executive organization will ensure that appropriate conditions are created for unimpeded activity of the work group and, when necessary, it will involve external experts to make best use of their technical support.
- An appropriate coordination group (delivery unit) will be established to monitor the implementation of the Strategic Roadmap and provide central execution support in areas such as in problem solving or coordination across institutions. The unit’s major work will serve to create organization across the institutions, processes, and technology required for implementation. This coordination unit will oversee teamwork across work groups in line with the action plan, summarizing of quarterly reports and preparation of annual reports. Furthermore, it will be responsible for ensuring that the involved institutions arrange for the required financial and human resources, and empowered to inject additional resources when needed.

Strategic alignment and financing: To allow for an efficient implementation process that avoids wasted resources and conflicting objectives, the Strategic Roadmap will be fully integrated into other sectorial plans and existing budgets.

- All related strategic documents proposed by relevant governmental institutions will be harmonized with the Strategic Roadmap and the mandates of existing state agencies will be realigned to the objectives wherever necessary. This alignment work will include developing transparent, measurable implementation targets, which will be communicated publicly and used to track progress.
- Detailed implementation plans will be developed for all strategic priorities as governance for their execution, based on provided actions, to provide transparency regarding the
resources required and expected impact. While the assigned leader will bear overall responsibility for fulfilling the implementation plan, it will involve all key institutions and private sector organizations in its application.

**Stakeholder mobilization platform:** Both domestic and international partners from both public and private sectors will be mobilized to join in the execution of the Strategic Roadmap.

- Appropriate actions will be taken to identify and involve key strategic partners. The involvement of multiple organizations and stakeholders is required for the successful implementation of each strategic priority. To ensure alignment of objectives and proper coordination, advisory councils and working committees will be formed to work with the private sector and state owned enterprises as well as with critical international partners, such as international financial institutions.
- Civil society and think-tank will be mobilized and engaged to generate broad support for the roadmap. Furthermore, active communication, transparency and inclusiveness will help to mobilize the public and private sectors, society as a whole, and other relevant stakeholders.

**Monitoring and evaluation of the Strategic Roadmap**

The Strategic Roadmap will be monitored and evaluated to ensure successful implementation through required tools, processes and other resources. During monitoring and evaluation, focus will be placed on the implementation of core actions, expected results and indicators versus priorities, and also compliance with the completion schedule will be checked. The monitoring and evaluation will be carried out in accordance with procedures based on international methodologies.

The annual activity programs of the work groups will be agreed with the coordination unit and approved by the main executive organization. Representatives of the coordination unit will participate in the quarterly meetings of the work groups.

The main executive organization will submit quarterly work progress reports to the coordination unit at least 10 days prior to the work group’s quarterly meeting. By taking into account extensive analysis and evaluation of quarterly reports including discussions held in the quarterly meeting of the working group, the coordination unit will submit quarterly monitoring results and its recommendations for the next period to the main executive organization within 10 days following the meeting date. The coordination unit and the main executive organization will take actions to ensure that the monitoring results and recommendations are taken into consideration by the working group in its daily activities.
## 10. ACTION PLAN

<table>
<thead>
<tr>
<th>№</th>
<th>Action</th>
<th>Main responsible entity</th>
<th>Others responsible / recommendations</th>
<th>Result indicators</th>
<th>Completion date</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td><strong>Strategic target 1. Integrate employers with vocational education and training system</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1.1</td>
<td><strong>Building partnership with employers</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1.1.1.</td>
<td>Identify strategic employment areas and forecast the demand for workforce</td>
<td>Ministry of Labor and Social Protection</td>
<td>Ministry of Education, Ministry of Economy. <strong>Recommended:</strong> National Confederation of Entrepreneurs' Organizations (Employers) of Republic of Azerbaijan</td>
<td>• AZN 1 million real GDP increase in 2020; • Organize 10 differently specialized pilot vocational educational schools;</td>
<td>2017–2018</td>
</tr>
<tr>
<td>1.1.2.</td>
<td>Prepare an action plan to study in detail and to optimize the current status of vocational education schools</td>
<td>Ministry of Education</td>
<td>Ministry of Labor and Social Protection, Ministry of Tourism, Ministry of Education of Nakhchivan, State Oil Company of Azerbaijan Republic, “Azerishig” OJSC</td>
<td>• Increase the employment rate of graduates of pilot vocational education schools up to 50 percent within 6 months;</td>
<td>2017</td>
</tr>
<tr>
<td>1.1.3.</td>
<td>Implement an optimization process in large industrial centers and in regions</td>
<td>Ministry of Education</td>
<td>Ministry of Economy, Ministry of Finance, Ministry of Justice, State Committee on Property Issues</td>
<td>• Increase the number of students in pilot vocational education schools by 50 percent;</td>
<td>2018</td>
</tr>
<tr>
<td>1.1.4.</td>
<td>Establish pilot vocational education schools</td>
<td>Ministry of Education</td>
<td>Ministry of Labor and Social Protection, State Committee of Azerbaijan Republic for Refugees and Displaced Persons</td>
<td>• Increase the share of students from sensitive population groups in the total number of vocational education students to more than 5 percent</td>
<td>2017–2018</td>
</tr>
<tr>
<td>№</td>
<td>Action</td>
<td>Main responsible entity</td>
<td>Others responsible / recommendations</td>
<td>Result indicators</td>
<td>Completion date</td>
</tr>
<tr>
<td>----</td>
<td>------------------------------------------------------------------------</td>
<td>--------------------------------</td>
<td>-------------------------------------------------------------------------------------------------------</td>
<td>---------------------------------------------------------------------------------</td>
<td>----------------</td>
</tr>
<tr>
<td>1.1.5</td>
<td>Build mechanisms for the partnership of pilot vocational education schools with employers and develop vocational standards and curriculums</td>
<td>Ministry of Education</td>
<td>Ministry of Economy, Ministry of Labor and Social Protection. <strong>Recommended:</strong> National Confederation of Entrepreneurs’ Organizations (Employers) of Republic of Azerbaijan</td>
<td></td>
<td>2017–2020</td>
</tr>
<tr>
<td>1.1.6</td>
<td>Ensure public awareness about pilot vocational education schools and implement enrolment</td>
<td>Ministry of Education</td>
<td>State Agency for Public Service and Social Innovations under President of Republic of Azerbaijan, Ministry of Economy, Ministry of Finance</td>
<td></td>
<td>2018–2020</td>
</tr>
<tr>
<td>1.1.7</td>
<td>Organize the monitoring and control of partnership programs</td>
<td>Ministry of Education</td>
<td>Ministry of Economy, Ministry of Labor and Social Protection. <strong>Recommended:</strong> National Confederation of Entrepreneurs’ Organizations (Employers) of Republic of Azerbaijan</td>
<td></td>
<td>2017–2020</td>
</tr>
<tr>
<td>1.1.8</td>
<td>Communicate information on the efficiency of partnership programs to the public</td>
<td>Ministry of Education</td>
<td>State Statistical Committee, Ministry of Economy</td>
<td></td>
<td>2018–2020</td>
</tr>
<tr>
<td>1.1.9</td>
<td>Apply the vocational standards and educational programs (curriculums) of pilot vocational education schools to other vocational education schools</td>
<td>Ministry of Education</td>
<td>Ministry of Economy. <strong>Recommended:</strong> National Confederation of Entrepreneurs’ Organizations</td>
<td></td>
<td>2020</td>
</tr>
<tr>
<td>№</td>
<td>Action</td>
<td>Main responsible entity</td>
<td>Others responsible / recommendations</td>
<td>Result indicators</td>
<td>Completion date</td>
</tr>
<tr>
<td>---</td>
<td>---</td>
<td>---</td>
<td>---</td>
<td>---</td>
<td>---</td>
</tr>
<tr>
<td>1.2</td>
<td>Attract new professional specialists to vocational education system</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1.2.1.</td>
<td>Carry out an assessment of current teacher personnel in vocational education schools and increase their knowledge and skills</td>
<td>Ministry of Education</td>
<td>Ministry of Economy. <strong>Recommended</strong>: National Confederation of Entrepreneurs’ Organizations (Employers) of Republic of Azerbaijan</td>
<td>• AZN 2 million real GDP increase in 2020; • Create 195 new jobs in total and 176 new jobs directly in vocational education sector as a result of attracting 264 specialists and 176 seconded adjunct teachers to vocational education.</td>
<td>2017–2019</td>
</tr>
<tr>
<td>1.2.3.</td>
<td>Select new teacher personnel with industry expertise and organize relevant training</td>
<td>Ministry of Education</td>
<td>Ministry of Labor and Social Protection, Ministry of Economy. <strong>Recommended</strong>: National Confederation of Entrepreneurs’ Organizations (Employers) of Republic of Azerbaijan</td>
<td></td>
<td>2018–2020</td>
</tr>
<tr>
<td>1.2.4.</td>
<td>Monitor the performance of new teacher personnel</td>
<td>Ministry of Education</td>
<td><strong>Recommended</strong>: National Confederation of Entrepreneurs’ Organizations</td>
<td></td>
<td>2018–2020</td>
</tr>
<tr>
<td>№</td>
<td>Action</td>
<td>Main responsible entity</td>
<td>Others responsible / recommendations</td>
<td>Result indicators</td>
<td>Completion date</td>
</tr>
<tr>
<td>----</td>
<td>------------------------------------------------------------------------</td>
<td>-------------------------------------------------------------</td>
<td>--------------------------------------</td>
<td>----------------------------------------------------------------------------------</td>
<td>-----------------</td>
</tr>
<tr>
<td></td>
<td>(Employers) of Republic of Azerbaijan</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>1.3 Improve governance in vocational education</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>1.3.1 Organize State Committee for Vocational Education under the Ministry of Education of Azerbaijan Republic</td>
<td>Administration of President of Republic of Azerbaijan</td>
<td></td>
<td></td>
<td>Completed in 2016</td>
</tr>
<tr>
<td></td>
<td><strong>Strategic target 2. Establish strong performance based funding system</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>2.1 Identify additional public, private and international funding sources to ensure future development of vocational education system</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>2.1.1 Improve the legal framework related to the sales of products and services produced by vocational education schools and assess the production capabilities of selected pilot vocational education schools</td>
<td>Ministry of Education</td>
<td>Ministry of Finance, Ministry of Economy</td>
<td>• AZN 2 million real GDP increase in 2020;</td>
<td>2018–2020</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>• Increase the amount of funding per student by 20% in vocational schools;</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>• Involve at least 65 percent of vocational education schools in the program;</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>• Ensure that vocational education schools on average generate an additional AZN 105 annual profit per student</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>2.1.2 Determine the scope of products and services to be produced by vocational education schools as well as and the minimal standards for those products and services</td>
<td>Ministry of Education</td>
<td>Ministry of Economy</td>
<td></td>
<td>2018–2020</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>2.1.3 Governance and monitoring system for non-budgetary funds</td>
<td>Ministry of Education</td>
<td>Ministry of Finance, Ministry of Labor and Social Protection, Ministry of Economy</td>
<td></td>
<td>2018–2020</td>
</tr>
<tr>
<td>№</td>
<td>Action</td>
<td>Main responsible entity</td>
<td>Others responsible / recommendations</td>
<td>Result indicators</td>
<td>Completion date</td>
</tr>
<tr>
<td>----</td>
<td>------------------------------------------------------------------------</td>
<td>----------------------------------</td>
<td>-------------------------------------------------------------------------------------------</td>
<td>------------------------------------------------------------------------------------</td>
<td>----------------</td>
</tr>
<tr>
<td>2.1.4.</td>
<td>Organize the sales of products and services produced by vocational education schools</td>
<td>Ministry of Education</td>
<td>Recommended: National Confederation of Entrepreneurs’ Organizations (Employers) of Republic of Azerbaijan</td>
<td></td>
<td>2018–2020</td>
</tr>
<tr>
<td>2.1.6.</td>
<td>Identify alternative financing sources</td>
<td>Ministry of Education</td>
<td>Ministry of Finance, Ministry of Economy</td>
<td></td>
<td>2018–2020</td>
</tr>
</tbody>
</table>

### 2.2. Implement performance based incentive mechanisms

<p>| 2.2.1. | Determine key performance indicators for vocational education schools | Ministry of Education             | - No direct GDP impact is expected;                                                       |                                                                                  | 2017–2019       |
|        |                                                                     |                                   | - Double the salaries of teacher personnel in pilot vocational education schools.          |                                                                                  |                 |
| 2.2.2. | Establish performance based funding system                           | Cabinet of Ministers               | Ministry of Finance, Ministry of Education, Ministry of Labor and Social Protection, Ministry of Economy. |                                                                                  | 2018–2020       |</p>
<table>
<thead>
<tr>
<th>№</th>
<th>Action</th>
<th>Main responsible entity</th>
<th>Others responsible / recommendations</th>
<th>Result indicators</th>
<th>Completion date</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td><em>2.2.3.</em> Monitor the performance based funding system continuously</td>
<td>Ministry of Education</td>
<td>Ministry of Finance, Ministry of Economy</td>
<td></td>
<td>2018–2020</td>
</tr>
</tbody>
</table>

**Strategic target 3. Establish focused professional development programs**

**3.1. Provide adult vocational training and upskilling**

<p>| 3.1.1. | Establish appropriate legal framework for adult training and upskilling courses in vocational education schools | Ministry of Education | Ministry of Labor and Social Protection, Ministry of Economy | AZN 1 million real GDP increase in 2020; Increase the number of attendants of adult courses at a rate of 17% a year; Create 177 new workplaces in total and 140 new workplaces in directly vocational education sector. | 2017            |
| 3.1.3. | Prepare mechanisms to organize adult education and upskilling courses  | Ministry of Education | Ministry of Labor and Social Protection                                                              |                                                                                                           | 2017–2019       |</p>
<table>
<thead>
<tr>
<th>№</th>
<th>Action</th>
<th>Main responsible entity</th>
<th>Others responsible / recommendations</th>
<th>Result indicators</th>
<th>Completion date</th>
</tr>
</thead>
</table>

**Strategic target 4. Establish sector-specific programs**

**4.1. Establish model factories for small and mid-size enterprises and organize the activities of vocational education and training schools so that they are oriented towards the promotion of entrepreneurial mind-set**

| 4.1.1. | Build cooperation between vocational education schools and model factories | Ministry of Education                | Ministry of Economy Recommended: National Confederation of Entrepreneurs’ Organizations (Employers) of Republic of Azerbaijan | The impacts of this priority are specified in the relevant sectorial Strategic Roadmap. | 2018–2020       |

**4.2. Support sectorial needs**

<p>| 4.2.1. | Support alignment with overall sectorial requirements                  | Ministry of Education                | Recommended: National Confederation of Entrepreneurs’ Organizations (Employers) of Republic of Azerbaijan | The impacts of this priority are specified in the relevant sectorial Strategic Roadmap. | 2017–2020       |</p>
<table>
<thead>
<tr>
<th>№</th>
<th>Action</th>
<th>Main responsible entity</th>
<th>Others responsible / recommendations</th>
<th>Result indicators</th>
<th>Completion date</th>
</tr>
</thead>
</table>
| 4.2.2. | Support alignment with sector-specific requirements                   | Ministry of Education          | Ministry of Agriculture, Ministry of Tourism and Culture, Ministry of Communication and High Technology.  
**Recommended:** National Confederation of Entrepreneurs’ Organizations (Employers) of Republic of Azerbaijan |                                                                                  | 2017–2020                               |

**Strategic target 5. Implement key enablers to realize vocational education and training aspirations**

**5.1. Recognition of competencies acquired through informal and non-formal schemes**

| 5.1.1 | Prepare mechanisms for the recognition of competences and skills acquired through informal and non-formal schemes | Cabinet of Ministers          | Ministry of Education, Ministry of Labor and Social Protection.  
**Recommended:** National Confederation of Entrepreneurs’ Organizations (Employers) of Republic of Azerbaijan | - Increase the number of qualified workforce joining the labor market of the country. | 2017–2018 |

| 5.1.2 | Form legal framework with respect to the compulsory nature of requiring documents to confirm craft professions at the time of recruitment | Cabinet of Ministers          | Ministry of Education, Ministry of Labor and Social Protection.  
**Recommended:** National Confederation of Entrepreneurs’ Organizations (Employers) of Republic of Azerbaijan |                                                                                  | 2019–2020 |
<table>
<thead>
<tr>
<th>№</th>
<th>Action</th>
<th>Main responsible entity</th>
<th>Others responsible / recommendations</th>
<th>Result indicators</th>
<th>Completion date</th>
</tr>
</thead>
<tbody>
<tr>
<td>5.2.1.</td>
<td>Analyze current data infrastructure</td>
<td>Ministry of Education</td>
<td>State Statistical Committee</td>
<td></td>
<td>2017–2018</td>
</tr>
</tbody>
</table>
| 5.2.2. | Establish a database                                        | Ministry of Education   | State Statistical Committee, Ministry of Labor and Social Protection, Ministry of Economy, State Agency for Public Service and Social Innovations under President of Republic of Azerbaijan. **Recommended:** National Confederation of Entrepreneurs’ Organizations (Employers) of Republic of Azerbaijan | • Direct impact on real GDP is not expected;  
• Create approximately 10 workplaces.                                                                 | 2017–2018       |
| 5.2.3. | Create a website to reflect data on vocational education system | Ministry of Education   | State Statistical Committee, State Agency for Public Service and Social Innovations under President of Republic of Azerbaijan |                                                                                        | 2018            |
| 5.2.4. | Ensure public awareness about the website                   | Ministry of Education   | State Statistical Committee, State Agency for Public Service and Social Innovations under President of Republic of Azerbaijan |                                                                                        | 2018–2020       |

*5.2. Ensure transparent data monitoring and a single database*