RisiAlbania
Partner for Growth

Gender Sensitivity Report on Skills Gap in the Agro-processing, ICT and Tourism Sectors in Albania

Report by: IPSED- Institute for the Promotion of Social & Economic Development

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1. Executive Summary

Albania has made significant progress measured in terms of economic growth and development and aspiring towards EU accession. Despite the government efforts to create a friendly environment for business development, there are still several constraints that inhibit economic growth. One of the identified fields of intervention to minimize these constraints is bridging labor demand and supply in economic sectors with growth potential such as agro processing, tourism, ICT and other services.

The transition period towards market economy did affect the structure of education system in Albania, a higher priority was given to general and university education while the vocational education system was abandoned to a large extent, contributing to less income generating employment, a low level of availability of required competences in the market, and a wider skills gap.

The Albanian Government that took office in September 2013 has defined as one of its priorities the modernization of the vocational education and training (VET) system in order to train jobseekers to get into jobs. VET is provided in Albania by public or private vocational schools, vocational training centers, companies or other agencies. In order to avoid the confusion of services offered between Vocational Secondary Schools (VSS) on one hand, and Vocational Training Centers (VTC) on the other hand, the government has decided to transfer the responsibilities for VET to the Ministry of Social Welfare and Youth (MoSWY). The transfer shall be concluded latest by September 2014.

Today there is a high number of VET schools with a low number of graduates and a high number of university graduates unable to find a job, resulting in high level of youth unemployment. This phenomenon has a negative impact on young people, their future employment prospects and for the potential growth of the economy.

While Albania has taken important steps towards adjusting VE and VET system to European requirements, it is still far behind having an efficient system. The existing VET system results still too poorly equipped, without clear profile, identity and reputation as center of competence in respective occupational areas. Post-secondary vocational programs are still absent contributing to less qualified labor force and inflexibility to find new professions.

This research is based on the analysis of private sector needs, characteristics of identified target groups, the quantitative/qualitative analysis of skills supply and skill gaps in three priority sectors in Albania by identifying in details what are most needed required professions; how companies fill these positions; the mismatch between what market needs and skill providers offer; the quality of their curricula and practical experience offered; internship programs and how are students benefit from them; etc.

There are several fields of intervention identified to bridge the gap between market demand and supply for skills and competences, and for the purpose of this study grouped as market needs and supply (company level versus skills providers).

The intermediary institutions, be those governmental, non-governmental, etc., which provide services and act as facilitators are taken into consideration for developing successful cooperation and bridge the gap.

It is clear that our education system in general and VET in particular is far behind the sector development and there is an immediate need for interventions:

- On private sector demand, the focus need to be given on institutionalizing the relationships between private businesses and skills providers for developing internships; provision of feedback from business community to skills providers in order to reflect market needs in curricula; and need of awareness among non-ICT companies for ICT skills that can improve information and knowledge management within the firm, leading to more efficient business processes and better firm performance, making communication within firm faster and management of firm's resources more efficiently.

- On intermediaries and macro level, the focus need to be given on curricula modernization to meet labor market demand; Increasing flexibility through the establishment of national boards for professional qualifications and restructuring of vocational education and training levels; Developing the competencies of VET instructors and establishing licensing policies and procedures; Unifying public and private certification for approved VET profiles (drejtime); Improving and equipping the teaching facilities and extending provision of teaching materials by promoting cooperation with local businesses to use the premises effectively; establishing and empowering different stakeholders inciting their interest and facilitating the cooperation to bring synergy among businesses and skill providers and policy makers.

2. Methodology of the research

The analysis for this research was focused on the interaction between the private sector and public and private skill providers (schools, universities, training centers, associations, HR companies etc.) analysis of the channels used for this interaction, the companies' level of satisfaction with the qualifications provided by training providers, by identifying the root main causes for the unsatisfactory existing collaboration between the private sector and the training providers. The research examined the opportunities on education and training offered to both young woman and men.

More specifically the proposed methodology included:

Desktop Research: review of existing documents from various sources such as GIZ, ETF, UN, USAID, World Bank, IFAD, NSDI, ILO, AIDA, academic literature, government strategies, etc. to identify models of reentering the labor market through training, on the job formation, existing gender sensitive economic initiatives, strategies, policies, and existing gaps analysis to better understand and identify the relevant issues.

Direct interviews with private enterprises in Agro-processing, Tourism, ICT. For the direct interviews were prepared semi structured questionnaire in English and Albanian language.

Important element for the success of the interviews was the identification of the 'key person' inside the private enterprises which play a crucial role in hiring and managing the daily work of the employees.

Direct interviews with stakeholders such as: Ministries, business organizations, development agencies, sectorial business organizations etc.

These interviews aimed to collect practices and knowledge from local stake holders, business practices for skills development, needs and constraints of the targeted sectors. A semi structured questionnaire was prepared in English and Albanian language. During these interviews special attention was placed in validating some of the findings gathered from the interviews with the private enterprises.

Direct interviews with public and private educational and training providers. In this phase were selected the most representative VET providers (private, public, non formal training providers such as some NGO) operating in different areas of the country such as (Tirana, Durres, Lushnje, Fier).

During these phase special attention was placed on the identification of mechanism of cooperation with the private enterprises which offer internships and/ or employment opportunities to youth following their courses. A semi structured questionnaire was prepared in English and Albanian language.

Validation of the findings: The findings and recommendations were presented in a de-briefing workshop with RisiAlbania and two validation workshops in (1) Agro-processing; and (2) Tourism.

The Validation workshops brought together: private enterprises; business organization; central and local authorities; NGO, experts, academics, etc.

The findings of the interviews and of the validation helped to determine the main skill gaps between the private sector and the skill providers and in defining some recommendations on how they can be supported in the future.

As a result were held 69 interviews in total, 15 interviews with Tourism companies, 15 interviews with Agro processing, 11 interviews with ICT companies, 12 interviews with stake holders, and 16 interviews with skill providers. Interviews were held during the period 15 May to 18 June 2014 with an average length per interview of 60-90 min.

3. A snapshot of Legal and Framework of education system related to skill development

- ✓ Vocational Education is an integral part of the education system in Albania. During the two decades of transition, government agencies and various donors have engaged resources and made limitless efforts to foster strategic, institutional and legal framework developments for this component of education. On February 2014, was launched the 'Employment and Skills Strategy 2014-2020', which defines the objectives, priorities of the vocational education and the main prerequisites of its development. This Strategy is inspired by the overarching goal of Europe 2020 to deliver smart, sustainable and inclusive growth –to have by 2020 a competitive economy and an inclusive society that is grounded on: "Higher skills and better jobs for all women and men" .
- ✓ The Ministry of Education and Sports (MoES) is the main governmental agency responsible for developing and implementing the educational policies and strategies, managing the entire education system, including overall resource management of the public education system and supervising the private (non-public) education actors.
- ✓ Four Public Agencies under the supervision of MoES, are directly related to the VET sector: (i) The Institute of Educational Development in charge of educational development strategies, drafting curricula for pre-university education, drafting strategies for qualification and training of teachers and managers of pre-university schools; (ii) The Agency of Evaluation and Attainments focused on drafting textbooks, monitoring learning process and teachers' qualification for National Exams; (iii) the Public Agency of Higher Education Accreditation and (iv) the National Agency of Acknowledgment in Higher Education.
- ✓ The National Vocational Education and Training Agency (NVETA) is the main VET institution established in 2006 responsible for the establishment of a unified national VET system internationally recognized. NVETA was transferred as an institution under the responsibility of MoSWY in 2014. NVETA prepares programs for VET development formally approved by the MoES and Ministry of Social Welfare and Youth (MoSWY), prepares the national list of specialties (professions), the Albanian Qualification Framework (AQF) and Frame Curricula (FC), conducts the accreditation of VET providers, the establishment of standards for initial and ongoing trainings for teachers and trainers, and the establishment of VE evaluation and certification criteria are the main functions of NVETA.
- ✓ The Ministry of Social Welfare and Youth (MoSWY) is responsible for Vocational Training (VT) system through the National Employment Service (NES). This function is implemented through a specific VT Department consisting of two sectors: VT and Curricula sector.
- ✓ The Law on "Pre-university Education in Albania, 1995" and the Law on "Vocational Education and Training in Albania, 2002" has constituted for many years the main legal framework for VET in Albania, complemented by several bylaws (Decrees, Ministerial orders and administrative guidelines, internal regulations and instructions).

- ✓ A new law drafted in June 2011 enforces important changes to the existing VET Law. This law introduced a number of concepts such as Formal, Informal and Non Formal learning, Lifelong Learning, VET institutions, Vocational Training Centers (VTC) and multifunctional VTC, the role of social society and other partners in the implementation of AQF, the Dual form of VET, Accreditation, Licensing, post-secondary education etc. The introduction in of these new educational concepts creates opportunities for new advancements that bring the Albanian VET closer to the EU standards and educational developments. This law has defined some institutional changes such as additional role and responsibility of NAVETA for the VET AQF, consequently the name of this institution changed into the National Agency of Vocational Education and Training and Qualifications.
- ✓ In June 2014 were approved some amendments to Law on "Vocational Education and Training in Albania, 2002". According to this the MoES and MoSWY will have a joint role in supervising and regulating VET System. But the MoSWY will have the proactive role regarding VET curricula, employment policies, active labour market measures etc. at present the new draft law is in place, but needs to be complemented with all complementary regulations and procedures.

A full set of regulatory framework in support of youth employment (especially those coming from VET schools has been in place, although not regularly implemented either from businesses or public institutions.

Other measures covering the area of employment and active labour market polices:

- ✓ Council of Ministers Decision No.873 (27.12.2006) "Financial measures, criteria and procedures on the implementation of professional internship programs for unemployed jobseekers who graduated in the country or abroad". This decision was aiming to facilitate the inclusion of unemployed youngsters that have completed higher education, in the country and abroad within less than 24 months in traineeship programs. NES is the implementing agency whereas private employers who would receive these jobseekers would have benefited 100% of monthly unemployment benefits for every month of traineeship of job seekers, upon the Condition of assigning a mentor. On the other hand, jobseekers participating in this program receive financial support, 100% of the basic level unemployment payment.
- ✓ Council of Ministers Decision No.47 (16.1.2008) on the "Program for promoting employment through in-job qualification. This decision was aiming continual on-job training and formalization of apprenticeships. The employer who organizes on job training for unemployed (informal) workers may benefit: 70% of training costs if the business fall in the category of SMEs; 50% of training costs for big businesses for up to 6 months. In exchange, the employer was obliged to employ for 6 month at least, 50% of unemployed trained people. Additionally NES offices have the obligation to offer 3 months trainings (maximum) for people in need.
- ✓ Council of Ministers Decision No. 48 (16.1.2008) on the "Amount and Criteria to benefit from the program of promoting employment for unemployed vulnerable jobseekers. This decision was aiming vulnerable unemployed job-seekers. This category consisted of: long- term unemployed jobseekers, recipients of economic aid, individuals between 18-25 years of age new enters in the labor market, people

over 45 years of age, Roma community and disabled people. This program supported 100% of the employer's social contribution for one year, as well as 100% of the minimum wage of four months for a one-year employment contract.

- ✓ Each year the Government of Albania approves respective enrolment quota and tariffs for high education Universities for the public system. This is the official public offer from high education for all profiles and qualifications offered from universities all around the country. The offer does not include the students enrolled in private education institutes.

4. The Vocational Education System

VE System in Albania has changed over years in an effort to follow the labor market trends and the economic developments. It underwent major modifications after the changes in pre secondary education from 8 to 9 years and adjustments in vocational profiles. Another change to be emphasized was the consolidation of legal framework for the development of AQF and other practices related to quality issues in VE.

VET is considered one of the government priorities to create employment opportunities for young people that do not attend general education and match market demand for specific professions required in the market. For this purpose, expenditures were forecasted to reach up to 13% of the total education budget by year 2015 but financing for VET system is still low.

The Supply side of VE in Albania has changed over years in an effort to adapt to the economic developments and labor market requirements. The quality of VE delivery across the country varies significantly. In addition to the common problems such as curriculum development, training of teachers/instructors, equipping schools/centres, infrastructure etc. considerable variance exists between schools depending on their status (national vs. local), location (big city vs. small city), received support from the international donor etc. Also, the education quality is affected by inadequate financial scheme, low active inclusion of key stakeholders such as social partners, insufficient orientation of qualification and certification system towards new developments and standards in EU etc. All these problems make VE not as attractive as the general education reflected to the relatively low enrolment rates in secondary VE schools.

- The VE profiles, degree of education and duration are defined by law. According to the new VET law the Degree or "**Niveli**" refers to the qualification that a student gets from the school (basic, quasi qualified or qualified), ***Professional areas*** or "***Drejtimet"*** refer to the professional qualification received with a reference to the AQF while the ***Occupational Majors/Specializations "Profilet"*** refer to more specialized qualifications pursued by the students in the 2nd and 3rd Level.

- Starting from the academic year 2009-2010 the VE is provided from public and private schools in three levels for a maximum duration of 4 years. In addition, there are also few general secondary schools that offer vocational education. The VE levels according to the new structure are: **Level 1** (2 years) basic vocational education, earning a certificate which allows further education in the second Level or entering the labor market; (ii) **Level 2** (1 year) more qualified people in a set of skills, earning a certificate which allows further education of studies in the third Level or entering the labor market; (iii) **Level 3** (1 year) offered in one of the system 2+1+1 years, 2+2 years or 4 years on block, qualified technicians/ managers in certain professions earning the Maturity Diploma that allows further studies on the tertiary education or entering the labor market.

Despite a recently modernized "2+1+1 years" VET structure (MoES 2009) which theoretically and in principle allows for adequate vertical and horizontal flexibility with exit and re-entry points, VET providers are acting like "quasi" general education providers with some technical or occupational profiles, but they hardly equip students with full work readiness and employability.

Additionally the issues and problems of VET system are magnified by the low level of enrolled pupils, dilapidated infrastructure, limited funds and teachers' out of date knowledge. (MASH, 2012, *Pergatitja e Buxhetit* – fragment from 'Strategy for Employment and Skills 2014-2020')

Almost 50% of all public VET providers are assessed at the **low performer level**. This group is characterized by a **generally unsatisfactory** performance level up to **less than acceptable** performance level and calls urgently for **major improvement on a fairly wide scale**. On the other hand, it looks better for 36.5% of VET providers whose **medium performer level shows strong improvement potential in a number of aspects:**

(1) Quality and Content of VET Programs and Short-term Courses,

(2) Selection and Admission of Students / Trainees,

(3) Teachers and their further Development,

(4)Condition of Facilities and Equipment,

(5) Organization, Management and Efficiency.

At the lower end of the VET provider performance matrix sit 11.5% of all VET providers, which are characterized by a **generally unsatisfactory performance level** and require **urgent attention and major improvement in all aspects**. Only a **single VET provider** (2.0%) just reached the level of **high performance**.[1]

- The new VE structure that was introduced in 2009 created more opportunities for specialization but also more flexibility. The new VE structure substituted 26 specializations that were offered under the old VE structure, with 17-19 specializations which starting from 2011-2012 were expected to provide almost 60-65 occupational profiles for the Level II and III of the VE. Most of the vocational schools deliver a limited variety of occupational profiles that narrows further as they refer to a specific sector of the industry. Actually NAVETAQ has introduced 180 profiles with respective explanations for all VE structure in Albania.[2]
- There are 10 public training centres located in the Regions of Tirane, Shkoder, Elbasan, Korce, Durres, Vlore, Fier and Gjirokaster as part of the training offer in Albania. The total number of trained persons certified in 2010 was 8,485 (Table 1).
- Enrolment data shows that the average participation rate is higher for young adults aged 16-24 years old (56%) whereas 51% of trainees are women. The trainees graduated in general secondary education counts to 38% of the trainees in VT

[1] GIZ Baseline Survey of Public VET Providers in Albania, April 2014

[2] Notes from the interview with Director of NAVETAQ, Ms. Sonila Limaj

centers and the % of trainees with a university degree is almost similar 37%. A very intriguing figure is that 48% of the trainees were unemployed.

- 12,133 students enrolled in vocational schools in the academic year 2010-2011, thus consisting in 8% of all enrolled students in the secondary education. 4,799 out of them attended the classes as per old VE structure. Most of them choose business and economics, vehicle repairing, ICT, electro technique and Hospitality.
- The number of students enrolled in the first year increased by 30% for the academic year 2010-2011 compared to 2009-2010. This rise was evident in almost all Occupational Areas of the first Level (2 years -new structure), but is more perceptible for skills in agriculture (50%), electro-technique (28%), vehicle repairing (63%), hospitality (37%), etc. Despite the demand for skill in agriculture has increased, it still remains low compare to the total. As per ICT a significant increase can be noticed in the enrolment rate at Level I (2+2 years).
- The VE offer includes also the **post-secondary education program** developed as a Dual Study Program. It has formally started in October 2008 with only 17 students studying Banking Management as Major. Actually this program has expanded and offers studies in three majors: (i) Banking Management; (ii) Catering/Tourism Management; and (iii) SME/Construction Companies Management. Each specialization consists of 6 semesters. Each semester consists of 12 weeks academic studies + 12 weeks practical training in a private company. The students can either receive a certificate or a diploma (120 ECTS).

  - "Beqir Cela" - vocational school in Shkozet, Durres - in cooperation with FastTip Durres is offering three post-secondary VET programs:

  1. Multimedia
  2. Auto diagnosis
  3. Information Technology

  Some post-secondary VET programs are offered by a private university, Polis University on Energy Efficiency. The program is offered as a part-time study, for two years with 120 ECTS.

  Durres University is offering the following programs at post-secondary level:

  Dentist Assistant - Legal Assistant - Administration Assistant - Construction Management - IT Network Specialist - Automobile Technology - Transport Management - Land, Sea Transport Management. The programs are offered in a two years curricula and award a diploma with 120 ETCS.

  Agriculture University in Tirana (Kamza) is offering a two year Veterinary program, in its branch in Lushnje. The program awards a Professional Diploma with 120 ETCS.

  New Generation Professional College offers two post-secondary VET programs in the branches of Advanced Beautician and Advanced Hair Dressing.

I – AGRO-PROCESSING

I. a Sector Overview

This section brings a general idea of the profile of Agro-processing Sector in Albania in order to understand where the demand for specific skills originates. This section is an outline of the detailed findings from the Field interviews and other desktop research on the subsector of Agro-processing such as: Dairy, Meat processing, Olive oil processing, Wine production, Fruits processing, fruits and vegetable collecting/freezing.

Agro processing comprises mostly small companies, as it is a small but rising industry in the Albanian economy. The contribution of this industry to Albanian GNP is around 1.4%. The total number of employees in this industry is slightly more than 11,000 but the tendency is positive. By 2013 the agro-processing industry was dominated by small processors that employ between 2-10 people. Only 10% of the businesses in this sector has more than 50 employees. The most novice subsector is the fruit and vegetable processing that counts 29 entities. 10% of the meat processing companies control over 80% of the market. This category has been in the focus of our field research as they offer the potential for exchanging with the labor market for buying skills or with skills providers re training and retraining of new and existing employees. The prevailing business is flour and bread production which contributes more than 50% on the agro-processing industry, followed by liquor and beverages production, milk and meat processing. This industry has a particularity as it does not fully exploits its capacities varying from – 5.2% in oil processing businesses to - 44% in dough processing industry. Meat processing businesses also misuse or do not fully use their capacities by -13.8%, whereas milk processing by -20.6%[3].

Only recently fish processing enterprises and modern milk and meat processing businesses has been added to this list. Wineries and breweries seems the most modern businesses emerging in the last 10 years which have been investing in modernizing their physical capital, but more interestingly in their system of managing the food safety. This tendency has created a good pool of well-developed businesses in this new industry. The quality and safety food systems are new in Albania and introduced only in big agro-processing businesses. The number of agro-processors that are aware and familiar with food law requirements is limited, bearing in mind the fact that it requires engagement of funds and staff to implement those correctly. Donor projects have assisted significantly in these issues starting from policy formulations to developing an enabling environment for agro-processing businesses through advise, information and investment.

[3]Programi i Zhvillimit Rural nën Instrumentin e asistences para- aderuese të Republikës së Shqipërisë 2011-2013. MBUK, 2011

In comparison to the average sample of all businesses involved in this research, the Agro-processing sector provides more variety over many indicators of the skills market including here (i) the tendency towards new skills/professions, (ii) ownership structure – sole proprietor; (iii) better positioned to absorb EU funds; (iv) better gender balance and (v) younger employees at all levels and from all regions including rural areas; (vi)interest from government to impose policy changes affecting the sector. This last one can enable a stimulated business environment through subsidization and tax reduction.

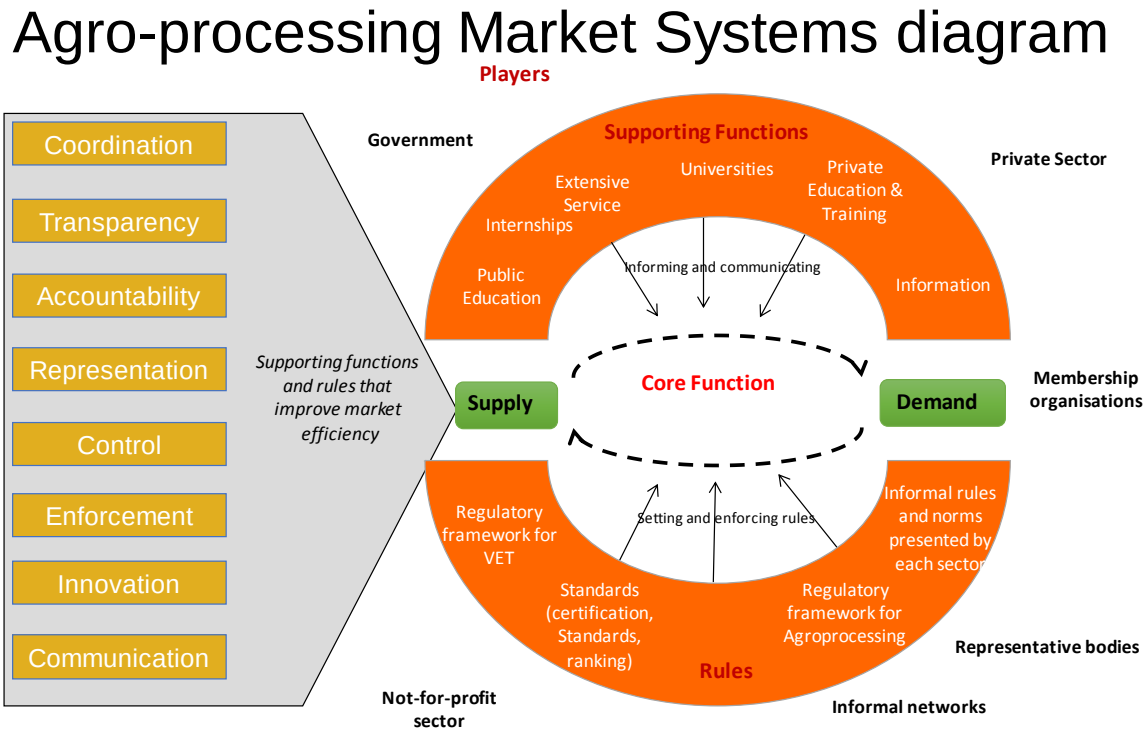

Table 1. The Market System Diagram of the Agro-processing sector

The matrix diagram for Agro-processing skills market will be explained throughout the sections of this research.

I. b Skill Demand Analysis

In the framework of this research three groups of actors were approached: Agro-processing companies, intermediary organizations [various donors programs in agriculture and agro-processing, donor programs in rural programs with a training component, extension service public and private, input suppliers and public and private skill providers.

Following the interviews, a validation workshop with main actors of the sector was organized. The participants confirmed the findings of the interviews adding explanatory comments. Expert's discussion was stirred within the group helping for a better articulation of the demand for skills in most of the subsectors of Agro-processing. The group comprised around 15 experts, private companies, universities, business organizations, private skill providers, consultants and RISI Albania staff, etc.

Companies interviewed were asked among others for the employees training methods used or preferred by them during the previous two years. The prevailing methods used to train employees were regular in-house training (80% of businesses interviewed) especially when they were new entries, followed by mentoring/apprenticeships (65%) and workshops/seminars (20%). The last figure was for liquors and beverages producers brought by KASH representative. For senior staff/managers, the most of interviewed mentioned are workshops/seminars (70%) and technical training (10%).

The most required profession was that of a **technologist** for production at different levels. As mentioned earlier this skill was articulated as absent from Agro-processing businesses. The demand came explicitly from milk processors and in a way from meat processors that expressed their preference in buying this service out of Albania, this is related with the technology they use, in others is relate with the confidence. The finished products of those two subsectors do not face the local competition as the big processors share the market easily among them. The hardest competition comes from imports, especially on their vast assortment and diversified products. In order to aim for this part of the market, and be prepared for international markets as a stipulation for exploiting the full capacity of their investments, these subsectors should catch the innovation trend. Soft skills are needed to support the innovation of technology and processes for the whole of the agro-processing industry and for these two subsectors in particular as the standards offered are by far behind the international markets.

Actually the profession of general **technologist** is supported by a well-developed curriculum at the secondary education level and University (Bachelor & Master).The interviewed people and especially the skill providers and intermediary organizations like KASH, ADAMA, ADAD and a businessman from Lushnje explained further the need for technologists. The agro-processing industry requires more than a general technologist. **Supervisors/quality & standards controller** is mostly missing in the sector as well **chief of production and/or production line supervisor.**

Almost all interviewed businesses admitted to have hired the technologist from informal channels (acquaintances, recommendations) showing their disbelief and lack of information for the skill offer in country.

As a matter of fact these are functions more than professions but the interviewed managers of Agro-processing enterprises highlighted this as a gap. The fact leads us to a conclusion on continual in-job training, post degree specialization or other solutions that will be listed at the Recommendation section.

The quality for the finished product of the agro processing industry is very much related with the quality of the raw material as the processing cannot overly improve quality and safety of the finished product. For that reason well-trained **agronomists** are needed to improve the structure of production, crops varieties as well as quality. This tasks fall

under the Extension Service regional departments and policies of Ministry of Agriculture, Water Administration and Fisheries.

Another skill demanded by industry representatives (milk processors and specifically voiced from ADAMA) and the skill providers is the **laboratory technician/operator,** although we translate this demand in specific skills to operate the necessary instruments, skills that can be obtained in post graduate degrees (in the form of short courses) offered at the Agriculture University or by private skill providers (ADAMA).

One particular profile missing in the Food Value Chain that was identified clearly by intermediary and skills providers' organizations, and required by businesses, was the profile of local development agent. This profile can be placed at the beginning of the food value chain where raw material identification, contracting, pre-ordering and collecting starts, as well as at the end of it as part of a network of marketers for a specific product or group of products. This profile can also play a role of identifying and supplying other inputs in the value chain. Various organizations but especially donor funded projects have been trying to play that role but the intervention did not prove sustainable (example of the web platform on agriculture inputs and products prices). Italian experience shows that this is a consolidated profession not necessarily graduated with a specific course from formal education system. It can be an adult learning program that can offer some techniques of market research and marketing of product.

As per **Marketing** skills there are many skill providers that offer skills for this profile. To market Agro-processing products does not require specific skills that are not offered by a general Marketing curricula in either VE schools or public and private Universities. Marketing curricula in both formal education levels is comparable to European schools. The problem starts when bachelors are employed for the first time as they lack the intuitional marketer needs which is developed either by long experience or intensive adult training (special techniques) that are offered either in the job position or by internship/short training providers. Such skills providers can be listed from the public and private Universities, high schools that offer Majors for marketing as well as profile (drejtime) to Training centers (public and private such), business academia incorporated in two big businesses such as Agna Group and MD and finally from HR companies that can offer tailored courses as per customer (business) requirement.

As mentioned above the leading businesses of the Agro-processing industry need to update their production lines (technology and processes) thus maintenance staff such as **production line technicians and engineers** need to upgrade their knowledge as well. This service is usually bought as part of the production line for a certain period and the expertise is transferred to the company staff. *(EHW, Natural, Extramilk pointed that out).*

Additional to the core skills for the Agro-processing industry missing as per results of the interviews and findings from the validation workshop, some managers (milk processing, collecting and freezing rooms) mentioned the auxiliary positions that are far from skilled workers. **Workers** in the **production lines, packing and others auxiliary processes** lack the minimal skills of any employee such as working discipline, hygiene and sanitary standards, etc. *(ADAD on behalf of one agro processor and one collecting/freezing in Peshkopia).*

Agro- processing businesses have no gender preference in employing people. This was a common response from all interviewed businesses.

I. c Skill offer for the Sector of Agro-processing

The sources for Agro processing specialists are listed below:

A. Public Universities
B. VE high schools
C. Training Programs initiated and supported by various institutional and private donors
D. Extension service (yet Public)

There is an ongoing debate in Albania for the quality of students graduated from public versus private skill providers due to lack of licensing and accreditation as per international standards.

The sector is very wide and comprises many subsectors such as dairy, meat, oil, liquors, flour, fisheries, fruits and vegetables.

The agro-processing employs only 11,282[4] people in formal jobs, but the informality is high because of the seasonality of the productions and unregistered businesses.

Most of the youth working in agro-processing are unskilled and employed in the processing line. They are offered on the job training during the first days from internal staff and the perspective for more qualified job in the company is quite absent. Managerial and technical positions in the companies operating out of Tirana are few and in high demand.

Public University

The curricula of the technologist are offered at the Faculty of Biotechnology and Food starting by mid '60 and offering these majors:

a. Conservation and processing of agriculture produce
b. Processing technology for fruits and vegetables
c. Processing technology of grapes (enology)
d. Processing technology of diary

The above majors were very well serving the industry need by that time considering 50 more food-processing state enterprises all over Albania due to a centralized planning of needs from that sector.

[4]Source INSTAT

After the ’90 the curricula of the Biotechnology and Food Faculty was enriched with:

a. Food technology (general)
b. Hygiene and Sanitary control of animal products
c. Microbiology and Food Biotechnology

Actually this Faculty aims to prepare specialists (agro food engineers, biotechnologists, and other specialists of food quality and safety) to feed in every step of the food value chain.

By comparing curricula of two periods we can conclude that the later graduates are more generalists than the ones graduated before ’90 whereas the scale and technical level of the Agro processing industry in general seems to require more specialized technologists (as often mentioned by the interviewees).

The graduated technologists in 2010 -11 were 117 full time students, by the year 2011-12, 96 technologists were graduated full time and 22 part time whereas by the year 2012–13, 70 technologists were graduates full time and part time.

The Academic staff at Agriculture University stated that these are well-developed curricula at both education levels, whereas all business interviewed did not know (60%), did not trust (100%) or did not expect to find qualified technologist in the labor market. The issue of trust was decisive for employing someone in their business without necessarily being graduated as a technologist (except Aquila Liquori) or buying this service frequently from abroad as part of the technological packet (Natural, EHW). The table below shows the skills offer as per Quota on Public Universities approved by Gov. of Albania for the academic year 2013 - 2014

Skill Offer from Public University System		**Quota 2013-2014**
University of Tirana, Faculty of Natural Science	**Bachelor - Chemistry and Food Technology**	100
	Professional Master in Environmental Biotechnology	40
	Master of Science in Food Technology and Science	60
Agriculture University Tirana, Faculty of Economy & Agribusiness	**Bachelor - Agribusiness management**	160
Agriculture University Tirana, Faculty of Economy & Agribusiness (Lushnje)	**Bachelor - Agribusiness management (Lushnje)**	80
Agriculture University Tirana, Faculty of Economy & Agribusiness	**Bachelor - Zoo technique and Livestock business**	80
	Bachelor - Aquaculture and	80

	fishing management	
	Master of Science in Agribusiness companies management	35
	Professional Master in Agribusiness companies management (part time)	150
Agriculture University Tirana, Faculty of Biotechnology &Food	**Bachelor - Agro-processing Technology**	120
University "A.Xhuvani" Elbasan, Faculty of Natural Science	**Bachelor - Technologist Lab technician (2 years)**	60

Table 2. Public Universities and related branches developing skills for Agro-processing sector[5]

VET school system

Referring to Qualification/professions list prepared and approved from NAVETAQ, the Technologist graduates by 2 National VE schools (Tourism and Hotelier in Tirana & Professional high school Kamez) and 3 local professional schools in Durres (Tecnological Hysen Çela), Korca (Isuf Gjata) and Bushat (Ndre Mjeda).

Profiles of VET curricula's in public VET schools:	
Food Technology	Food Technology (Year 1)
	Food Technology (Year 2)
	Milk processing technology (Year 3)
	Pasta processing technology (Year 3)
	Fruit and vegetable processing technology (Year 3)
	Liquors production technology (Year 3)
	Meat and fish processing technology (Year 3)
	Food technology (Year 4)
Agro-Food Technology	Food Technology (Year 1)
	Food Technology (Year 2)
	Livestock and meat production technology (Year 3)
	Agricultural products technology (Year 3)

[5] Source: VKM nr. 565 date 27.06.2013 for Quotas and enrollment in bachelor Programs of public Universities. VKM nr. 744 date 05.09.2013 for Quotas and enrollment in MSCs and MAs

	Wine production technology (Year 3)
	Agro-food technology (Year 4)

Table 3. Profiles of VET curricula's in public VET school . Source MSWY

Students enrolled in VET schools **Food Technology and Agro-Food technology (2013)**			
School/ Location	**Drejtimet (Profiles)**	**Students enrolled**	
		Female	**Total**
Hotelier-Tourism, Tirane	**Food Technology**	**37**	**379**
Isuf Gjata, Korce,	**Food Technology**	**9**	**79**
Ndre Mjeda, Bushat,	**Agro-Food Technology**	**4**	**102**
VE National School, Kamez,	**Food Technology**	**2**	**22**
Technological School Hysen Çela, Durres,	**Food Technology**	**32**	**160**
	TOTAL	**84**	**742**

Table 4. Students enrolled in Food Tech. and Agro-Food Tech. VET Schools in 2013-2014. Source MoSWY

The tables above do not reflect gaps related to lack of interest on subsectors as the 0 number of students following profiles such as milk processing, meat and fish processing, fruits and vegetables processing in all schools showed in the table. This is due to the new curricula introduced as per VET changing system and due to the missing labor demand for those skills.

The VET school applies the 2+1+1 system offering the following competences in:

- Food Technology
- Agri-Food Technology

Tab. 5 Profession Competences in Food Technology

I level – 2 years	II level – 1 year	III level – 1 year
- Organize the work place. - Use and maintain the work tools and materials. - Respect the professional standards. - Interpret the technical documentation. - Prepare animals and broilers for slaughtering. - Clean animal bodies. - Make different selections during the technological process. - Make simple preparations of ram material. - Fill the conservation containers. - Make simple thermal treatments. - Make transport before, during, and after the technological process. - Make preparatory packaging works. - Make simple packaging. - Remove technological waste. - Press grapes for producing wine and distillates. - Grind malt for wine production. - Fill the fermentation containers for producing wine, distillates, and beer. - Remove waste. - Remove fruit and vegetable unnecessary parts. - Prepare the syrup for sugar-concentrates products. - Prepare various solutions for conservation of vegetables. - Change the trafilature in pasta press-forms. - Respect the rules of technical safety. - Respect the rules of hygiene and environment protection	**Specializations**: *Professional Competences obtained in DAIRY PROCESSING TECHNOLOGY *Professional Competences obtained in PASTA PROCESSING TECHNOLOGY *Professional Competences obtained in PROCESSING TECHNOLOGY OF FRUIT AND VEGETABLES *Professional Competences obtained in PRODUCTION TECHNOLOGY OF ALCOHOLIC BEVERAGES *Professional Competences obtained in TECHNOLOGY OF MEAT & FISH PROCESSING	– Draft a business plan related to his or her vocational activities. – Perform the economic calculations related to his or her vocational activities. – Perform the management of human, material, and financial resources during his or her vocational activities. – Interpret, fill up, and prepare the documentation related to his or her vocational activities. – Implement the legal framework related to his or her vocational activities. – Apply the technical standards required by his or her vocation. – Apply the ethical principles in the process of his or her vocational activities. – Perform the chemical tests of the raw and supplementary materials needed for the production of food items. – Perform the chemical tests of food products. – Use the information and communication technology in his and her vocational activity. – Use and maintain the work instruments, equipment and materials. – Carry out correctly the key actions and first aid. – Apply the hygiene, work safety and environment protection rules.

Tab. 6 Professional competences in Agri-Food Technology

I level – 2 years	II level – 1 year	III level – 1 year
- Organize the work place. - Use and maintain the work tools and materials. - Respect the professional standards. - Interpret the technical documentation. - Prepare animals and broilers for slaughtering. - Clean animal bodies. - Make different selections during the technological process. - Make simple preparations of raw material. - Fill conservation containers. - Make simple thermal treatments. - Make different transportations before, during, and after the technological process. - Make preparatory packaging processes. - Make simple packaging. - Remove technological waste. - Press grapes for wine production. - Fill the fermentation containers for wine production. - Remove husks of grapes. - Remove the unnecessary parts of fruit and vegetable. - Prepare the syrup for sugar-concentration products. - Prepare different solutions for conservation of vegetables. - Change trafilature in pasta press-forms. - Make preparatory flour processing for olive oil production, for flour-based products, for wine production, for meat processing, for fish processing, for processing milk for consumption, for processing milk for by-products, for processing water for consumption, for processing tomato for concentrates, for producing vinegar from wine, for processing sunflower seeds for oil production, for fruit and vegetable. - Respect the rules of technical safety. - Respect the rules of hygiene and environment protection.	**Specializations**: *Professional Competences obtained in TECHNOLOGY LIVESTOCK AND FISH PRODUCTS AND AGRO-TECHNOLOGY *Professional Competences obtained in TECHNOLOGY OF AGRICULTURAL PRODUCTS *Professional Competences obtained in WINE PRODUCTION TECHNOLOGY	(According to information received from the Ministry of Social Welfare and Youth Frame curricula in still process |)

Training Programs initiated/supported by various institutional and private donors

An important donor contribution on rural development have been (and continue to be) IPA funding. There are 3 priorities (axes) under the instrument of Pre-accession from which the Agriculture sector can benefit: (1) Increasing the market competitiveness and implementation of EU standards; (2) Actions towards agro environmental measures and rural development strategies implementation; (3) rural economies development. Within these axes, only 2 measures have been considered applicable for the time being: modernization of agriculture sector in general and of agro-processing in particular. In this framework, IPARD funds were narrowed down to 4 subsectors: a) milk processing; b) meat processing; c) fruit and d) vegetable processing.

These subsectors contribute to almost 55% of the Agriculture industry. All subsectors demonstrate low standards in technology and management, but present the best potential for the Albanian agriculture as require less agriculture land, adapt better with the climate and water resources as well as engage more human resources in the whole value chain.

ADAMA was a spin off from a long term training program on Livestock management that Land O'Lakes implemented all over Albania particularly with women farmers. ADAMA engages a specialized team that introduces and train for agro-processing industry specialists on Milk and Meat laboratory tests.

LEA as well was a spin off Land O'Lakes that offers training programs for milk collectors (safety and hygiene) and milk processors in the areas of Shkoder, Malesi e Madhe, Lezhe and Berat.

The sustainability of these training programs is debatable even though the standards they offer are high.

IPARD program offers support for investment in order to achieve full compliance with EU standards that are important for increasing competitiveness of the sector in the international markets as well as local markets. In this context the agro-processing sector is benefiting in all three components: (i) improve its physical capital; (ii) adopt good practices of production; and (iii) develop food safety system. Additionally increased capacities and awareness for standards implementation is the soft skills component of IPARD.

Extension Service

Extension service specialists in their capacity are expected to offer support through advice and training for agriculture crops, livestock, infectious disease, etc. but also about marketing of agriculture produce, collection and storing as well as processing. Each Regional Agriculture Department (located in 12 Qarks) employs agriculture specialists and at least one staff responsible for agro processing and marketing of agriculture products.

FAO office at the Ministry of Agriculture, Rural Development and Water Administration, in cooperation with the Department of Extension service delivers recurrent training

programs for almost 400 extension specialists. Some of the topics for which extension service staff is trained and should be diffused among farmers relates to:

- Improvement of marketing for agriculture and livestock products
- Improvement of packaging of agriculture product in order to meet the market standards and increase competitiveness.
- Empowering of women and promoting of their engagement in no-land activities.
- Engagement of women in agro-processing and other rural development activities.

I. d Skill Gap Analysis

The analysis of the skill gap was conducted at two levels: (i) micro; and (ii) macro.

At the <u>micro level</u>

1. The low competition of the agro-processing industry does not stimulate these businesses to seek for qualified people. Only 10% of meat and milk processing are enterprises with more than 50 employees and their market share is 80% of the local product. The EU standards for they are longing for in order to reach the market outside the country require soft skills as well so they are the best stimuli to improve the competitiveness. One of the axes of the Strategy for Rural Development, which aims the approximation of the sector development with EU standards, is the improvement of competitiveness of the Agriculture and Agro-processing sector. The interviewed people and especially the skill providers and intermediary organizations like KASH, ADAMA, ADAD and a businessman from Lushnje explained further the need for technologists. The profession of technologist is supported by well-developed curricula at the high school level and University degree (Bachelor & Master), but by comparing curricula of two periods we can conclude that the later graduates are more generalists than the ones graduated before '90, whereas the scale and technical level of the Agro processing industry requires more sub-sectorial specialized technologists.
2. Business representatives of this sector, mostly owners of the businesses themselves, buy HR services for high level management whereas other staff is recruited randomly. This is frivolously explained with the newness of the sector but mostly, as some managers admitted, by the absence of HR policies and practices in Albanian business environment.
3. The level of cooperation is low in the form of internship for the Agro-processing industry except for University and a few VET schools which has formal agreements with different Agro-processing enterprises to send students (bachelor) for internships. At University level, the internship (practical experience) is obligatory and the students can do it in labs or by private enterprises. For example, it is quite common to peruse the practical part of the curricula for students of the Biotechnology and Food Faculty by working in the well-equipped laboratories of the AU, such as conducting laboratory tests for

wine and olive oil. In terms of employability the lack of work experience for university students, public or private, make it difficult for them to spot the right job and on the other end makes employers to hesitate in hiring them. Professors of the AU mentioned that their students find employment often by applying in lower skills jobs.

Students of Technological School in Tirana have also internship agreements with Hotels and restaurants/catering in Tirana. Helios catering employs staff from these interns. Internships are not seen as attractive activities from Agro-processing companies as the business owners (which are on most of the cases managing the businesses) are reluctant to welcome "young and inexperienced", and moreover not very "trustworthy". Interns on the other end inherit lack of seriousness and discipline from the practical sessions in their vocational schools, thus their commitment is somehow arguable.

4. Practical component of education system either in VE schools or in AU is regulated by Ministry of Education but is not implemented due to the lack of laboratories and practical sites.
5. As mentioned in paragraph 2 most of the Agro-processing business in Albania are new and started as family businesses thus 90% of Agro-processing units lack practices in providing job placement or recruitment. Although regular contracts are regarded as very important in finding employment and developing skills, in rural areas the level of informality is quite high and this is a barrier for developing skills, competences, investing in skill both from employer and employees and for setting up long lasting employment relations.
6. Interviewed businesses had no information on occupations /skills provided from schools/ centers, public/non-public. They showed reluctance in associating to benefit from info and training. Although big processing enterprises has been at least once benefiting from KASH for participating in product exhibitions in Albania, these are considered mostly as one time event and most of Agro-processors do not have regular exchange of information with sectorial associations.
7. There is no skill/ training needs assessment conducted in Agro-processing industry, partly as is a new industry and mostly informal (considering the high number of informal dairy processors as well as herbs and spices collector and processors). Additionally the forerunner of the Agriculture production sector is very informal, making it difficult to identify and back it up with data.
8. There have been many donors programs offering skill improvement/ development in the sector but after their exit a real gap is created and the Albanian institutions are unable to ensure sustainability of these projects (projects consisting is supporting VE schools and offering adult training in various location of Albania for dairy, meat, winery, olive oil, fruit and vegetable).

At the <u>macro level</u>

1. Apart from joint activities in product exhibition and trade fairs there are no periodic consultations/ meetings among stakeholders tackling the issue of skills.

2. The completion of the Food Law with the Quality component will set up standards for the Agro-processing industry thus obliging most of the businesses to become formal and fill in the right posts as per skills offer. As above mentioned, 10% of the agro-processors have an 80% of the market share meaning that only a limited number of businesses in that sector can compete with the imported processed foods from EU or other countries. The enforcement of the new Food Law, the fiscal measure for introducing VAT (TVSH) for agriculture products, will oblige the rest of the agro-processors, which are now in their initial stage operating out of the market competition, to implement all the legal requirements and improve quality in order to become competitive for the local market. All this process will require skilled staff and will force the companies to develop training plans themselves.
3. Participation of industries on Regulatory Boards where the skills issues are discussed is not formalized. Curricula development requires the involvement of several stakeholders in the working groups, which is missing because lack of a clear strategic approach and cooperation at macro level. For each profile, members from respective ministries, representative bodies, association for Agro-processing, Universities as well as schools are expected to give expertise and feed in the newest development trends of the industry. This means amending the profiles at a closer pace with sector development.
4. There are no licensed / regulated professions for VE instructors. This lower the quality of teaching staff and the quality of education in VE schools in general.
5. It appears as if labor supply and labor demand is disconnected with intermediaries. Career offices at Universities (not such structure exist in VE Schools) give sporadic and not much orientation towards the labor market. Lack of practical skills from students finishing VE schools and universities. Having limited chances for pursuing internships, students of VE schools and University are not ready to start employment in their full capacity of the profession.
6. Although VE schools have well developed curricula the quality of teachers does not offer the best quality of education process. These schools lack capacities (human& material).
7. The Agriculture sector which is the forerunner of Agro-processing sector is highly informal. This informality is transmitted to the Agro-processing businesses thus lowering the demand for regulated professions.

I.e Recommendations for interventions in the Agro-processing sector

Industrial board for Agro-processing sector	
What would be the intervention	Set up an **'industrial board' for Agro-processing** to increase the cooperation among the different actors (Schools/ universities, private companies and public institutions/ decision making/ regulatory bodies) to keep updated with new development trends/ facilitation. Support to develop skills at all levels by reviewing curricula at regular basis, improving internship approaches and discuss systematically other skill development issues. Foster the cooperation between public and private organisations/ structures that have access to the regions and target sectors/ sub-sectors. Improve the quality of the curricula offered/ identify new curricula in demand from the private sector.
Reason for this intervention	There are many initiatives on government level, business community and business association, different education institutions and donor projects in regard to support of Agro-processing sector. However, it is evident the absence of coordination among different stakeholders that would channel the technical and financial support, bring synergy of efforts and impact the development of economy through enhancing the sector and education on Agro-processing.
What would be the concrete input of RisiAlbania?	- Support with expertise the identification of the right model. - Support with expertise the identification of the board member partners. - Support with expertise the setting up of the model/ board with functioning and communication modalities. - Support the first steps of establishment as per model identified. - Support the first activities of the board.
What would be the implementation approach?	Coordinated cooperation between NAVETQ, KASH, local and regional organisations, private and public training providers, VET schools, public and private universities and with other agencies and programs etc.
potential partner / s	KASH (Albanian Council of Agro-business) can be a catalyst for this this role. But other sectorial and specialized NGO are not to be excluded.

Other interventions:

- **Introduce curricula for Development Agent in cooperation with local/ business Associations (potential partner: ADAD).**
- **Post-secondary/ training curricula for improving competences of existing technologist (potential partner: ADAMA)**
- **Formalizing agreements between universities and private companies and other sector stakeholders (associations) for utilizing labs and resources. Students involved will continue internship and have potentials for employment (potential partners: Universities).**
- **Dissemination of information/ Awareness rising on skills required and related with amendments on the Food Law (potential partners: University of Agriculture, Ministries etc.)**

II - Information Communication Technology Sector – ICT

II. a Sector Overview

Market structure of ICT Sector in Albania

The ICT sector in Albania has had considerable growth these last years. It's notable to mention the number of the ICT companies created and active in the last five years followed up by the liberalization of the Telecommunication market with several of Telecom Operators.

Most of IT companies are relatively young in the market. According to AITA study, about 47% of them have been in operation 5 years or less; 40% have been in the market from 6 – 15 years and only 14% than been in the market since the very beginning of transition into a market economy.

The ICT sector in Albania include IT companies, Telecom operators, Call Centers and does serve to a great number of consumers such as telecommunication, financial sector, public administration, private businesses, individual consumers and home users**.**

It is estimated that the IT services sub sector employs around 500 people, 80% of them under 30 years old, including 30% young women, mainly located in Tirana[6]. There are about 1800 registered companies, which represents 1.9 percent of the total number of registered companies in the country. About 1600 are registered as sole-proprietor; about 190 as limited liability companies; and only 7 as joint stock companies. About half of all companies are registered in the District of Tirana. In addition to the formal sector, there is a lively informal sector operating in the field of IT, mainly in the subsectors of web development and services and maintenance[7].

Growth of IT companies from micro – small - large seems to be slow. More than 55 percent of the companies have increased their employment by only a few employees (between 2 and 9) since the start of their operation, despite the fact that they have been in business for many years. Only one fifth of the companies have been able to add more than 20 employees since the beginning of the operation, and, with a few exceptions, this has happened over long periods of time (more than 10 years on average)[8].

The liberalization of Telecommunication market has impacted significantly ICT sector in Albania. There are five categories under telecommunication such as:

- Operators with individual First Class Licenses: Alb Telecom sha; Albanian Mobile Communication sha; Vodafone Albania sha; Eagle Mobile sha and Plus sha.
- Public Telecommunications Operators in Rural areas (51 operators)
- Subjects licensed to provide internet services ISP (25 subjects)
- Subjects to provide "Data Transmission" services (6 subjects)
- Telecommunication Service Providers (22 providers)

[6] Risi Albania, Sector Selection Report, 2013
[7] General Overview of Information Technology Companies in Albania, AITA, September, 2012.
[8] General Overview of Information Technology Companies in Albania, AITA, September, 2012.

Telecom companies in 2011 had a total employment of 4.166, out of which 45% women. The five main mobile operators together with Alb-telecom hold 93% of the sector revenues and have 3.191 employees. The other six smaller Alternative Operators make up all together 2.6 Million Euro, employing 975 employees[9].

Call Centre business is rapidly growing in Albania, exceeding 120% growth. The number of call centres has increased from 10 companies in 2007 to more than 160 in 2014 forecasted to have further expansion. Call centres are the biggest employer of young people for this sector with a total employment of more than 10,000 Italian speaking employees; 80% of them female, the average age 23 years old, all located in Tirana, Durres Shkoder and Vlora, cities with intensive connections with Italian market and high number of young people that speak foreign languages.

Even though there are 155 companies, half of the market belongs to four biggest call centres such as IDS, Tele-performance etc. employing from 1,000 – 2,000 racking up most of the profits and smaller companies with less than 500 employees - which have no direct links with the foreign clients and thus lower profit margin[10].

Usage of IT services from Albanian companies

Considering that ICT sector is relatively new in the market, there are still difficulties in the diffusion of ICT products and services among Albanian companies, especially among the smaller ones which demand is relatively low. For most of SMEs in Albania, ICT products available in the market are considered to be too complex and expensive.

Despite the above barriers, there is significant potential for SMEs to use ICT as an engine for growth. ICT is both a stand-alone sector as well as a cross-cutting enabling technology for other industries, such as the use of CAD/CAM machinery in the garment sector, online booking for hotels and tour operators, as well as the establishment and management of industry and company marketing tools for all sectors of the economy.

The average annual investment in ICT is about 2.5-3 million USD and all ICT revenues total about 20 million USD.[11]

Most of non-ICT companies are reluctant to implement business software programs that can improve information and knowledge management within the firm, leading to more efficient business processes and better firm performance, making communication within firm faster and management of firm's resources more efficient. The same can be mentioned for communication tools that lead to improvement of external communication, in either B2B or B2C contexts, resulting in a reduced transaction cost, increased transaction speed and reliability, and extract maximum value from each transaction in the value chain.

[9]Risi Albania, Sector Selection Report, 2013
[10]Risi Albania, Sector Selection Report, 2013
[11] General Overview of Information Technology Companies in Albania, AITA, September, 2012.

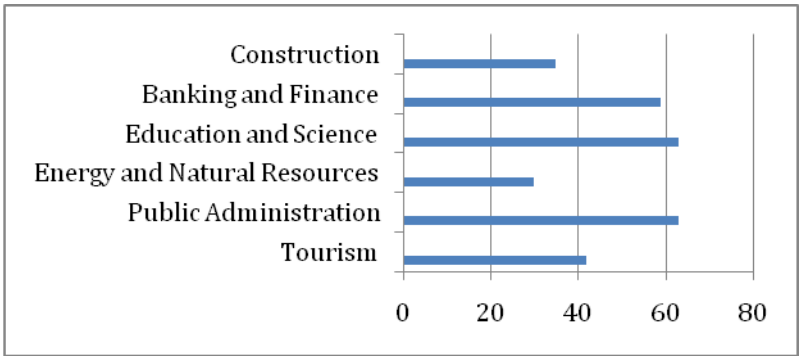

Table 7, Percentage of IT companies serving industry sectors. Source: ICT GIZ study

ICT Players

In order to identify what ICT companies most needed, and what the skills providers were offering, were selected and interviewed key players in the ICT market in Albania, training providers, Universities, schools, associations. As below, there is a brief description of main players, followed by a snap shot chart.

Government of Albania, ***through Ministry of Innovation and Public Administration*** considers the development of the information society and the use and deployment of ICT in the country one of the highest priorities in achieving higher living standards and economic growth. National ICT Strategy aims to exploit the potential of ICT for promoting human development in the country, to support growth and sustainable development for the whole population, to create employment, to improve working conditions and motivate highly educated individuals to stay in the country.

In order to address the needs of IT companies, since 2007 is established ***Albanian Information Technology Association (AITA)*** that includes more than 70 members. The establishment of such an association intends to improve cooperation between IT companies and increase access to regional and international projects.

ICT companies were established due to local initiatives and are run by Albanian engineers specializing in ICT. The majority of products are imported from abroad. However, there is a strong tendency and increase in the ICT sector to adapt products to local needs. Some programs have been adapted to the local language. There are a variety of choices with regard to equipment and programs, which are accessible and affordable for the majority of small and medium enterprises as well as for many individuals. Still, ICT companies are facing difficulties to convince non-ICT companies for the great benefit of using different soft-ware programs.

PROTIK was established through a joint initiative of Albanian government, business community and donors (PPP example that is working well). The mission of PROTIK is to serve as an accelerant for the development of ICT industry in Albania, to promote innovation and entrepreneurship, to increase the demand and use of ICT and assist in market growth, to provide ICT entrepreneurs with access to modern technology and know-how, and to serve as information and networking hub. One of the primary objectives of PROTIK is to promote innovation, with great focus on youngsters. Identifying youth interested in innovation and providing them with a place to meet and share their interests could be one of the most important contributions of PROTIK to the

ICT industry as well as other sectors and the last, but not the least, ***Skills Providers, grouped as*** public and private universities, VE and VET schools as well as training providers that will be described more in details below.

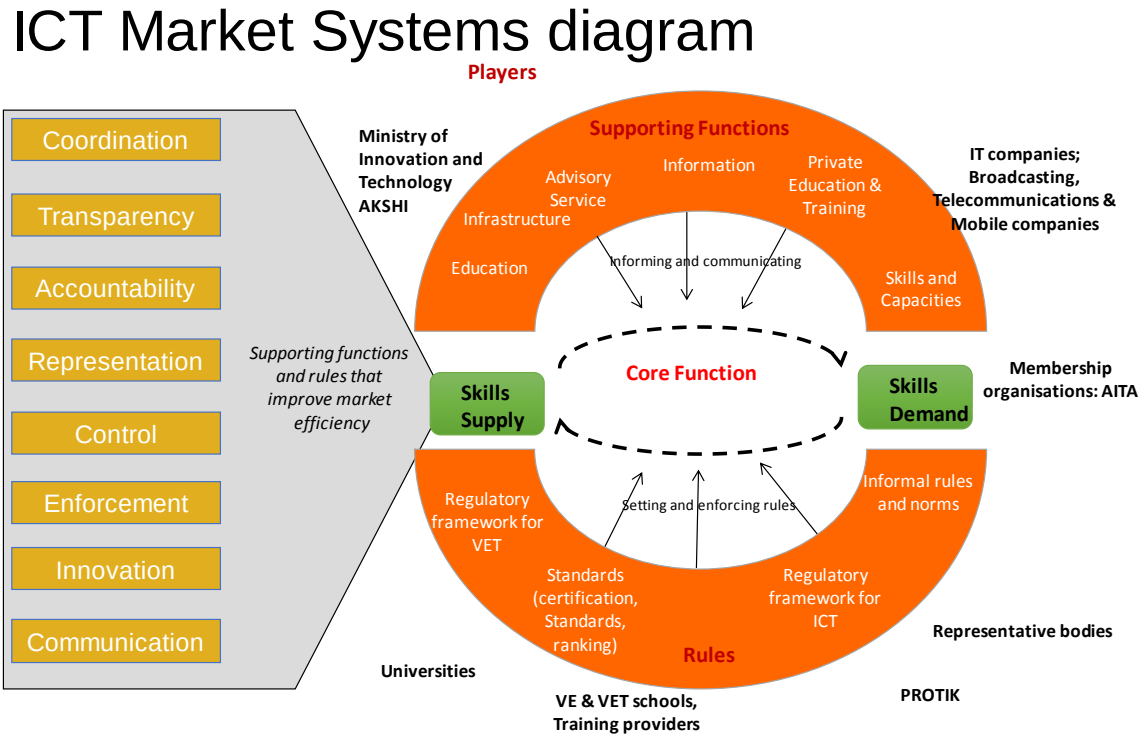

Table 8. ICT Market System Diagram

II. b Skills Demand for ICT companies

The approach of this study was focused on desk research as well as direct interviews with ICT owners/managers as well as public-private skill provider institutions. The interviews aimed to identify what shortcoming of skills and competences ICT companies are facing, what public and private education and training institutions were offering in terms of quantities and quality. Most of ICT owners reported as very important for hired staff, high and university education with high preferences for those with years of experience in the market.

ICT companies declared that they have slightly lower staff turnover compared with non-ICT companies due to better remuneration offer and motivation through on job and class/online trainings. It is more difficult for them to fill their vacant positions due to specific requirements related with qualifications on specific IT programming and language. But as soon as they are able to find right people, they invest in them, which results in lower turnover. However, they confirm that find difficult for their staff to attend training classes beyond working hours. Most of the trainings offered, happen during the same time as working hours, apart online training that they found flexible.

Most of ICT companies share with us that staff-employment take longer due to advertising, usage of headhunting services or check of references through personal

contacts or applications. Most of interviewed IT companies lack HR department/ person in charge for HR procedures and policies in house to identify the right candidates for the vacant/new positions; while only large telecommunication and mobile companies have structures that corresponds with HR; Marketing and Sales; etc. ICT companies in general are willing to pay for their staff training while non-ICT companies have not yet incorporated the concept of periodic training for their staff in order to increase their efficiency and company's performance.

When asked if they have trained their staff or are willing to train, most of IT companies confirmed that they pay annually from 1500 – 4000 Euro to train their staff on technical and soft skills. However, the funds allocation is different from company to company, based on their size and vision towards expansion. Mobile and telecommunication companies have more structured training program for their staff and annually invest above 10,000 Euro for their staff.

Owners/managers of the IT companies confirmed that training of their staff is most focused on:

- Introduction-orientation training and usage of equipment
- Computer network training
- Web design
- Training for Microsoft Office
- Hardware repair and maintenance
- Training on basic Knowledge of PC use an programing
- Client - service and customer care
- Marketing & Sales
- Database training
- Auto-CAD
- Graphic Design
- Mentoring (when companies hire new staff they need their current personnel to mentor the new employees).

Most of the trainings offered are short-term trainings, varied from 1-3 months and 4-6 months. However, this depends a lot on the activity's schedule of the company. They did define the set of skills as Specific Technical and Soft Skills which can be followed as below:.

Specific Technical skills

During our interviews, we were focused on three levels: macro, intermediary and company level, identified as part of the value chain for ICT industry. Most of ICT interviews were possible due to personal connection and networking for most of ICT companies.

Most of the interviewed companies reported that they are missing specific technical skills as Server-Client Programming (***Java programing); Database Administration (MS SQL***; ***Oracle***; ***MySQL) etc.*** In addition, there are very much in demand technical skills on ***Advanced Networks, Data Administration, System Administration (MS***

Windows Server, Exchange Server), Web Programming (Python, ASP etc) as well as Web design (Html, JavaScript) and Photo Editing skills. IT companies confirm that these skills are missing among their staff, but such trainings as Oracle database, Cisco, MySQL, Data and System, PL SQL Programing, Windows Serves, Web Applications can be offered locally by Cacttus, ICT Education, CCS etc., etc.

Mobile and telecommunication companies reported difficulties in finding staff with qualification as fibber technicians, billing engineers and wireless engineers while call centres need foreign languages such as English an Italian and also communication skills.

Medium and large companies have invested in state of art technologies in order to offer better products, reduce costs and increase efficiency. Due to new and comprehensive technology application in several sectors, it is raised the demand for ***technology operators***. Most of the time, the company does on job training for new employees through foreign specialists offered in buying package. They require that new employed staff have computer knowledge (especially for high school graduates that can be employed as technology operators). These requirements are for: knowledge on how to use the equipment; knowledge of operational procedures at work and skills to train other workers. For example, manufacturing companies and other sectors that use technology and IT such as Birra Tirana purchased the technology in Italy and Italian company offered their specialist to install and train Birra Tirana staff.

ICT companies confirmed that they are willing to pay for specific technical skills should the demand rises due to specific project/s while willing to pay for large scale project management; marketing & sales training; customer service and communication and time management for efficiency. They reported that for these training they do contract local providers and are satisfied with the quality of the training but would like to see more case studies and practical use of their modules. During the interviews we surprisingly noticed that the ratio of demand for specific technical skills/soft skills was almost at the same level. Interesting was the finding that soft skills were required by both ICT and non-ICT companies.

Soft skills for ICT companies

Time management and efficiency skills: Most of the time ICT companies operate under pressure, which requires very good management of resources, especially time utilization and its efficiency.

Team building: Enables their staff to better work in small and large teams, have better understanding of tasks and responsibilities and working more effectively together, especially towards problem solving. Most of the time people are focused on problems rather than solutions.

Management skills/ Large- scale project management skills: ICT companies reported that their staff lack project management skills in general and some of them in particular large-scale project management skills (more than 400 man/days). They lack the abilities to stay focused and follow up with tasks, efficient and virtual communication, coordination with all team members and respective players, ensure all needed inputs and resources, midterm project review and adjustment, reaching deadlines etc.

Business Analyst: It was mentioned during the interviews that companies need business analyst skills (DM Consulting, Facilization, Comms Progress), especially when they are preparing software requirement specifications, business plans or doing short market analyses, analyzing competition, company potentials for growth and expansion etc.

Communication skills: This skill is required while dealing with clients, being involved in large-scale projects with large team or for reporting purpose. Most of interviewed people confirmed that even bachelor or master degree owners lack the writing skills, ability to properly structure the report content and message convey.

Marketing & Sales: ICT services are relatively new in Albania and are massively used by large and international companies while SMEs are still reluctant to acquire for these services. Most of them consider as enough purchasing computers and application of accounting software programs while retreat to open and look for innovation.

Considering that ICT is a cross cutting sector, it is very important that ICT companies have enough developed marketing & sales skills for their staff to better penetrate in the market. There are reported cases that due to donor support, ICT- Company has developed a very good software program and present it through several roundtables across the country.

Problem-solving skills: It comes as a need for large- scale projects where problem-solving skills facilitate group work

Maintenance of network cables and systems.

Language Skills: English, German, Italian etc.

II. c Skills Offer for ICT companies

There are three sources of supply for ICT specialists (junior and senior level) as follows from:

I. Public and Private Universities
II. VET public and private high schools
III. Private training centers

However, the 2nd and 3rd source of ICT education and training is still basic, such as courses on informatics or the usage of office applications, and is considered as not enough for ICT job positions.

There is still a debate in Albania for the quality of students graduated from public versus private universities, high schools or training centres due to lack of licensing and accreditation according to international standards.

Public and Private University providers developing skills in ICT

Skill Offer from Public University System	Quota 2013-2014

Tirana University, Faculty of Natural Science	**Bachelor – Informatics**	340
	Bachelor – Mathematics and Informatics Engineer	120
	Bachelor – Information Technology and Communication	220
	Professional Master in Business Informatics	80
	Professional Master in Mathematic and Informatics Engineer	50
	Professional Master in Information Technologies	55
	Master of Science in Informatics	60
	Master of Science in Information Technologies	40
Tirana University, Faculty of Economy	**Bachelor – Informatics' Economy**	200
Tirana Agriculture University, Faculty of Economy & Agribusiness	**Bachelor – Informatics' Economy**	66
Tirana Polytechnic University, Faculty of Information Technology	**Bachelor – Informatics Engineer**	100
	Bachelor – Telecommunication Engineering	70
	Bachelor – Electronic Engineer	70
	Professional Master in Informatics Engineering	30
	Professional Master in Information Technologies	30
	Master of Science in Informatics Engineering	40
	Master of Science in Telecommunications	30
	Master of Science in Electronics	40
Korce , "Fan Noli" University, Faculty of Natural Sciences and Human Sciences	**Bachelor - Information Technologies**	120
	Professional Master in Information Technologies	30
Elbasan, "A.Xhuvani" University, Faculty of Natural Science	**Bachelor – Information Technologies**	150
	Professional Master in Information Technologies	150
Elbasan , "A.Xhuvani" University, Faculty of Economy	**Bachelor - Informatics' Economy**	150
	Professional Master in Informatics Economy	30
Gjirokaster, "E. Cabej" University, Faculty of Natural Sciences	**Bachelor – Physic and information technologies**	170
	Bachelor – Mathematic - Informatics	170
	Bachelor – Information Technologies	200
Shkoder, "L. Gurakuqi" University, Faculty of Natural Sciences	**Bachelor – Informatics**	150
	Bachelor – Computerized Science	120

	Bachelor – Information Technologies	150
	Bachelor –Informatics	150
	Master of Science in Computer Sciences	40
Durres, "A. Moisiu" University, Faculty of Information Technologies	**Bachelor – Computer Science**	80
	Bachelor – Information Systems	80
	Bachelor – Information Technologies	80
	Bachelor – Mathematic - Informatics	80
	Bachelor – Informatics - English	80
	Bachelor – Multimedia and digital Television	30
	Bachelor – Mathematic Informatics (Peshkopi)	70
	Bachelor –Informatics – English (Peshkopi)	70
	Master of Science in Applied Computer Sciences	120
Durres, "A. Moisiu" University, Faculty of Professional Studies	**Specialist for Computers Network (2 years)**	60
	Practical Informatics (2 years)	30
Durres, "A. Moisiu" University, Faculty of Integrated Studies with Practice (FASTIP)	**Bachelor – Multimedia an Information Technologies (in English language)**	25

Table 9. Public Universities and related branches developing skills for ICT sector[12]

In addition, all private universities offer MSC in Informatics; MSC in Informatics and Technology as well as Computer Engineering and Electronic Engineering. These Universities are: NYUT; EPOKA University; European University of Tirana; UFO University; Marin Barleti University and Mediterranean University.

Asked to distinguish between the educational and practical level, most companies were satisfied with University of Tirana as well as NYUT and Epoka University. However, it was classified as very important the need for practical experience, as most of the pupils/students demonstrate minimum level of it.

The problems raised from public University representatives are:

- Low number of teachers on ratio 1:50;
- inadequate infrastructure (insufficient number of laboratories;
- internet connectivity of low band;
- low level of direct funding for R & D and innovation.

[12] *Source: VKM nr. 565 date 27.06.2013 for Quotas and enrollment in bachelor Programs of public Universities. VKM nr. 744 date 05.09.2013 for Quotas and enrollment in MSCs and MAs*

Program of Studies in Public Universities	Quota 2013- 2014
Bachelor – Informatics	640
Bachelor – Mathematics and Informatics Engineer	120
Bachelor – Information Technology & Communication	220
Bachelor – Informatics' Economy	416
Bachelor – Informatics Engineer	100
Bachelor – Telecommunication Engineering	70
Bachelor – Electronic Engineer	70
Bachelor – Physic and information technologies	170
Bachelor – Mathematic - Informatics	320
Bachelor – Computer Science	230
Bachelor - Information Technologies	700
Bachelor – Computerized Science	120
Bachelor – Information Systems	80
Bachelor – Informatics - English	80
Bachelor – Multimedia and digital Television	30
Bachelor –Informatics – English	70
Professional Master in Business Informatics	80
Professional Master in Mathematic & Informatics Engineer	50
Professional Master in Information Technologies	305
Master of Science in Informatics	60
Professional Master in Informatics Engineering	70
Master of Science in Telecommunications	30
Master of Science in Electronics	40
Professional Master in Informatics Economy	30
Master of Science in Computer Sciences	40
Master of Science in Applied Computer Sciences	120
Specialist for Computers Network (2 years)	60
Practical Informatics (2 years)	30
Bachelor – Multimedia an Information Technologies, in English	25

Table 10. Programs of Studies in Public Universities

In addition to interviews with main players, we considered as important getting students feedback about their program (theory and practice). All of them stated that it is so difficult for them to get acquainted to the new position, as they have no practice at all or in cases when they have done practice was completely inefficient. They are aware that their academic knowledge is not sufficient to match market needs, especially in ICT sector that has the highest and quickest rate of growth compared with other sectors of the economy.

Most of interviewed students answered that they lack information on jobs available, specific requirements for available positions etc.

According to Risi Albania study "Formerly Making Labour Market work for Young People", last five years there are 453 students in IT and 10 students in Telecommunication.

VET in ICT

Total number of registered pupils in VET schools for the year 2013-2014 is 1913, out of which 237 are female.

Profiles of VET curricula's in public VET schools:	
Information and Communication Technology (ICT)	Information and Communication Technology (ICT) (year 1)
	Information and Communication Technology (ICT) (year 2)
	ICT support users (year 3)
	Data networks (year 3)
	Website development (year 3)
	Multimedia (year 3)
	ICT support users (year 4)
	Data networks (year 4)
	Website development (year 4)
	Multimedia (year 4)
Information and Communication Technology (ICT) (Pilot -PEM), ArbenBrociSchool , Shkoder	(TIK) (Pilot -PEM) (Viti 1)
	(TIK) (Pilot -PEM) (Viti 2)
	Elektronikeneteknologjine e automatizimit (Viti 3)
	(TIK) (Pilot -PEM) (Viti 4)

Table 11. Profiles of VET curricula's in public VET schools. Source MSWY

Students enrolled in VET schools Information and Communication Technology (ICT) (2013)			
School/ Location	Drejtimet (Profiles)	Students enrolled	
		Female	Total
26 Marsi, Kavaje	Information & Communication Technology (ICT)	5	52
Arben Broci, Shkoder	Information & Communication Technology (ICT) (Pilot –PEM	0	51
Industriale Pavaresia, Vlore	Information & Communication Technology (ICT)	12	118
Industriale, Rubik	Information & Communication Technology (ICT)	0	63
Mekanike bujqësore, Lushnje	Information & Communication Technology (ICT)	0	70
Myrteza Kepi, Kuçovë	Information & Communication Technology (ICT)	0	0
Petro Sota, Fier	Information & Communication Technology (ICT)	0	160
Profesionale Beqir Cela, Durres	Information & Communication Technology (ICT)	0	127
Profesionale Kolin Gjoka, Lezhe	Information & Communication Technology (ICT)	17	106
Profesionale Nazmi Rushiti, Diber	Information & Communication Technology (ICT)	37	108
Profesionale TIK Fan S. Noli, Korce	Information & Communication Technology (ICT)	92	278
SaliCeka, Elbasan	Information & Communication Technology (ICT)	13	102
Shkolla e Mesme Kombetare Prof. Kamez	Information & Communication Technology (ICT)	31	192
StilianoBandilli, Berat	Information & Communication Technology (ICT)	5	39
TeknikeEkonomike Hoteleri-turizëm A. Athanas, Sarande	Information & Communication Technology (ICT)	9	61
Teknike elektrike GjergjCanco, Tiranë	Information & Communication Technology (ICT)	14	371
Thoma Papano, Gjirokaster	Information & Communication Technology (ICT)	2	15
Total		**237**	**1,913**

Table 12. Students enrolled in ICT VET Schools 2013-2014. Source MoSWY

The profile offered in these schools is Information and Communication Technology (Y 1; Y2); ICT Support users, Data Networks - Website Development and Multimedia (Y3); ICT Support Users Data networks and Website Development and Multimedia (Y 4).

Arben Broci School is applying for the first time the profile on Electronic Technology of Automations (year 3) and TIK (Year 4) with support of PEM – GIZ.

As it is seen in the table these schools are well spread geographically while female representation is less than 15%.

VET curricula Y 1 + Y2 as follows:

First level (I+II year)	Second level profiles(III+IV):
Organize the work place; Select the work materials, tools and equipment; Use and maintain the work tools and materials; Apply the professional standards; Apply rules of technical safety and environment protection; Interpret simple electric and electronic drawings, and block-drawings; Draw computer network installation schemes; Interpret the technical documentation; Measure and inspect computer circuits and computer networks circuits; Implement simple schemes with electric and electronic elements; Measure and inspect electric and electronic circuits; Make the physical installation of computers; Install computer peripheral accessories; Install computer application programs; Replace computer damaged parts; Maintain software and hardware; Make the physical installation of the computer network (LAN) with cables; Make simple configurations of cable networks.	❑ ICT users Support ❑ Data networks ❑ Website development ❑ Multimedia ❑ Automation Electric Technology

The public and non-public VT system delivers short and medium term training courses from few hours to some months. The Ministry of Labor approves the program, but there is not yet an official structure on the Levels and Profiles for VT, but they are oriented to facilitate quick learning with employment orientation. The licensed providers issue certificates that are recognized in the territory of Albania. In this context there is a need for unification and standardization of these programs.

It is important to mention that the existing VET system in Albania is not yet comparable to international classifications and standards. A detailed description of the existing levels and competencies is missing; the non-formal and informal learning concepts are not yet validated; there is evidence of inconsistencies and discrepancies between different levels of vocational education and absence or limited usage of labs. That will enable pupils to obtain the practical knowledge and experience and increase the chances of employment in different non- ICT companies as well as junior positions for ICT companies.

According to ICT experts there is a significant difference between the quality of secondary and university level graduates in Albania compare with other developed countries.

Key VET private providers

There are 17 private VET schools in Albania operating in 10 locations. Almost all private vocational schools (besides the Harry Fultz Technical School) are very small in terms of the number of enrolled pupils and delivered profiles. There are around 1000 pupils studying in the private vocational secondary education and almost 70% attend Harry Fultz technical school in Tirana in Electro technical, Auto mechanic, and business specialties. A certain number of private vocational schools have eased functioning due to financing difficulties.

To fill this gap, many donors are focusing their technical assistance for VET schools outside Tirana and one of the best experiences to be mentioned is the Austrian School "Peter Mahringer" in Shkodra. There are around 230 pupils enrolled in the school that benefit through an intense program of well combination between theory and practice, aiming to ensure pupils employment through internship programs. The companies that are hosting internships are Internet - provider companies, local energy distribution companies, hydropower plant companies etc. This experience can be disseminated among other technical schools with the aim to prepare pupils on Information Technology Profile. Considering the importance of this sector for the economy, Ministry of Education and Science has recently introduced IT profiles in the VE schools.

There is only a couple of VET schools offering IT courses such as post-secondary courses (under development) and a limited number of private high schools such as Harry Fultz Institute and the 'Austrian VET school in Shkodra 'PehterMahringer', offering:

- Network Administrator
- Software programming
- Network and Information Technologies
- Web designer

There is a group of private training providers including CACTUS, ICT Education and others. They offer Individual, Corporate and Government Training Solutions and Certification in latest programming technologies, licensed by foreign companies. Some of the courses they offer include:

- Software Development using Microsoft, Cisco CCNA, Oracle, LINUX Systems, PHP-MsSQL programming, Android Technologies
- Web developers
- Network Engineering
- Smartphone applications developers
- Network security specialists
- MTA in System Administration; MTA software Development

II. d Skills Gap Analysis

As most of the businesses are concentrated in Tirana – Durres area, it is recognized that big ICT users are concentrated in this segment as well, where the labour market offers the required skills and qualification. The situation is more problematic in the other cities where the labor market does not offer such qualification. It is identified as very important the introduction of the ICT profile in the VE schools outside Tirana in order to fulfill the needs of companies for ICT services. The number of people engaged on IT activities has increased significantly over last years, due to the fact that qualification is needed in every sector of the economy, starting from financial and banking sector, telecommunication, Internet Service Providers, large companies, tour operators and tourism companies, home users etc.

As per ILO NES study on skills and qualification of micro and small enterprises in Albania, was analyzed the level of education for 19,173 work force on 964 interviewed companies from different sectors, including ICT. The share of the workforce according to education level shows that 34% have lower secondary education and 47% have upper secondary education, while with university diploma are around 16%. This indicates the importance of strengthening secondary education (both lower and upper level) as they count more than 80% of the labor force.

According to interviewed people in our study, the main positions for medium level technicians are required for web design, network maintenance technicians and help desks operators. And according to interviews, the above positions are mostly filled by technical secondary-school graduates or general-secondary school graduates that are passionate in computer science and information technology. While other positions, such as system engineer, web programming, database programming, application development, network manager, banking IT and Finance etc., are mostly filled by university graduates, followed up by an intense training financially covered ICT companies. ICT experts emphasize that there is a significant difference between the quality of secondary and high- level graduates in Albania and those compared with other advanced countries.

University graduates lack industrial skills, so, despite higher numbers of graduates in software development, we still have a low number of skilled software developers, which constrains the development of an Albanian IT industry. Most of IT University graduates end up filling service and maintenance jobs in public institutions or private sector.

The analysis of the skills gap was conducted at three levels: company level/ micro level and macro level.

Micro Level/ Company level:

1) Even though there is a high demand for qualified staff in ICT sector, specific questions during the interviews confirmed that there is a lack of mutual communication between ICT companies and qualified skill providers (schools / centres / universities, experts etc.) to get information on graduates from education providers and trainings offered as well as to reflect market/business needs in the respective skill provider curricula. While companies understand well the importance of the regular communication with different levels of skill providers, they find themselves regularly occupied with day-to-day business management and not enough time to dedicate to this communication. This happens as most of Albanian companies have one face-man/company owner that deals with all business issues. They don't have a dedicated staff to take care on this. On the other side, almost all IT companies confirmed that they have not been contacted by skills providers (secondary education, university education and training centres). None of them was contacted by carrier offices. Only one of the interviewed companies, DM consulting company was periodically invited by Polytechnic University during revision or update of curricula. While there is a total absence of communication with secondary education.
2) While for lower positions, according to ILO NES study, more than 50% of interviewed companies (they used a sample of 964 companies representing different sectors of the economy, including ICT) consider process/plan operative staff and elementary staff with low level of qualification and experience. These are employees either with secondary level of education or elementary and indicate the shortage of curricula of secondary education in compliance with market needs. ICT is a cross cutting sector and is part of all economy. In this section we are referring to operative staff that needs to learn basic elements of computer or machinery/equipment utilization. There are several reasons for this as described in skills offer, but to be mentioned are: lack of practical experience in secondary education; not enough qualification and experience of education staff as well lack of interest from them to update curricula based on market needs.
3) While ICT has become part of everyday life, still there is reluctance from non – ICT companies to use IT products and services, different software to increase efficiency and productivity on company level. This happens either for high cost of IT products or lack of understanding for its benefits. There is a need for increasing periodically the awareness of business community for ICT products and services. It is a continuous effort from donor community to bring all players together interact on local fair and B2B meetings but the concern is the sustainability of these efforts on completion of the donor project.

4) In general, it is noticed a low level of understanding for internship programs. This is happening in all levels, either IT companies or skills providers (universities and schools). Even though internship is obligatory for last year graduated, it is not in place any evaluation system for internships and tracing system for graduated students. However, in all cases there is not a program, monitored and mentored properly through companies and education institutions due to the fact that neither companies nor schools see the value of practical benefits that interns get in the company level, enabling them to be prepared and apply this knowledge while employed; while telecommunication and mobile companies do regularly host internships, but without a specific program and monitoring & evaluation system.

5) It is almost absent among ICT companies the culture of choosing the best students in education system and provide scholarship with employment intention. If this process is taken seriously, ICT companies will be able to hire best students, after offering in their company internship program for those students.

Macro Level:

Universities

1) University's curricula do not reflect market needs for Specific technical skills such as language programming (JAVA, MS SQL, MySQL, Oracle etc.). All of IT companies confirmed these needs. University curricula provide generic programming skills and no minimum level of industrial skills. As a result, IT firms provide 6-12 months on the job training before new graduates are able to produce valuable industrial products. So, one main skill gap is the shortage of industrial skills among graduating University students, which results in high on the job training costs for the IT companies.

2) Reported needs for soft skills such as Time Management and Effective Communication; Project Management; Marketing & Sales are not strong component of University or secondary education curricula. Most of these skills can be attained through private and post university training. The only concern here is the quality of these trainings. There are reported two situations: either the training is very good but expensive and the companies can't afford to send their staff (especially with international consultants/trainers; or the quality of the training content is not good enough, especially with practical application;

3) Even though it is reported some level of personal communication between universities and ICT companies in terms of updating current curricula, this interaction is not yet institutionalized on regular basis and as a requirement from policy makers (Ministry of Education...) Public universities are reluctant to establish and foster this communication due to absence of incentives while carrier offices within universities either are weak or absent. Private universities do establish better communication with ICT companies. They do invite speakers from ICT companies, but yet this is a personal approach from the owners of universities. While high schools fully lack communication with ICT companies

without understanding the market needs for different positions that can be translated in respective curricula.

High Education/Vocational Training

1) VET curriculum is not producing graduates with the essential knowledge, skills and occupational competence for entry to training-relevant ICT job positions in the workplace. VET system does not equip VET graduates with the necessary skills to enter the labour market. Among other reason is that lecturers/teachers do not have incentives to update regularly the curricula.

2) Insufficient capacity of managerial and teaching staff in VET with relevant knowledge on ICT and different programs. *Industrial Work-Based Experience of the majority of Vocational Teachers is outdated.* Many teachers and instructors in the technical vocations have a long experience coming from the previous state-owned factories but they are **lacking behind with the recent technological and industrial developments** and in particular ICT applications.

3) Due to the generally poo*r* condition of facilities and equipment, learners are unable to familiarize themselves with technologies, tools and instruments that are required in ICT positions. There is a lack of laboratories and tech equipment to be used for practical purposes.

4) There are *limited or no linkages between private sector companies and VET providers, due to mentality of both "players". Businesses do not understand the benefit of being closer to educational institutions and search for prospect staff while VET providers are passive and not interested in being proactive*. **Only 28 % of VSS management reported that they support local companies**. This interrelationship is quite often of an informal nature. It does not help the VSSs to enhance the quality of VET programs so that they become relevant to the labour market.

5) There are no sustainable financing mechanisms that can support up-to-date compliance with market needs and lab equipment

6) Lack of practical skills from students completing VE schools and universities. Having limited chances to pursuing internship, students of VE schools and universities are not ready to start employment with needed basic capacity of the profession.

7) It is not yet in the market an ICT Academy/Training Hub that can bridge academia with business; attains best practices and curricula to prepare the specialists so much demanded in ICT sector.

ICT Association

1) Business Associations (AITA and ICT Cluster established by GIZ) are not yet sustainable; non funding from different sources to strengthen their capacities to offer lobby and advocacy for their members; to facilitate internship program between their members and skills providers; to take the lead for establishing

interaction among different active players in ICT sector to better serve ICT community.

2) Lack of periodic consultations/ meetings among the stakeholders of ICT sector. AITA can play a catalyst and facilitation role to bring all players together identify gaps and introduce solutions; better coordinate and reach synergy of efforts.

3) Need to periodically screen market supply, identify companies that offer required trainings and establish cooperation with them (VE Schools, universities and training institutions).

Government

1) There is a need to establish policies at ministry level to mandate all institutions to develop study programs for part-time students as this will create better employment opportunities. The idea is to have different courses with ICT focus for allowing people to switch from their professions in case there is not any demand in the market and being trained /educated in another profession through part time courses. The same as universities offer MBA programs for employees in different organizations/ institutions.

2) Based on desk research was noticed that secondary and university education do not apply a system/ requirements for maintaining the students database as well as tracing them after school completion; This will help create relevant and accurate database to trace students/pupils after school graduation and estimate the trends of their employment that can serve as feedback system for their curricula;

3) There is not in place any system that provides incentives for VET schools to reach a high number of students for ICT studies considering that ICT skills are becoming a market demand.

4) Still, there are very few PPP for specific interventions that target sectors/ subsectors with high number of employees. There are no yet incentives for schools/universities that cooperate with private sector and update curricula based on latest market needs. Teachers/lecturers are not offered incentives for more qualified and market oriented work/update of curricula. Being paid almost with the same salary, there is not given any incentives for the ones that update curricula and/or refresh them.

5) There is not yet institutionalized cooperation among policy makers, public and private institutions and schools, businesses and associations in support of VET curricula design/updating.

6) Participation of industries on Regulatory Boards is not formalized.

7) There is full absence of incentives for educational institutions to facilitate the establishment of start-ups as they can serve as incubator centre offering proper infrastructure and technical support.

8) It is reported that there is lack of policies to support scholarships for excellent ICT students and a totally absence of an Award System for best offered

education on ICT. This will create credibility and stimulate competition among skill providers for offering better education/training programs;

9) Innovation is still behind European level. Even in the region Albania is behind neighboring countries in terms of funds for R & D and innovation;

10) Donors are more involved in system education (support of curricula for secondary education) while is missing a TOT program to train a cadre of specialists that can offer specific trainings based on company needs.

II. e Recommendations/ future interventions in ICT sector

Industrial boar for ICT	
What would be the intervention	Set up an **'industrial board' for ICT** committee that will organize periodic meetings of main stakeholder groups or sub-sectors working groups depend on the current needs. Support to develop skills at all levels by reviewing curricula at regular basis, improving internship approaches and discuss systematically other HR issues. Foster the cooperation between public and private organisations/ structures that have access to the regions and target sectors/ sub-sectors. Improve the quality of the curricula offered/ identify new curricula in demand from the private sector.
Reason for this intervention	There are many initiatives on government level, business community and business association, different education institutions and donor projects in regard to support of ICT sector. However, it is evident the absence of coordination among different stakeholders that would channel the technical and financial support, bring synergy of efforts and impact the development of economy through enhancing ICT sector and education on ICT.
What would be the concrete input of RisiAlbania?	- Support with expertise the identification of the right model. - Support with expertise the identification of the board member partners. - Support with expertise the setting up of the model/ board with functioning and communication modalities. - Support the first steps of establishment as per model identified. - Support the first activities of the board.
What would be the implementation approach?	Coordinated cooperation between PROTIK, AITA, local and regional organisations, private and public training providers, VET schools, public and private universities and with other agencies and programs etc.
potential partner / s	PROTIK can be a catalyst for this purpose due to the mission and technical expertise PROTIK is building up through donors or business community support. As mentioned previously, PROTIK is a live example of a PPP that is working and has the physical and human capacities to handle this role either of fund raising on specific initiatives or facilitating different events where the coordination role is prevalent. PROTIK has started to play this role by organizing, 'Talk Hard' round tables. To further develop this mechanism it is needed support to structure and organize strategically this role. We would like to emphasize some supporting evidence that PROTIK can be potentially an area for intervention

Other interventions

1) There are several areas where we have identified skill gaps that PROTIK is supporting:

   - **Incubator/accelerator for young ICT entrepreneurs.** Promoting innovation and entrepreneurship is one of the key contributing factors to the development of the ICT sector. As a result, an intervention to support aspiring and existing entrepreneurs would be an impactful contribution. The entrepreneurship Ecosystem in Albania lacks incubator/accelerator structures that would provide round the clock support for entrepreneurs. Risi could partner with Protik, AIDA and the Ministry of Innovation and Public Administration to create an incubator/accelerator program for ICT entrepreneurs.
   - ***Internship program*** that aims to bridge the gap between demand and supply in the labour market by assisting all stakeholders that contribute towards the creation of effective internships. This intervention could provide an example of effective internship creation to the state universities and the ICT business community, and to give students the opportunity for a smoother entrance into the labour market. PROTIK has a large network of contacts and continuously promotes professional networking and partnerships, by being a perfect internship lab for the staff of the ICT-related facilities and their attempts to create appropriate structures to manage effective internships. Eight to twelve students will be interning at the same time. The internships will range from one to three months depending on the current need for the centre, the partner companies, the projects implemented, and the ability of universities to supply interns.
   - ***Business Speed Dating*** to facilitate connections and new opportunities between business people and young entrepreneurs. This event allow young entrepreneurs to undertake a formalized structure for the purpose of boosting their professional network, getting access to real mentors and successful people, aiming to improve skills they need to improve their businesses and careers.
   - ***Search Engine Optimization*** is a training that supports web managers to reach high visibility and listing of company websites through innovative strategies for optimization.
   - ***Startup Weekend Tirana*** highlights new business ideas for creating startup companies and the real value of this model is about learning through the act of creation, developing networking, and matching potential cofounder, validating ideas, experimenting in a new risk-free environment and taking the first step, and launching a startup company within 54 hours.

2) **Support of Career Offices in universities** to facilitate the communication between universities and ICT companies.

3) Develop **post-secondary curricula in multimedia**. Potential Partner: Beqir Cela School in Durres,

4) Introduce **IPTV curricula** in VET high schools. Potential Partner: Albtelecom.

5) Provision of **incentives for teachers/lecturers** to update regularly respective curricula. Incentives can be of various forms. Further investigations should be taken to identify the ones the right ones.

6) Foster the **cooperation between VET schools and private companies** by creating the ground where they can sit together and discuss common concerns and issues. Relevant at this stage could be to start this cooperation. It can be on bilateral level, one to one or through round tables where players are invited, with specific agenda for discussion with focus to firstly bring parties together, discuss common concerns looking for solutions. This facilitator role can be played by AITA, Protik, Ministry or donors. The roundtables organized in the frame of this study are examples of bringing interested actors and parties together.

7) Support the **process of formalization of agreements** between universities and private companies and other sector stakeholders for utilizing labs and resources.

III - TOURISM SECTOR

III. a Tourism sector overview

The tourism industry in Albania is composed basically of small and medium size enterprises and can be categorized under two major subsectors:

- Hotels &Restaurants 10.000[13]
- Tours operators 600-700[14]

According to World Travel and Tourism Council the tourism sector contribution for 2013 of the Albanian GDP was ALL 68.1bn (4.8% of GDP), and the forecast is 5.5% to ALL 71.9bn in 2014. This primarily reflects the economic activity generated by sectors such as hotels, travel agents, airlines and other passenger transportation services (excluding commuter services). But it also includes, for example, the activities of the restaurants and leisure industries directly supported by tourists.

According to data from INSTAT at the end of 2013 there were 17,825 registered enterprises in the Accommodation and Food service activities. Because of the considerable rate of informality of the sector it is difficult to recover precise data per sub-sector, especially with regard to tour operators.

The Travel & Tourism sector is a very large employer, especially for young people: it generated 41,000 jobs directly in 2013 (4.3% of total employment) and this is forecast to grow by 5.2% in 2014 to 43,500 (4.4% of total employment). This includes employment by hotels, travel agents, airlines and other passenger transportation services. It also includes the activities of the restaurant and leisure industries directly supported by tourists.

The total contribution of Travel & Tourism to employment (including wider effects from investment, the supply chain and induced income impacts, was 146,500 jobs in 2013 during the high season (15.2% of total employment). This is foreseen to rise by 4.1% in 2014 to 153,000 jobs (15.6% of total employment). According to informal data from Albanian Tourism Association, the employment out of the season could reach 60.000 jobs; almost half of the higher season. Referring to ATA, there are no precise data on employment rates of the sector because of the gap in the existing law (under reform) on seasonal jobs and high informality of the sector.

According to RisiAlbania Sector Selection Report, Hotels and Restaurants engage more than 40.000 employees, tourist transport and tourist services engage over 12.000 employees.

[13] Number of Hotels and Restaurants indicated from ATA during the Interview
[14]Number of Tour operators indicated from ATA during the Interview

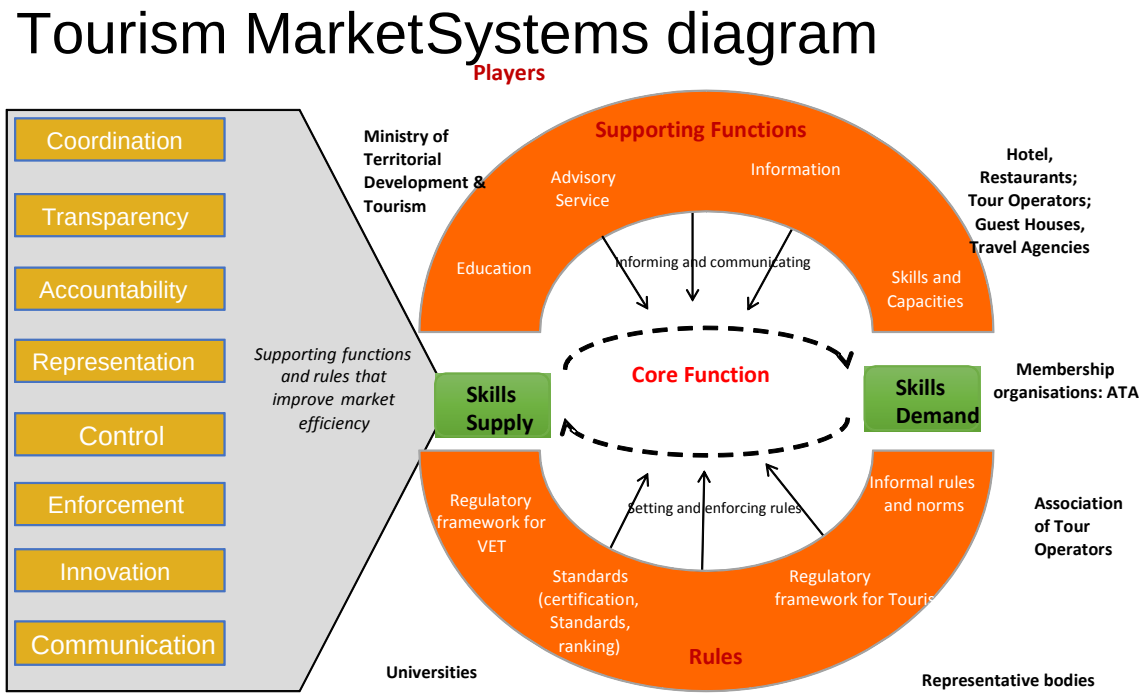

Table 13 Market System Diagram in Tourism Sector

The matrix diagram for the Tourism skills market will be explained throughout the sections of this research.

III. b Skills Demand in tourism

In the course of this research were interviewed different private companies (hotels, restaurants, travel agency, tour operators), skill providers, experts and stakeholders such as Ministry of Tourism and Territorial planning, ATA (Albanian Tourism Association), the Association of the Tour Operators, etc.

The skills required vary from the operational level in the company, to the technical and soft skills. Most of the interviewed people have responded that youngsters coming from tourism & hospitality VET schools lack the practical experience and they need further training in the company.

Most of the training for soft skills and low qualified jobs in the company are offered in-house. Only few big hotels and restaurants buy this service from outside trainers. Most of the companies does not have an HR department and this task is taken mainly from the owner (in the small and medium companies), and/ or is under the supervision/ competences of the manager for bigger ones.

Companies interviewed were asked about training methods used by their business during the previous two years. The most commonly training utilized methods for staff were regular in-house training (70%), followed by mentoring/apprenticeships (65%) and workshops/seminars (60%). For senior staff/managers, the most common were workshops/seminars (70%) and technical training (10%).

For high level and managerial positions the companies prefer to hire skilled staff and only in particular cases, such as the introduction of new equipment and technologies they would pay to develop their skills further.

90% of interviewed companies are wishful to develop the competences of their internal staff, but they do not have constant cooperation with private and/ or public VET providers because of lack of confidence in the services they offer, low level of information and cooperation among them, 'cost effectiveness', poor attitude of the owners to consider skill development of their staff as an instrument to develop their business.

The practice for paying to train their staff in technical skills is limited because of:

- Fear that once trained and enabled they may leave the company and/or find another job, or open a new business themselves.
- Some of the touristic structures (hotels, restaurants) work only a few months a year, for this reason they consider it only a cost to invest to train the seasonal employees. This experience is very common for jobs such as waiters, receptionist, housekeeping, cleaning, etc.
- The fear that once trained they will leave the company and open a new one on their own increasing this way the competition (Ex. Tour operator companies). The Tour Operators Association finds this experience quite common lately because of the high informality in the sectors an because the costs and requirement by law for opening a travel agency is quite low and does not require big efforts and/ or investments.

Internship practices are not always taken seriously from business and in most of the cases they do not place particular care in developing the skills of the trainees, but rather consider them as seasonal low cost jobs. Only medium-big size companies are positively implementing some internship schemes in cooperation with VET public school and private training providers and they consider internship as a tool for hiring new staff.

Interviewees provided a number of reasons why companies are reluctant to accept internships. First and foremost, students are not well-trained to perform tasks that would be helpful for the business. This is often aggravated by another issue cited by a number of managers which was students having unrealistic expectations about the tasks they will perform as they do not want to perform "entry-level" tasks and do not seem committed to the work.

Managers also indicated that the length of most internships (1-2 months) is not sufficient for them to learn key tasks and to become integrated into the staff. Recognizing this, managers often do not invest the time to train them.

In recruiting new staff most the common channels are the 'traditional' word of mouth and there is an increasing trend for cooperation with HR companies. For this reason different HR companies lately are diversifying their portfolio by offering short term courses based on the skill request they identify from private companies. Some of the courses offered are: costumer care, time management, marketing, foreign languages etc.

1. **Tour operators and travel agencies** find that most of the new staff hired is lacking the ability to oversee specific functions such as ticketing and invoicing; the ability to check the quality of the work; the ability to monitor pricing, the ability to suggest ways to streamline the processes to ensure excellent service. The main reason why they consider is the low quality of the public VET offer.

In the course of the interviews was identified also that:

- 3%-5% of people work at managerial level where a Master degree is required and over 5-8 years of work experience.
- 25% -35% of people work as travel counselors, administration, accountants/ financiers where a Bachelor/ Master degree is required basic along with over 5 years of experience.
- 50%-60% of people work as ticketing operators, sales and marketing, tour organizers, requiring Bachelor degree and specific certificate, with 3-4 years of experience.

From the interviews, in the past two years the highest recruitments had been in:

- Tour operators
- Travel agents
- Admin staff

Similar recruitments are expected to be on demand also for the next two years.

The interviewed companies stated that the students coming from VET schools do not have the complete and practical competences to take over their job. The specialized training courses are seen as a way forward, but companies are still skeptical to invest themselves to develop their staff.

Summarized some of the competences and skills in demand identified from interviews and group discussions/ workshop are:

- Time management skills
- Management skills
- Certified tour guides at local level
- Verbal fluency and familiarity with foreign languages
- Tour guides/ tourist operators business language skills
- Communication/marketing skills specifically for tour operators
- Tour operator e-ticketing skills
- Touristic product destination knowledge for tourist managers

2. Hotels, restaurants, catering companies. Quite interesting information was revealed during the interviews and workshop regarding the future prospective in skill development. Taking into account the fact the tourism is seen as priority sector for Albania, they are confident that the sector will expand in the next years and this will increase the demand for qualified staff.

From the interviews, in the past two years the highest recruitments had been in:

- Waiters / bartenders
- Cook (chef/ assistant)
- Administrative staff.

Similar recruitments are expected to be on demand also for the next two years.

Companies responses related with difficulties filling job vacancies in the past 2 years were quite revealing: 42% indicated that they had in fact experienced difficulties. It would seem that such difficulties will only become greater as the Albanian tourism industry grows. Most commonly they cited a "lack of applicants with the appropriate skills" (30%). The second most common response was "lack of appropriate work experience" (22%). Third (20%) cited "lack of institutions which prepare specialists".

Other difficulties in hiring staff, mentioned during the interviews are:

- General lack of interested applicants
- Poor image of the sector/occupation
- Lack of HR / Hiring Experience
- Seasonal work (difficulty to find qualified people for seasonal jobs)
- Lack of institutions which prepare specialists

In the course of the interviews was identified that based on the functional area in the company there are different requirements regarding the educational level:

- Only 5% of people are employed in managerial level, requiring Bachelor/ Master degree and 5-8 years of experience.
- 20%-30% of people are employed as Supervisors /Assistants/ financial mangers requiring Bachelor degree, with 0-4 years of experience.
- 40%-60% of people are employed as chef/ cooker, receptionist – Bellboys, waiters/servers, bartenders, security guards, room service, requiring Graduate/ Diploma, with 0-4 years of experience.

Most of the companies interviewed identify as missing the **costumer care** skills for many occupation in the company, **communication** skills at all levels of staff; the ability to interact with guests; **monitoring** the standards of facilities; **foreign languages** for the occupations in contact with foreign tourists; **Regional Level Guides** certified and trained to cooperate/ offer qualitative services to travel agencies.

In the course of the interviews with stake holder was raised the necessity to continue the efforts in developing skill toward standardization of the services through:

- Quality Mark and/or Star ranking skills for implementing ,
- Quality Mark and/or Star ranking skills for evaluating,
- Certified hospitability trainers.

What it is Authentic Albania Quality Mark?[15]

In order to increase the performance of the sector in the past years different initiative were developed aiming to increase competitiveness by increasing standards. In April 2011, Rritje Albania project funded from USAID launched the Authentic Albania Quality Mark.

The Authentic Albania Quality Mark framework evaluates facilities using seven key dimensions that together address the travelers' requirements for professionalism, safety, cleanliness, and comfort, as well as demonstrating responsible tourism practices.

Hotels and guesthouses must apply and be assessed to determine if they qualify to join the Authentic Albania Quality Mark Award program. Evaluators grade facilities using a scorecard that promotes continuous improvement and identifies quality excellence.

A comprehensive assessment report, including the scores achieved on the seven key dimensions, is submitted by the assessor to an independent Authentic Albania Quality Mark Award Committee.

The Committee reviews the findings, researches customer feedback, and makes the final decision to assign an award. Authentic Albania Quality Mark is managed from ATA – Albanian Tourism Association.

III. d Skill Offer in Tourism Sector

The skills offer in tourism sector is quite poor and composed from:

- Public VET schools
- Public and Private training centers
- Public and Private Universities

Public VET schools

Hospitality-Tourism schools apply the system 2+1+1:

Profiles of VET curricula's in public VET schools:	
Hospitality - Tourism	Hospitality - Tourism (year 1)
	Hospitality - Tourism (year 2)
	Cooking and patisserie (year 3)
	Bar-restaurant (year 3)
	Tourism (year 3)
	Receptionist (year 3)
	Touristic guide (year 3)
	Hospitality - Tourism (year 4)

Table 14. Profiles of VET curricula in public VET schools. Source MSWY

[15] http://www.authenticalbania.com/

Students enrolled in VET schools Hospitability and Tourism (2013)			
School/ Location	Drejtimet (Profiles)	Students enrolled	
		Females	Total
Hoteleri-Turizëm, Tirane	Hospitability and Tourism	131	511
IsufGjata, Korce	Hospitability and Tourism	16	101
ProfesionaleKristoIsak, Berat	Hospitability and Tourism	5	53
SaliCeka, Elbasan	Hospitability and Tourism	22	130
Shkolla e MesmeKombetareProfesionale, Kamez	Hospitability and Tourism	18	185
TeknikeEkonomikeHoteleriturizëm A. Athanas, Sarande	Hospitability and Tourism	18	84
TeknikeprofesionaleEnverQiraxhi, Pogradec	Hospitability and Tourism	7	50
TeknologjikeHamdiBushati, Shkoder	Hospitability and Tourism	12	175
TeknologjikeHysenÇela, Durres	Hospitability and Tourism	39	375
Tregtare, Vlorë	Hospitability and Tourism	5	61
TOTAL		**273**	**1,725**

Table 15. Students enrolled in Tourism related VET Schools 2013-2014. Source MoSWY

Referring to the following table the highest demand is for the first two years while of the third year there is little demand for profiles such as: cooking and Patisserie and receptionist; bar-restaurant. Only a small % of students have registered in 2013 in the fourth year for hospitality - tourism. It is interesting to notice that there are no students at all registered on the third year for Tourism and Touristic Guide profiles.

Noticeable is the number of women enrolled in the VET school, 273 compared with the total of 1,725.

Hospitality-Tourism schools apply the system 2+1+1 offering the following competences:

I level – 2 years	II level – 1 year	III level – 1 year
- Use and maintain the work means, equipment and materials. - Read and interpret the technical documentation. - Communicate with colleagues and clients in a professional manner. Work in a team. - Apply the rules of personal hygiene, equipment, and workspace hygiene. - Apply the principles of preserving drinks and food accordingly. Do preliminary works using raw and assisting materials. - Prepare salads and cooking using eggs. Prepare basic sauces.; Prepare bouillon and soup. - Prepare flour and four assortments. Prepare meat assortments. Prepare fish and sea food-based assortments. - Prepare home-made desserts. Decorate the final products - Arrange and prepare the dining room. Apply the rules for receiving and serving clients. - Serve hot and cold plates. Serve drinks in restaurants and bars. Prepare hot drinks in the bar. Make bookings for the clients. - Coordinate the activity of the reception with the other sectors of the hotel. Make simple financial calculations in the reception. - Advise clients about cultural activities, and tourist destination. Inform the clients about the city and region. - Clean the hotel rooms, toilets, and other parts. Follow the laundry work procedures. - Respect the professional standards. Apply rules of technical safety and environment protection.	**Specializations**: *Professional Competences obtained in COOKING and PASTISSERIE *Professional Competences obtained in BAR, RESSORANTS *Professional Competences obtained in TOURSIM *Professional Competences obtained in RECEPSION *Professional Competences obtained in TURISTIC GUIDE	– Draft a business plan for a boarding structure, food or drinks business. – Assess the records of financial sheets as tools to measure the company's success. Calculate costs with the aim of ensuring the management of human, material, and financial resources – Implement the legal framework related to the hotels & tourism vocational activities. – Analyze rights and obligations to be met by offering parties and consumers in the hotels & tourism industry. – Analyze the importance of developing sustainable tourism, environmental protection, and the negative effects of encouraging massive and uncontrolled tourism, in keeping with the relative legislation. – Interpret the quality assurance methods and the related legislation in tourism. Apply the technical standards in the vocational activities. Apply the ethical principles in the vocational activities – Analyze the tourist market Analyze the micro and macroeconomic effects Draft an offer of food and drinks, in relation to particular activities – Draft tourist programs and offers as per the requests of the tourist market. Use the information and communication technologies in his or her vocational activity in the hotels & tourism sector. – Use and maintain the work instruments, Carry out correctly the key actions for offering the first aid. Apply the work safety and environment protection rules.

Skill Offer from Public and Private Universities

Skill Offer from Public High education System		Quota 2013-2014
Aleksandër Moisiu University of Durrës, Faculty of Business	Bachelor- Archeological Tourism	70
	Bachelor- Cultural Tourism	70
	Bachelor – Hotels-restaurants	70
Aleksandër Moisiu University of Durrës, Faculty of Studies Integrated with practice (FASTIP)	Bachelor – Hotelier Tourism Management (in English language)	35
Aleksandër Moisiu University of Durrës, Faculty of Law and Political Science	Professional Master in Tourism Orientation	30
University of Tirana, Faculty of Business	Bachelor Tourism Management (part time)	40
	Professional Master in Tourism Management	30
	Professional Master in Tourism Management (Sarande)	50
	Master of Science in Tourism management	20
	Professional Master in Tourism management	40
Agriculture University Tirana, Faculty of Foreign Languages	Master of Science in Intercultural and Touristic Communication and languages	120
Agriculture University Tirana, Faculty of Business & Environment	Bachelor – Rural Tourism Management	80
Fan Noli University of Korça, Faculty of Economy	Bachelor – Tourism Business Management	100
	Bachelor – Tourism Business Management (Pogradec)	80
	Professional Master in Tourism	60
	Master of Science in Business Administration in Tourism and Hospitability	
	Master of Science in Tourism and Hospitability	50

A.Xhuvani University of Elbasan, Faculty of Economic	Bachelor - Tourism Economy	80
E.CabejUniversity of Gjirokastra, Faculty of Education and Social Science	Bachelor - Tourism	100
	Bachelor – Tourism (part-time)	50
	Professional Master in Tourism	60
LuigjGurakuqi University of Shkodër, Faculty of Economy	Bachelor – Tourism	120
	Cultural Heritage and tourism Management (part time)	60
	Master of Science - Sustainable Tourism	40
Ismail Qemali University of Vlora, Faculty of Economy	Bachelor - Tourism Management	180
	Professional Master-Entrepreneurship in Tourism	50

Table 17. Source: VKM nr. 565 date 27.06.2013 for Quotas and enrollment in bachelor Programs of public Universities. VKM nr
VKM nr. 744 date 05.09.2013 for Quotas and enrollment in Master of Science and Professional Master

Private Universities:

Logos University, Tirane (private higher education institution)

- Bachelor -Tourism Management

Marin BarletiUnivesity, Tirane

- Bachelor in Business Management –Tourism and Tours

The public and private centers offering skills in tourism

There are 10 VET public centers operating in Durres Elbasan, Fier, Gjirokater, Tirana (nr. 1 and Nr.4), Vlore, Korce, Shkoder, Movable Centre for Northeast, with a very limited number of students registered/ graduating from them.

There are quite a number of private centers offering tourism and hospitability skill courses while remains unknown the topics they develop. By law the private training centers do not have any obligation to publish their offer/ courses, while at the other hand there is no published database on 'who is doing what'.

Enrolment levels in VET public centers depend partially on the number of referrals for unemployed job-seekers from employment offices. The number of trainees compared to the number of unemployed jobseekers registered with the employment offices is

indicative of a very low level of referrals from these offices and only a small percentage (1-2%) follow hospitability & service courses.

On the course of this research different key skill providers were identified and interviewed:

Blerimi Lushnje offers 3+3 months cooking and patisserie courses. The center was established in 2005 under ISDO project (SDC founded). During the first three months the students acquire theoretical skills, while the last three months they are able to practice the skills. The courses are followed not only from youth from Lushnja, but also from other cities of Albania. It estimated that over 80 students are graduated each year. After finishing these courses 90% of the students are employed or are able to start up a business/ restaurant.

Neranxi Culinary Institute offers different training courses, starting from 1 month to two years for cooking (chef diploma), patisserie, bakery, bartender, waiter etc. During the courses the students are able to follow technical classes, practice in the labs of the school and for the two year school practice by private restaurants. Over 90% of students graduating from this centre are immediately employed after completing the school.

ITK (Institute for Training and Carrier) is a private centre practicing internships and on the job training in the tourism sector. Along with the internship the center offers training on the job on customer care, sales and marketing in tourism. The center has quite e good network of private companies offering internships.

III. e Skill Gap Analysis

In this research the analysis of the gap is done in three levels: micro and macro:

Micro/ company level

These are gaps identified at company level:

- There is weak collaboration between private companies and qualified skill providers (schools / centers / universities, experts etc.), as there are no institutionalized 'advisory boards' to collect the demand for skills.
- Companies do not have complete information on skill providers of different levels (private/ public centers, VET schools, universities, etc.). Most of the companies interviewed were not aware of the existence of different public VET schools and private training centers.
- Most of the tourism companies are small-medium size, family owned experiencing 'short' vision from owners/ investors to develop HR resources accordingly to international standards. This determines lack of persons in charge for HR procedures and policies within companies; luck of on the job periodic training programs; short vision toward skill development.
- Poor Retention and Motivation Practices - HR practices that inadequately address employee retention or a misalignment of HR practices with sources of workforce motivation.

- Private companies may also hire new entrants to the labor market who are apparently trained and qualified for specific occupations, but who are subsequently found to still lack a variety of the skills required. Lack of periodic consultations/ meetings among the stakeholders of these sectors.
- Another important aspect identified was the reluctance in co-operating with business organizations which can support the industry needs for skill at different levels.
- When facing difficulty in recruiting employees from the external labor market under current market conditions due to lack of required skills, work experience, or qualifications a company demands, companies engage in substitution behavior by hiring staff that require further training.
- There is weak linkages of 'skills for tourism' with the labor market exist caused by inadequate tourism labor market needs analysis that orients training provision.

Macro level:

1) Poor Skills Formation Policy in Tourism: Government coordination of the skills formation system fails to link tourism development strategies with the evolution of education and training systems; to ensure qualitative and quantitative supply-demand match between outgoing students and the needs of the labor market; to facilitate regular, on-the-job training provision and participation in skills formation by the business community; and address policy, informational, or financial sources of individual underinvestment in skills development.
2) Market and institutional failures in the tourism skills formation system, as it does not involve local decision-making.
3) VET school for tourism often lack autonomy and operate in a highly centralized system. In this regard, the local public authorities also have important roles to play as they have the advantage of knowing the local economic and social conditions, and being closer to the local communities makes them able to identify the marginalized groups and involve local stakeholder to address their labor market inclusion.
4) The different VET schools and University programs have quite good curricula's and programs, but the industry finds that skills offered in these schools does not match their needs.
5) The approval of new courses is often done, without labor market consideration. Efforts to identify labor market needs have been undertaken by the National Employment Service, which have failed to translate into concrete steps of VET centers designing demand driven training modules.
6) Within VE the introduction of new fields of study is often not justifiable given the limited labor market absorption capacity, particularly in the smaller regions of the country with low levels of economic activity.

7) There is no unification of curricula for certain professions which require multiple skills, such as in tourism and agro industry.

8) The presence of businesses in VET school boards is limited and not institutionalized for all VE system.

9) Intractability of students from schools / centers / etc.

10) Gap created after donors exit. In different cases the different donors/ international organizations have supported Albania VET system in developing curricula's, investing in VET schools, training teachers etc. but because of the lack of systemic approaches the Albanian institutions had been unable to ensure sustainability afterwards.

- *There is new coming law for tourism and food which will bring relevant changes and is expected to improve the system.*
- Licensing of touristic structures it is not subject of periodic regular control.
- The policy makers do not support the cooperation between public institutions, schools, businesses and associations in VET curricula design/updating.
- There are no rules and regulations establishing criteria and standards in tourism and related professions.

III.e Recommendations / Interventions in Tourism Sector

Industrial boar for tourism	
What would be the intervention	Set up an **'industrial board' for tourism** sector for improving skills. Support to develop skills at all levels by reviewing curricula at regular basis, improving internship approaches and discuss systematically other HR issues. Foster the cooperation between public and private organisations/ structures that have access to the regions and target sectors/ sub-sectors. Improve the quality of the curricula offered/ identify new curricula in demand from the private sector.
Reason for this intervention	The skill offered at different levels of education does not meet the needs of the private sector. There is no systemic skill need identification and consultation institutionalized bodies able to produce results that would be propose changes in the existing education system.
What would be the concrete input of	- Support with expertise the identification of the right model. - Support with expertise the identification of the board member

RisiAlbania?	partners. - Support with expertise the setting up of the model/ board with functioning and communication modalities. - Support the first steps of establishment as per model identified. - Support the first activities of the board.
What would be the implementation approach?	Cooperate with NAVETQ, ATA, Ministry of Welfare and Youth, local and regional organizations, private and public training providers, VET schools, universities, experts and with other agencies and programs such as GIZ, ETF, ILO etc.
potential partner / s	- ATA – Albanian Tourism Association - NAVETQ

Other interventions

- **Training of Trainers for rating and implementing Quality Mark standards/ Stark ranking (according to the new law) for / new touristic products/ mobile training in hotels/ bars/ restaurants/ agencies etc. Establishment of PPP schemes for certification of trainers. (potential partner: ATA, activate AHLEI trainers).**
- **Piloting an internship program in the hospitability sector along with on the job training (potential partner: ITK).**
- **Establishment of post-secondary curricula/ frame curricula of a tourism school (potential partner: Blerimi center, Lushnje).**
- **Develop specific training curricula for tourism operators for improving their communication skills in foreign languages (English, Italian, French, German, etc.) for tourism services (potential partner: Lincoln Centre in Tirana; the National Agency for the Promotion of Social Business in other regions).**
- **Training in marketing & sales of local amenities (potential partner: there are different providers that could offer this service).**
- **Unify training program for LGUs for tourism offer/ TOT and cooperation (potential partner: experts, public VET schools)**
- **Establishment of public Voucher schemes to promote quality training and improve the skills demand from businesses (potential partner: Ministry of Welfare and Youth/ Ministry of Education).**

ANNEXES:

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List of interviewed people:

1.	Name of the Organisation/Institution	Representative
2.	KASH (Albanian Council of Agribusiness)	Enver Ferizaj, president; Gjon Gaspri executive director
3.	Ministry of Agriculture	Tatjana Dishnica, Extension services
4.	NAVETQ	Sonila Limaj, Director
5.	ADAD – Agricultural Development Association of District Montagne	Hafuz Domi, Director
6.	ADAMA – Shoqata Shqiptare Qumesht – Mish	Merita Uruci, Director
7.	Shoqata AFI	Emerald Ballesha
8.	Shoqata Domni ne Zhvillim Shkoder, simple processing of medicinal herbs	Sylo Ujka, head of association
9.	Agritra Vizion, Training providers for women farmers enterpreneurs	Majlinda Hoxha, Executive Director
10.	Permaculture and Rural Tourism Resource Center	Tom Ndoka; Director
11.	Federata e fermereve Shkoder	Isak Bajrami
12.	KooperativaVreshtaret e Zadrimes Lezhe	Zef Pashuku; Head of cooperative
13.	Helios Catering & Gustoso Catering	Helton Shkurti, Manager
14.	SOAL Dairy, Kemishtaj (Lushnje)	Sotir Velo, Owner
15.	Koopfrut 2012, Diber	Veip Shalkurti – Owner and manager
16.	Natural Agrofarming	CFO – Sonila Collaku
17.	Extra Milk	Egi Gramo (co-owner)
18.	EHW	Merkur Leka, Director of production
19.	Subashi Olive Oil	Ilir Subashi, Owner
20.	Shkalla Olive Oil	Shpresa Shkalla, Owner
21.	Technical School Harry Fultz & Harry Fultz College for VT	Arjan Kapedani, Director
22.	Agriculture University	Renata Kongoli, Dean of the Faculty of Biotechnology and Food
23.	Agriculture University	Kapllan Salaj, vice-Dean, Faculty of Biotechnology and Food

24.	UET	Luljeta Minxhozi, Dean of the Economic Faculty
25.	Dule collection/ processing/ freezing, (Lushnje)	Gazmend Dule (co-owner)
26.	Ministry of Territorial Development & Tourism	Nevila Popa
27.	Instituti Kulinar Neranxi	Elona Rrapaj, Director
28.	Albanian Tourism Asociation "ATA" ;	Matilda Andoni, Executive Director
29.	Sava Tour	Sava M. owner/manager
30.	Meridiana Travel	Andi Alimehmeti, owner
31.	Hotel Sky/ Brauhouse	Lesina Kita/ Nevila Alia
32.	Hotel Kotoni	Admir Rexha, Manager
33.	Hotel Vlora International	Vasilika Hanxhari, manager
34.	Fly Restaurant Durres	Katerina Xhelili, co-owner
35.	Kompleksi Blerimi Lushnje	Tatjana Pirro, owner and manager
	Hospitability Business & Training provider	
36.	High Albania	Fisnik Muca
37.	Tradita Geg & Tosk, Shkoder	Gjon Gilaj, owner and manager
38.	Albania Holidays dmc	Kliton Geranxhi, Owner and Manager
39.	Berati Tours	Martin Heusinger, business leader
40.	Tour Operators Association	Sadik Malaj, Manager
41.	Hotel and Service consulting	Dorian Kaba, Manager
42.	Hotel Xheko Imperial	Eni Xheko, co-owner
43.	(Ekspert) AgjensiaTurizmit AKT	Franka Paloka, former director
44.	Alma Balliu	Open Vision Albania org. Director
45.	Klodiana Collaku	ACN Albania
46.	AMC	Elona Kokllari, Recruitment & Administration Supervisor
47.	Albtelecom & Eagle Mobile	Klodiana Avdia, HR Manager
		Greta Petro, Training and Development Departement
48.	Facilitation	Gjergji Guri
49.	Infosoft Systems Software Developer	Erjola Mimani
50.	Abcom	Altin Leksani
51.	Cacttus	Mariglen Biti
52.	Tring	Sokol Shyti
53.	Microsoft	Elvis Cirko, Elona Xhaferri

54.	Communications Progress	Iris Batalli
55.	DM Consulting	Dritan Mezini, executive director
56.	AITA	Dritan Mezini, CEO and Funder
57.	InfoCall	Esmeralda Shimili – HR dept.
58.	P&P/ WIFI	Bianca Duro, Managing Director
59.	Ministry of Social Welfare and Youth	Agron Pellumbi, Director for VET
60.	Protik	Edlira Kasaj, Executive director
61.	Politekniku Tirane	Elinda Kajo - Head of Computer Science Dep.
62.	UT, Fakulteti Shkencave te Natyres	Endri Xhina, vice-Dean
63.	Qendra Kenedi	Katerina Kallanxhi, Director
64.	Linkoln Centre	Aida Repishti, Executive vice-president
65.	Beqir Cela Durres VET school	Bashkim Shkembi, former director
66.	Education Business Link	Albana Hasanaj
67.	ISSAT - Instituti i Studimeve dhe Trainimeve	Edlira Mali, trainer
68.	ITK - Instituti i Trajnimeve dhe Karrieres	Gentian Drenova, CEO and funder
69.	"Promoting Social Business" Agency	Ardita Bonati, Director