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Governance and financing of apprenticeships



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Foreword

Apprenticeships have been widely acknowledged as an important policy tool to respond to the current socioeconomic challenges that the European Union (EU) faces, and in particular high youth unemployment. As evidence suggests, combining school-based teaching with company-based training eases the transition from education to work. Indeed, those countries with well-established apprenticeship systems experience lower levels of youth unemployment.

Apprenticeships develop the skills relevant to the labour market, bringing benefits to companies, apprentices and society. Further, apprenticeships contribute to developing an individual's holistic competence in an occupational field and professional identity, a fundamental requirement for innovative and quality work.

Several EU policy strategic documents and initiatives advocate apprenticeships. The Bruges communiqué ⁽¹⁾ calls on Member States to develop apprenticeships and other similar schemes with a work-based learning component to improve the quality, efficiency and attractiveness of vocational education and training. The European Alliance for Apprenticeship ⁽²⁾ brings together a wide range of stakeholders with the aim of strengthening the supply of apprenticeships and improving their quality and image, while apprenticeships are also a key element of the European Youth Guarantee initiative ⁽³⁾. Finally, the recent Riga conclusions ⁽⁴⁾ calls for promoting work-based learning with particular focus on apprenticeships.

The successful implementation of apprenticeship is a challenging task. To support the Member States and national stakeholders, Cedefop launched this action-research project focusing on two key determinants of success: governance and financing. First, a set of favourable (or 'ideal' from a theoretical point of view) governance structures and financing arrangements, supporting the effective and sustainable implementation of apprenticeship, was identified. Next, in a collaborative effort with national stakeholders (representatives of

⁽¹⁾ Council of the European Union; European Commission (2010).

⁽²⁾ European Commission: Employment, Social Affairs and Inclusion: *European alliance for apprenticeships*:
<http://ec.europa.eu/social/main.jsp?catId=1147&langId=en> [accessed 16.11.2015].

⁽³⁾ European Commission: Employment, Social Affairs and Inclusion: *Youth Guarantee*:
<http://ec.europa.eu/social/main.jsp?catId=1079> [accessed 16.11.2015].

⁽⁴⁾ Latvian Presidency of the Council of the EU et al. (2015).

governments, social partners, business and training providers) from Spain, Italy, Latvia, Portugal, and Sweden, Cedefop analysed these countries' current governance structures and financing arrangements and identified areas where action has been taken and where it is still needed. This provided a basis for the last step of the project: national stakeholders' further discussions on different policy options for advancing apprenticeship in their countries.

I trust that this project, through the active engagement of various national actors in the research process, has greatly contributed to policy learning. I also hope that national dialogues in the five countries selected for the analysis will continue and will lead to higher quality apprenticeship programmes. I am confident that this publication, which presents the findings of the project, will stimulate further developments in other countries wishing to improve their governance structures and financing arrangements, and implement high value and sustainable apprenticeship.

Joachim James Calleja
Director

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Executive summary

The sustainable and effective implementation of apprenticeship depends on various socioeconomic and institutional factors. Apart from the overall structure of the economy, the interaction between the various stakeholders involved should also be considered. The appropriate patterns and mechanisms for accommodating interdependence and coordinating activities of different actors, referred to as 'governance', are crucial for the successful implementation of apprenticeship. Another important determinant of success is adequate financing arrangements.

This study, *Governance and financing of apprenticeships*, focuses on these two aspects and investigates the conditions for the development of apprenticeships in Spain, Italy, Latvia, Portugal and Sweden. The primary aim of the study was to identify 'favourable' governance structures and financing arrangements that would support the expansion of apprenticeship in the countries concerned. Moreover, the project aimed at supporting existing efforts in these countries related to the promotion of apprenticeship by involving stakeholders and thus giving them an opportunity for policy learning and thereby promoting change. To this end, an action research approach was adopted in which different groups of stakeholders, namely representatives of governments, employers, employees, training providers and independent experts were actively engaged in a collaborative process of assessing the current governance structures and financing arrangements in their respective countries and developing policy options to foster apprenticeship. With this in mind, two rounds of workshops were organised in each country, with more than 120 representatives of the above-mentioned stakeholder groups for each round.

The five countries analysed included centralised (Latvia, Portugal and Sweden) as well as regionalised (Spain and Italy) political systems. In these countries, both traditional forms of apprenticeship and predominantly school-based vocational education and training (VET) structures can be found. Both forms have been addressed in the project.

The project followed three main steps:

- (a) defining the favourable governance structures and financing arrangements for the development of apprenticeship, that is the 'normative model' underlying the study;
- (b) reviewing to what extent such a governance and financing model actually exists in the countries under examination;

- (c) elaborating visions and strategies for developing apprenticeship in the countries concerned.

Apprenticeship systems and governance structures: a model

In the context of the present study, dual VET is defined as a formal education and training programme in which learning takes place alternately at a workplace and an educational institution leading to an officially recognised vocational qualification. The term ‘apprenticeship’ (in the strict sense) applies to programmes in which, aside from the aforementioned characteristics, learners have the status of employees and are paid for their work and which normally feature a contractual relationship between the learner with the training enterprise.

The systemic and institutional arrangements that shape the implementation of dual VET and apprenticeship in particular have been analysed with the help of various conceptual approaches such as governance structures (Bertelsmann Stiftung, 2009; Rauner et al., 2010), feedback mechanisms (Cedefop, 2013) and skill formation regimes (Thelen, 2004; Busemeyer and Trampusch, 2012). These concepts have been synthesised into an integrated conceptual model which is presented in the table below.

Governance structures and financing arrangements for apprenticeship: a normative model

Main criteria	Subcriteria
Consistent legal framework	<ul style="list-style-type: none"> • a single act for VET or a single/coherent legal framework for VET (with several laws complementing each other); • centralisation/concentration of legislative competences at national level or national level responsible for overall legislative framework/guidance for VET and regional/local levels specifying the details; • legal framework/mandatory regulations for cooperation of learning venues; • the status and rights of apprentices are regulated by law.
Balanced allocation of strategic and operational functions	<ul style="list-style-type: none"> • national level responsible for strategic functions and long-term objectives. Local level responsible for operational functions; • defining/setting training standards, curricula and occupational profiles at national level. Determining specialisations at local level; • learning venues have autonomy to implement training programmes/training plans; • freedom of apprenticeship contract.

Main criteria	Subcriteria
Involvement/integration of the various bodies	<ul style="list-style-type: none"> adequate definition (in the legal framework) of the responsibilities of various stakeholders involved (companies, educational institutions, supervising bodies, institutions empowered to award and recognise qualifications, etc.); official or officially recognised status of providers and supervising bodies; institutional framework for VET dialogue (with involvement of government, educational institutions, social partners, researchers and learners); social partners participate in designing curricula, standards and occupational profiles, assessing learning outcomes and ensuring quality of apprenticeship; coordinating and/or moderating role of one institution; institutionalised cooperation of learning venues.
Quality assurance and development/innovation strategies	<ul style="list-style-type: none"> regular evaluation of curricula and occupational profiles; regular assessment of learners' professional competence (systematic analysis/competence diagnostics as opposed to examinations or trade tests); research on training quality and its improvement; regular monitoring of demand for and supply of apprenticeship places; adequate qualification standards and a system of initial and continuous education and training for VET teachers and trainers.
Balanced outcome and input orientation	<p>Outcome orientation:</p> <ul style="list-style-type: none"> mandatory objectives and benchmarks (overall objectives) for apprenticeship defined in law; educational standards (knowledge, skills and competences to be acquired by learners) defined in occupational profiles and curricula; examinations oriented towards learning outcomes; possibility of recognising learning outcomes acquired outside regular training programme in line with strict equivalence criteria. <p>Input orientation:</p> <ul style="list-style-type: none"> activities of the bodies involved determined by certain norms and rules (regulations on entry requirements for training programmes or access to certain occupations, regulations on company permission to train apprentices, etc.); completion of a specific/mandatory curriculum is a prerequisite for awarding a qualification.
Adequate financing arrangements	<ul style="list-style-type: none"> government covers the costs of school-based component; employers cover the costs of company-based component; apprentices receive moderate wages, which reflect the level of their productivity and increase progressively; company-based component is organised as a cost-effective system (returns generated by apprentices are at least equal to the wages and other training cost).

Source: Cedefop, based on Rauner et al., 2010; Rauner and Wittig, 2013; Bertelsmann Stiftung, 2009.

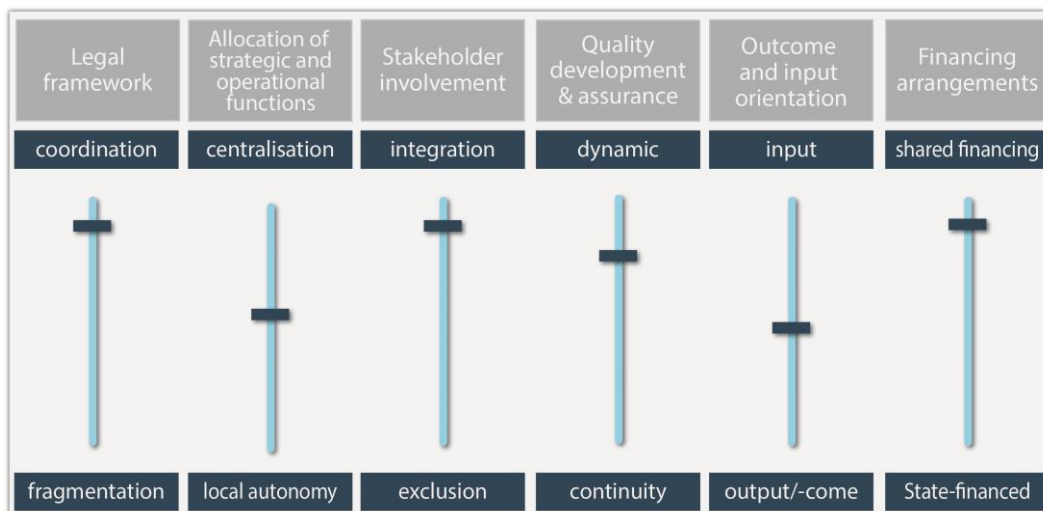
The normative model allows for a condensed description of the overall situation concerning governance and financing of apprenticeship in a given country.

For each of the six main criteria, one can formulate two extreme alternatives that are theoretically possible for the criterion in question (Figure 1). Each main criterion can, therefore, be interpreted as a continuum between two extremes, making it possible to view the state of affairs in a given country as a position along this continuum. To illustrate how the current situation in a given country

compares with the 'ideal' situation (i.e. favourable governance structures and financing arrangements as defined by the criteria of the normative model), the governance equaliser for apprenticeship was developed (based on Schimank, 2007). This allows for a 'gap analysis' and the identification of priorities for change.

The figure below is a visual representation of the 'ideal' or favourable governance structures and financing arrangements for apprenticeship (in the strict sense).

Governance equaliser with the ideal configuration of the main criteria



Source: Based on Schimank, 2007.

As shown in the figure:

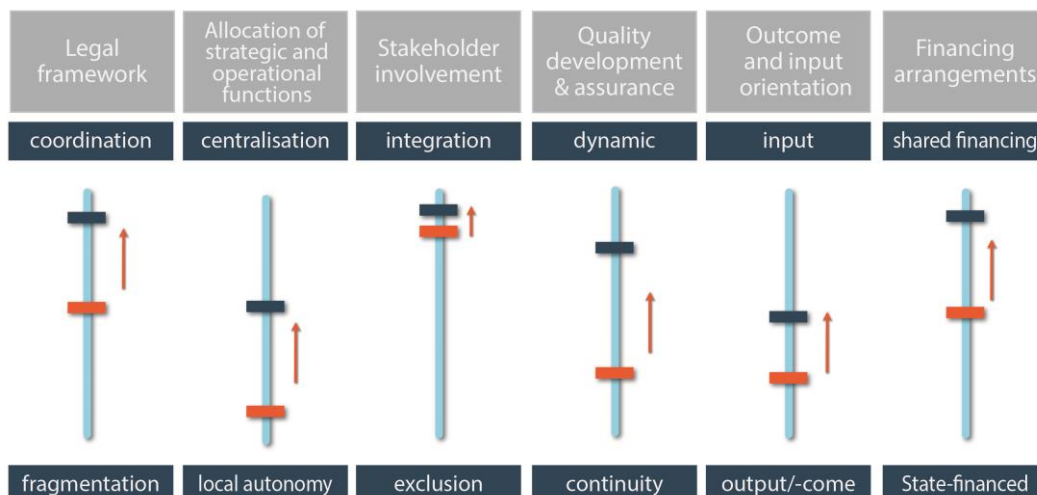
- the 'ideal' state for the first criterion is a high degree of coordination or consistency, which is why the slider bar control in the picture is near the top end of the scale;
- the second criterion requires a well-balanced distribution of functions between the national and local levels;
- in the case of the third criterion the normative expectation is that all subcriteria should be realised to the fullest possible extent and that the arrangements for stakeholders' involvement should be as inclusive as possible;
- with regard to the fourth criterion, while the system should allow for continuous innovation, it would not be desirable for the pace to be too fast (e.g. if occupations or curricula were changing at very short intervals). Therefore, the mark indicating the ideal situation is placed near the dynamic position but is still at a distance from the very top;

- the balance between outcome and input orientation, which is the benchmark for the fifth criterion, is also represented by a position halfway between the two extremes;
- finally, the desirable state of affairs in the area of financing arrangements is that all three stakeholder groups are contributing.

Empirical results for the selected countries

The evaluation results for Italy show that while there is already an established practice of apprenticeship that could be developed further, the existing governance structures and financing arrangements fall short of the 'ideal' configuration in some respects. According to desk research and assessment by stakeholders, the legal framework is relatively fragmented which can be particularly attributed to the fact that there are three distinct types of apprenticeship with separate regulations. The most problematic criterion seems to be the allocation of strategic and operational functions where the degree of centralisation of strategic functions is inadequate since the regions operate their own certification systems. Accordingly, the system as a whole over-emphasises local autonomy and is in need of a more balanced position. The arrangements for the stakeholder involvement, by contrast, comply for the most part with the theoretical benchmark, although a major shortcoming is the absence of a coordinating or moderating institution at national level. Due to the absence of a systematic evaluation of training programmes, identified by the stakeholders as an important problem, the quality assurance structures in Italian apprenticeship are static rather than dynamic. While the system is relatively close to a balanced equilibrium of outcome and input orientation, the input orientation seems to be the weaker part as mandatory curricula exists only for some types of apprenticeship but not for all of them. As regards the financing arrangements, the overall impression from workshop participants is that there are substantial contributions from all stakeholder groups according to the normative model; however, the undertakings of companies are backed by several public initiatives such as vouchers or provisions for tax relief. Consequently, the system is still some distance away from a position of 'ideal' shared financing. The following figure summarises the results of the assessment.

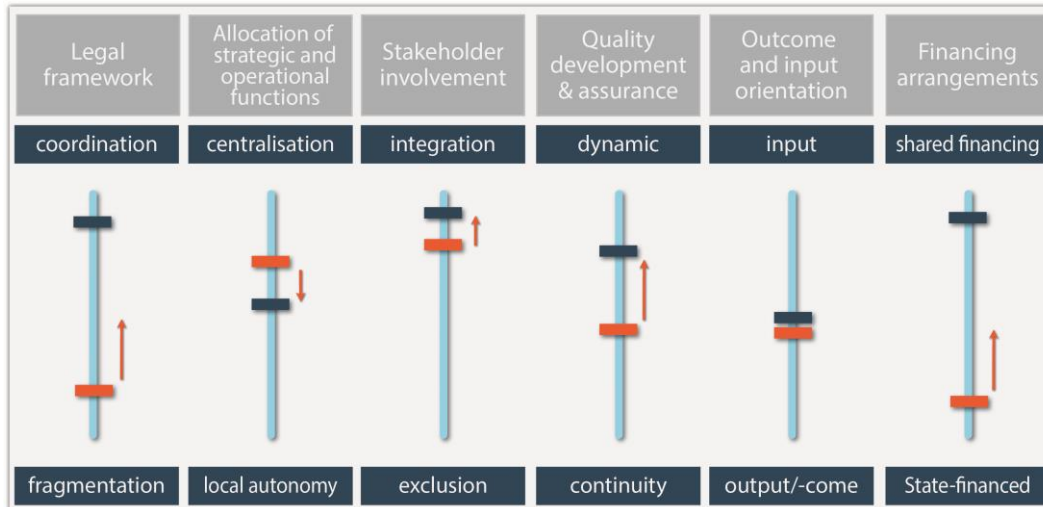
Governance equaliser for Italy



Source: Based on Schimank, 2007.

The visions and strategies – developed in cooperation with Italian stakeholders – for further development of apprenticeships reflect the fact that important prerequisites are in place in Italy, especially concerning the commitment of social partners. The issues of centralisation and quality assurance are adequately addressed by the strategy options identified at the workshop.

The situation in Latvia is quite different as this country has a predominantly school-based VET system, with pilot projects focused on establishing a stronger work-based component within the existing framework of school-based VET, while a scheme similar to apprenticeship exists in the crafts sector but is entirely detached from formal education. The separation of formal education (including mainly school-based dual VET) and apprenticeship in the crafts sector is accompanied by separate legislation, which means that the legal framework is fragmented rather than coordinated. The centralisation of functions at national level is relatively strong, which reflects the size of the country to some extent. On the whole the system is close to a balanced allocation of strategic and operational functions. As regards the involvement and integration of the various bodies, the Latvian system is close to the optimum but lacks an effective cooperation of learning venues. The quality assurance and development strategies fall short of the 'ideal' situation as the qualification standards and continuing professional development procedures for VET practitioners are not fully adequate. Given the dominance of mainly school-based dual VET programmes, the system as a whole is predominantly State-financed.

Governance equaliser for Latvia

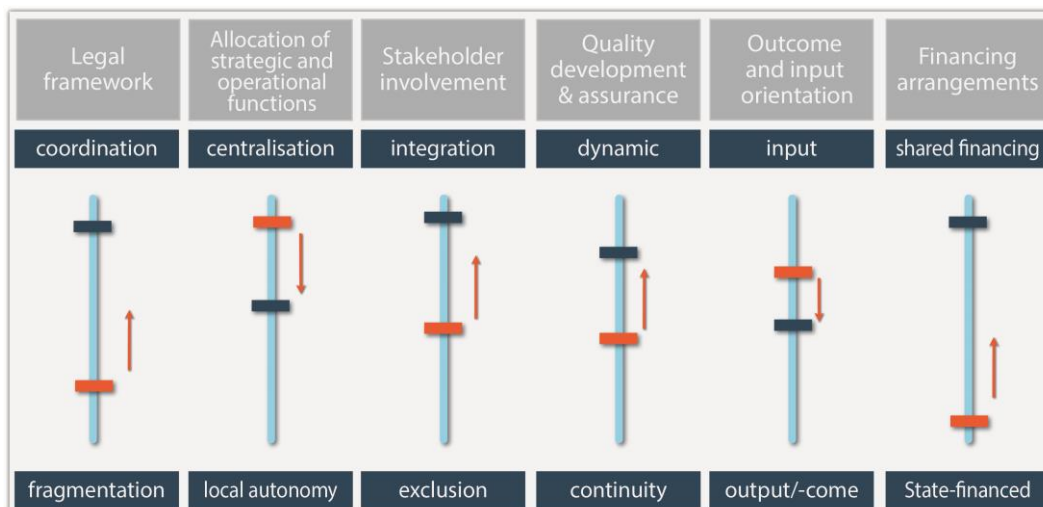
NB: The term 'State-financed' refers to all types of public funding including European Social Fund support.

Source: Based on Schimank, 2007.

As regards the future development of dual VET, according to most of the stakeholders that participated in the workshop, there is neither the possibility nor the intention to establish apprenticeship in the strict sense on a larger scale in the medium term. Instead, the priorities expressed by the stakeholders are focusing on strengthening the work-based learning component within the existing framework of school-based programmes. The question as to whether the existing apprenticeship model in the crafts sector could be 'upgraded' in any way, in particular by giving it a status within formal education, was not taken into consideration by the workshop participants.

In Portugal, apprenticeship in the strict sense does not exist. The legal framework for dual VET (as defined in this study) is relatively fragmented and consists of various acts, many of which relate to employment policy rather than education. As regards the allocation of functions, the autonomy of actors at local level such as learning venues is limited by detailed curriculum documents and regulations for funding support so that the system as a whole is characterised by centralisation. The involvement and integration of the various bodies is little developed with the institutional framework showing marked fragmentation and lack of arrangements for the cooperation of learning venues. Procedures for the regular evaluation of VET programmes exist but seem to be ineffective, which is why the quality assurance regime is not as dynamic as would be desirable from a theoretical point of view. The dual VET programmes in Portugal seem to be close to a balanced input and outcome orientation. Finally, the public sector is the most important source of funding, which reflects the State-centred character of the skill formation regime.

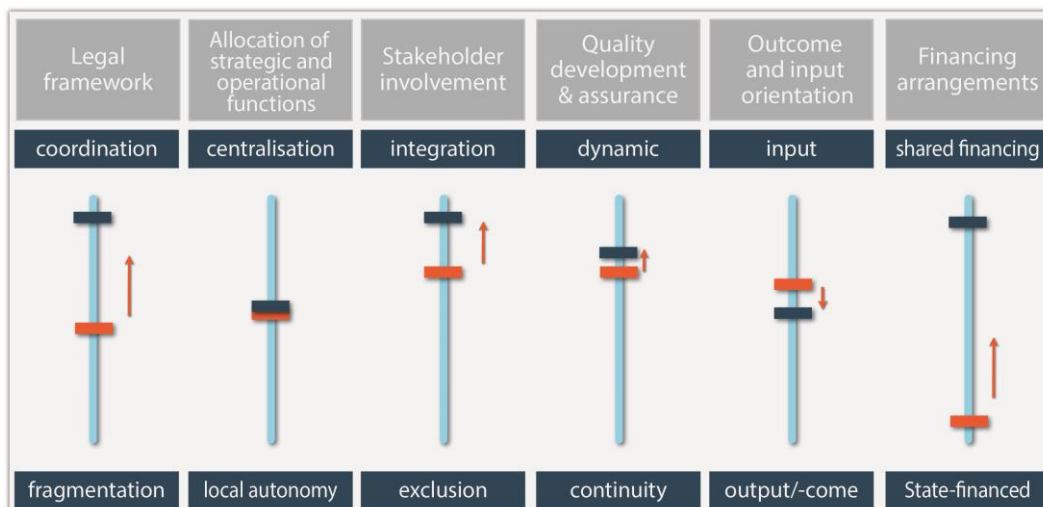
Governance equaliser for Portugal



Source: Based on Schimank, 2007.

The development perspectives elaborated in cooperation with Portuguese stakeholders do not involve a shift towards apprenticeship in the strict sense but concentrate on incremental improvements of the existing dual VET structures. In particular, they address the problems related to the consistency of the legal framework, the participation of stakeholders in the VET dialogue and the effectiveness of the quality assurance and development strategies.

In Spain also, dual VET (as defined in this study) is realised for the most part in the context of mainly school-based programmes. Training schemes that are consistent with the apprenticeship (in the strict sense) definition applied in this study do exist, albeit, in several pilot projects. The legal framework is fragmented as the mainly school-based dual VET and pilot projects are covered by different national and regional regulations/arrangements. The distribution of management responsibilities between national and regional bodies is characterised by an appropriate balance of centralisation and local autonomy. Similarly, the situation in the dimensions of quality assurance and balanced input and outcome orientation is quite close to what is recommended by the normative model. With regard to the third main criterion 'involvement of the various bodies' the system is already near the 'integration' pole but a stronger participation of researchers as well as intermediary institutions to coordinate relationship between training centres and companies would be desirable. Finally, the overall result for the category of financing arrangements reflects the fact that the government has the primary responsibility for financing training and that learners in the traditional mainly school-based dual VET schemes do not receive remuneration from the companies during their work-based learning period. Only in some pilot projects can be found a financing model where an apprentice is paid a wage by company.

Governance equaliser for Spain

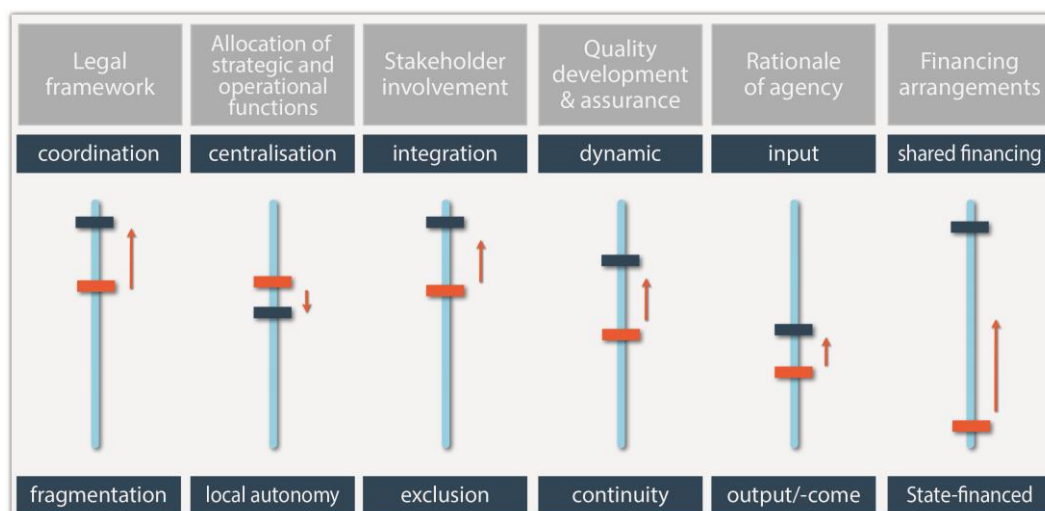
Source: Based on Schimank, 2007.

The expectation for the future development of apprenticeship in Spain is that the positive experience of the existing pilot projects can lead to the establishment of apprenticeship in other parts of the country, based on the assumption that this learning opportunity should exist alongside rather than replace the traditional mainly school-based dual VET types. The experience with different pilot projects (implemented at regional level) can also help to develop a high-quality model of apprenticeship. In line with the findings of the assessment, the creation of a more consistent legal framework for the various types of dual VET has been identified as an important milestone for the development of apprenticeship.

Sweden, finally, is a country in which a scheme similar to apprenticeship organised by social partners ('supplementary apprenticeship'), as well as other forms of dual VET with State involvement, exist side by side. However, only the latter has the status of formal education. The legal framework is relatively close to the 'coordination' end of the scale, its main shortcoming being the fact that apprenticeship organised by social partners is outside the scope of the laws on education. There is also an adequately balanced allocation of strategic and operational functions. In the case of this criterion as well as in the case of the equilibrium of input and outcome orientation, the Swedish system seems to be in a state that is approximate to the benchmark of the normative model. The involvement and integration of the various bodies, on the other hand, meets the requirements of the model only to a limited extent. Even though the arrangements for a VET dialogue exist, there seem to be difficulties in safeguarding an adequate involvement of the social partners in the consultation procedures at different levels. With regard to the criterion of quality assurance and development strategies, the effectiveness of the existing evaluation

procedures is uncertain and the qualification standards for VET practitioners might not be fully adequate. Due to the dominance of mainly school-based VET programmes, the financing arrangements exemplify the extreme that is labelled 'state financing'.

Governance equaliser for Sweden



Source: Based on Schimank, 2007.

Even though the fundamental conditions for an expansion of apprenticeship in the strict sense are fulfilled in Sweden, one outcome of the discussions with stakeholders is that such an option would not be supported by most Swedish enterprises. Consequently, the strategies for the further development of dual VET concentrate instead on strengthening the work-based learning component in dual VET programmes at public VET schools or at *teknikcolleges* with a stronger role for social partners.

Conclusions and perspectives

The analysis of governance structures and financing arrangements of dual VET in selected Member States has led to a complex and diverse picture. Not only do Spain, Italy, Latvia, Portugal and Sweden differ in the extent to which apprenticeship in the strict sense exists, they also differ on the systemic and institutional prerequisites of this type of training. In addition, the outcomes concerning the development of visions and strategies suggest that the theoretically desirable objective of expanding apprenticeship in the strict sense is not necessarily among the priorities actually espoused by stakeholders (participating in the project) in the different countries. In this context, it has been

argued that the introduction of apprenticeship in the strict sense is not likely in the medium term because there may be insufficient political will or because the prevailing structures would not allow successful implementation in a medium-term perspective.

According to the stakeholders involved in the project, in three of the countries covered by the study, namely Spain, Italy and Sweden, there would be some potential to establish apprenticeship in a medium-term perspective. In particular Italy, and to some extent Sweden, can already build on existing apprenticeship structures at least for specific occupational sectors. The framework conditions concerning industrial relations can also be expected to support collective skill formation and apprenticeship in the strict sense. In Latvia and Portugal, on the other hand, apprenticeship, as defined in this study, is not seen as a feasible perspective in the medium term (even though Latvia has a small-scale apprenticeship system in the crafts sector). The VET traditions and systemic conditions in these countries suggest that other dual VET schemes – programmes with extensive work-based learning components set within the framework of the current mainly school-based framework, would be a more likely option.

When it comes to the issue of policy goals, one key message of the country analysis is that apprenticeship in the strict sense is not always the first choice even if it is theoretically feasible. According to the stakeholder workshops, apprenticeship in the strict sense is not the type of training that stakeholders in Latvia, Portugal and Sweden aspire to when the expansion of dual VET is at stake. This is an interesting result particularly in the Swedish case since Sweden is among the countries where apprenticeship would be feasible in principle. In any case, the visions and strategies discussed in these countries focus instead on promoting work-based learning of one sort or another in the context of the current mainly school-based programmes. In particular, it is remarkable that neither the Latvian nor the Swedish stakeholders even considered the possibility of connecting the existing 'apprenticeship' structures to the system of formal education.

Mapping of the countries' development perspectives

	Apprenticeship in the strict sense is ...	
	... feasible in a medium-term perspective	... not feasible in a medium-term perspective
... aspired to	Italy; Spain	
... not aspired to	Sweden	Latvia; Portugal

Source: Cedefop.

All stakeholder discussions offered in the course of this project were based on the stakeholders' firm belief that there was a need to re-consider governance and financing arrangements in their countries and to also envisage and discuss possible reform strategies. One of the major findings of this study is, that there is a gap between the existing structures and an 'ideal' model as documented by the illustrations of governance and financing equalisers for the five countries analysed. This particularly refers to the main criteria of the legal framework, which was rather fragmented in the countries concerned and to the financing burden that is not really shared among the different actors but largely subject to a public responsibility. Both issues are crucial for a modern apprenticeship system.

CHAPTER 1.

Introduction

1.1. Context and aims of the study

In recent years, debates in international vocational education and training (VET) research and initiatives in European policy-making have focused on a renewed interest in concepts of VET that build upon the formal connection of workplace training and classroom teaching, and which are known as dual VET or alternance-based VET, or apprenticeship. For this study, while the term dual VET covers any VET programme in which the learning process is based on the alternation between a training enterprise and an educational institution, the term apprenticeship in the strict sense refers to those specific approaches in which learners are employees of the training enterprise and spend most of the training process at the workplace.

Especially in times of high youth unemployment, these arrangements are perceived as an attractive policy option to address various problems related to the transition from school to work. Due to their institutional link with the labour market that comes with the involvement of enterprises as the major suppliers of vocational training, these approaches have a strong potential to supply knowledge and skills that meet the employers' needs. In addition, education and training through the medium of work in a real-life setting gives learners a valuable opportunity to develop their competences as well as a strong professional identity. Accordingly, several countries have expressed their interest in establishing or expanding apprenticeship.

However, the successful implementation of apprenticeship depends on various socioeconomic and institutional factors. Apart from the overall structure of the national economy, what has to be considered in particular is the interaction between the various actors and stakeholders involved. The patterns and mechanisms of accommodating interdependence and coordinating activities in complex networks such as the education and training system, which are referred to as 'governance', are a success factor for the sustainable implementation of apprenticeship. Another crucial aspect is the financing of this particular type of VET. The present study is focusing on these two aspects and aims to identify favourable governance structures and financing arrangements for apprenticeship with a view to developing policy options for countries wishing to establish or expand such training schemes. The specific objectives of the study are:

- **objective 1: definition of favourable governance structures and financing arrangements for apprenticeship – a normative model**

The first objective of the study is to analyse VET governance structures and financing arrangements in five selected countries in view of expanding apprenticeship. This means that the scientific interest focused on the analysis of governance structures and financing arrangements to identify the conditions that can be expected to be supportive for the realisation of apprenticeship (in the strict sense). To this end, a normative model of favourable governance structures and financing arrangements serving as a framework for the assessment has been developed;

Since it is not possible to presuppose one single optimum state of affairs for countries with different VET traditions, the model has been designed to allow for various distinctions or constellations of its criteria as might be suitable for the different country contexts. The common benchmark was to enable a high-quality and potentially self-financing structure of apprenticeship under the available systemic conditions in the different countries;

- **objective 2: review of the implementation of the governance and financing model in the countries under the study**

The extent to which a set of favourable governance structures and financing arrangements is actually realised in a given country was a subject of empirical investigation. Accordingly, the second step of realising the overall epistemic interest of the study was to review the existing governance structures in the selected countries – with the active involvement of national stakeholders – and to assess them against the backdrop of the normative model mentioned above. To put it differently, the study carried out a ‘gap analysis’ identifying the shortcomings of existing structures;

- **objective 3: developing visions and strategies for expanding apprenticeship in the countries concerned (advancing the governance and financing model)**

Based on the outcomes of the above-mentioned review, policy options have been formulated as to how the governance structures that are supportive for apprenticeship or other dual VET types can be established in the future. Like the assessment exercise from the previous step, this step was carried out in a collaborative effort with national VET stakeholders. In all five countries concerned scenarios for potential governance structures and financing arrangements were elaborated in cooperation with the national partners. They were also assessed and discussed in stakeholder workshops.

1.2. Main concepts and scope

In the context of the present study, dual VET is defined as a formal education and training programme in which learning takes place alternately at a workplace and in an educational institution and which leads to an officially recognised vocational qualification (learning opportunities with these characteristics may also be regarded as ‘apprenticeship in the wider sense’). The term ‘apprenticeship in the strict sense’, on the other hand, applies to programmes in which, in addition to the aforementioned characteristics, learners usually have the status of employees and are paid for their work, and which normally feature a contractual relationship between the learner with the training enterprise. These concepts are discussed in detail in Section 2.1.1. The concept of ‘governance’ refers to all mechanisms, practices and procedures that address the interdependence of actors in complex social environments with the aim to allow for the coordination of activities to resolve common problems or the achievement of shared ends. A detailed account of this concept is given in Section 2.2.1.

The countries selected for the study are Spain, Italy, Latvia, Portugal and Sweden. The five countries include centralised (Latvia, Portugal, Sweden) as well as decentralised or regionalised political systems (Spain, Italy) and represent a variety of potential administrative environments and institutional settings in which the regulation and management of apprenticeships, and other dual VET, take place.

Accordingly, the study analyses traditional forms of apprenticeship and VET structures which are traditionally linked to the education system and are predominantly school-based. As there have been in recent years numerous initiatives to implement new apprenticeship schemes focused on an improved consideration of social partners (Sweden, Portugal) or pilot programmes of dual VET/apprenticeship (Spain), such reforms of the past few years have also been included.

1.3. Research methodology and structure of the report

For the implementation of the study an action research approach was adopted. This means that the assessment of governance structures and financing arrangements was carried out through a process in which national VET stakeholders, namely representatives of governments, employers, employees and independent experts, were actively involved in the assessment of existing governance structures and financing arrangements as well as of scenarios for achieving the structures desirable in view of expanding apprenticeship.

The direct involvement of all stakeholders participating in the project (over 120), as well as the specific method of workshops were designed in a way so that all participants had the opportunity to explain and discuss the reasons for their assessments, and to reconsider their judgments in the light of the discussion. This procedure allows not only for participants to survey data collaboratively but also to elaborate solutions that have, at least in principle, rather better prospects of being put into practice.

The study built on various research methods and activities, namely desk research, expert and stakeholder workshops, as well as the application of scenario building. The desk research consisted in an analysis of research literature and policy documents to generate a comprehensive overview of governance structures and financing arrangements for apprenticeship in the five selected countries as well as in four countries with established dual VET systems (Austria, Denmark, Germany and Switzerland). Theoretical works on various aspects of governance were also included in the analysis. The aim of the desk research was to support the development of the conceptual framework and the corresponding normative model of favourable governance and financing structures (objective 1), but also to deliver background information to be used in the subsequent review of governance structures and financing arrangements in the five selected countries (objective 2). Furthermore, the development and refinement of the model was itself an iterative process that overlapped in part with the implementation of the country analysis. For this reason, not all of the aspects of the final model could be covered by the empirical part of the study, which is why a certain discontinuity remains between the theoretical and the empirical chapters of this report.

The major activity of the study consisted in the organisation of two series of stakeholder workshops in the five countries according to the above-mentioned action research approach. The first round of these workshops entailed the assessment of existing governance structures and financing arrangements of dual VET against the backdrop of the model by group discussions supported by a specific assessment tool (Annex 1). These workshops were the other main source of information besides the desk research for the review of the realisation of the governance model (objective 2). A second round of workshops was organised to discuss the visions and strategies for promoting favourable governance and financing structures for apprenticeship or other dual type schemes (objective 3).

The following chapters present the results of the study according to its three main objectives. Chapter 2 outlines the concepts of dual VET and apprenticeship (in the strict sense), presents a typology of dual VET, discusses the analytical framework for investigating governance structures and financing arrangements,

and concludes with the normative model of evaluative criteria whereby the appropriateness of existing structures with a view to expanding apprenticeship can be assessed. Chapters 3 to 7 present the results of the assessment of governance structures and financing arrangements in the five countries as well as the visions and strategies elaborated on the basis of the assessment. Chapter 8 synthesises the findings providing a transnational perspective and draws conclusions on the institutional conditions of developing apprenticeship or other dual VET schemes.

CHAPTER 2.

Governance and financing of apprenticeships: identifying favourable conditions

2.1. The concept of apprenticeship

2.1.1. Dual VET and apprenticeship (in the strict sense)

To understand why apprenticeship is important for the qualification of the workforce, one has to reflect on the fundamental objectives of vocational learning processes. It can be argued that learning in general is oriented towards the acquisition of knowledge, skills and competences that enable the individual to integrate successfully into society and to lead a responsible and self-determined life. This includes especially the development of competences that are relevant for participation in the world of work, which is the particular concern of vocational education and training (VET) as well as considerable parts of higher education (e.g. Billett, 2009; Boreham and Fischer, 2009; Grubb and Lazerson, 2009). The fundamental aim is to develop professional competence or professional aptitude, i.e. the ability to exercise an occupation independently without external guidance and in accordance with the relevant standards. This notion of professional competence involves not only the capacity to fulfil professional tasks, but also to take part in shaping the world of work (Rauner et al., 2013). The underpinning idea is that the professional should be equipped with a holistic understanding of the context of work and a capacity for critical reflection (e.g. Schön, 1983).

In the following, a basic characterisation of dual VET and apprenticeship (in the strict sense) is outlined, which will serve as a working definition for the study. Dual VET derives from the theoretical argument that occupations can ultimately be learned only in real-life work processes (Garfinkel, 1986). Put in another way, the development of holistic professional competence and a comprehensive occupational identity requires the dualism of theoretical instruction and practical learning in the work process, and the connection of the two in the cooperation of learning venues.

Another characteristic to be considered is the status of the learning trajectory as a formal one, i.e. the requirement that the learning process as a whole should take place in an organised and structured way and be oriented towards an explicitly defined goal, namely the acquisition of a vocational qualification. This also means that apprenticeship and dual VET are by definition concerned with

coherent and consistent occupational profiles rather than skills and competences for specific tasks or functions.

Box 1. Types of duality in VET

In the practice of VET the duality of vocational learning exists in two basic types:

- one-phase or integrated duality: this type is frequently used in apprenticeship training. Classroom teaching and learning on-the-job alternate at relatively short intervals so that an immediate systematic reflection of the work experience is possible;
- two-phase or alternating duality, where relatively long phases of full-time school-based vocational education are followed by similar phases of on-the-job learning: This type of learning is frequently established in higher education. A university study programme (phase 1) is followed, after graduation, by a phase of practical learning on the job (phase 2). In non-academic vocational education there are also several types of alternating training. Usually a phase of school-based work-related education (vocational preparation) is followed by a phase of practical training on the job. Even if this second phase is not formalised it nevertheless takes place as informal acquisition of professional competence in the work process (*).

(*) Depending on the particular occupation or branch these intervals can be longer or shorter.

Source: Rauner and Smith, 2010, p. 2; INAP Commission 'Architecture apprenticeship', 2013.

Formal VET programmes that involve a dual organisation of one sort or another are referred to in the literature under various terms. Apart from the generic term 'dual VET', encompassing formulations that cover the combination of work-based learning and theoretical instruction regardless of the modalities of organisation are 'alternance training' (Cedefop, 2008, p. 27) and 'apprenticeship-type schemes' (European Commission and IKEI, 2012). The former term refers to 'education or training combining periods in an educational institution or training centre and in the workplace. The alternance scheme can take place on a weekly, monthly or yearly basis' (Cedefop, 2008, p. 27). This description thus covers integrated as well as alternating duality as per the above distinction. In a similar vein, the European Commission and IKEI study on the supply of apprenticeship in EU Member States defines 'apprenticeship-type schemes' as 'those forms of initial vocational education and training (IVET) that formally combine and alternate company-based training (periods of practical work experience in a workplace) with school-based education (periods of theoretical/practical education followed in a school or training centre) and whose successful completion leads to well and nationally recognised initial VET certification degrees' (European Commission and IKEI, 2012, p. 22). This formulation emphasises one important quality of dual VET, namely its formal character.

Meanwhile, this definition is also problematic as the limitation to IVET may exclude types of dual vocational education at higher qualification levels ⁽⁵⁾.

Therefore, a slightly different characterisation of dual VET is adopted here, which integrates different perspectives (such as pedagogical, systemic and institutional aspects) and builds on some of the characteristics proposed by Cedefop for defining apprenticeships. For the purposes of this study, 'dual VET' (which can be considered as apprenticeship in the wider sense) is characterised by the following features (Cedefop, 2014b, p. 1):

- (a) learning that alternates between a workplace and an educational or training institution (in one-phase or two-phase duality);
- (b) part of formal education and training;
- (c) successful completion: learners acquire a qualification and receive an officially recognised certificate.

Also, and for this study, a 'qualification' should represent major qualifications rather than partial qualifications or certificates that are not formally recognised. In particular, such qualifications often entail the licence to practise a specific occupation, and they typically give access to further education for the title of master craftsperson or equivalent.

In the following, programmes with these qualities are referred to as 'dual VET' rather than alternance-based training because the first term better expresses the view that VET is not only concerned with the development of skills for the labour market but also with education through the medium of work. What is distinctive of this view of VET is that the aspect of civic education with the aim of personality development and proper integration into the society is considered. For this reason 'dual VET' is proposed as an umbrella term for the learning opportunities covered by the present study.

When it comes to defining apprenticeship (in the strict sense) as a distinct subgroup within dual VET, the legal status of the learner is typically used as the decisive criterion, especially with regard to the relationship with the training

⁽⁵⁾ The emphasis on formal apprenticeship does not intend to downplay the importance of 'informal apprenticeships' in non-western societies. Informal apprenticeship is an important training system in many urban and rural informal economies. It is based on a training agreement between an apprentice and a master craftsperson. In this agreement, which may be written or oral, the master craftsperson commits to training the apprentice in all the skills relevant to his or her trade over a significant period of time, usually between one and four years, while the apprentice commits to contributing productively to the work of the business. Training is integrated into the production process and apprentices learn by working alongside the experienced craftsperson (Steedman, 2012).

enterprise. For example, the definition of apprenticeships proposed by Cedefop includes two additional characteristics (Cedefop, 2014b, p. 1):

- (a) apprentices usually have the status of employees and are paid for their work;
- (b) ideally they are based on a contract or formal agreement between employer and learner.

These two items can be regarded as the specific characteristics which, in conjunction with the three general features of dual VET listed above, define what may be termed ‘apprenticeship in the strict sense’. Choosing the employee status of the learners and the contractual relationship with the training enterprise as the features that distinguish apprenticeship is justified by the pedagogical consideration that the experience of being a (prospective) skilled worker in a company rather than a student contributes to the development of an occupational identity and enhances the learners’ commitment. An overview of the concepts of dual VET and apprenticeship is given in Table 1.

Table1. **Characteristics of dual VET and apprenticeship**

	Dual VET	Apprenticeship (in the strict sense)
Learning that alternates between a workplace and an educational or training institution	✓	✓
Formal education and training	✓	✓
Qualification and officially recognised certificate	✓	✓
Employee status of learners		✓
Contract between learner and employer		✓

Source: Based on Cedefop, 2014b, p. 1.

Dual VET in general and apprenticeship in particular reflect an approach to skill formation in which the development of a professional identity is facilitated by comprehensive three-to-four year programmes that reflect occupational profiles. The expectation is that by the end of the training period the VET students or apprentices have attained the competence level of skilled workers and can perform professional tasks without additional familiarisation on the job. Moreover, the integration of VET into the education system makes it possible to define civic competence as another learning objective. Training contents are derived from the requirements of the workplace, which are subject to change in the course of technological evolution, and from the broader objectives of vocational as well as general education. The contents constitute an integrated learning pathway based on the occupational profile, and the training period as a whole is a process of integration into a professional community of practice (Rauner, 2006, pp. 130-

132). The need to adapt the structures and contents of dual VET to changing labour-market needs while adhering to the overall mission of developing professional and civic competence is reflected in the definition of the evaluation criteria (Section 2.3).

2.1.2. A typology of dual VET, including apprenticeship

Dual VET, including apprenticeship, can be implemented in various ways. On the basis of the defining characteristics some basic types can be formulated to categorise existing apprenticeship or dual VET programmes. With regard to the first descriptor, the combination of work-based learning and school-based learning, the proportion of the two components in terms of the time spent at the different learning venues is an important distinction by which training programmes can be categorised. Following the convention that was adopted, for instance, in the European Commission and IKEI study, programmes can be considered ‘mainly company-based’ when more than 50% of the training activities take place in the enterprise, including learning activities at genuine workplaces as well as those taking place in special facilities (e.g. training workshops) within the company ⁽⁶⁾. Accordingly, training programmes in which 50% or more of the learning activities take place in a VET school or another educational institution are regarded as ‘mainly school-based’ (European Commission and IKEI, 2012, pp. 29-30).

The other characteristics of dual VET in general and apprenticeship in the strict sense, namely the quality of being a programme of formal education and training and the connection with an officially recognised educational certificate, together suggest a further distinction between various dual VET and apprenticeship schemes. This distinction is based on the level of formal education and training to which the programme in question belongs. The classification should be simple and avoid the construction of detailed subcategories whose characteristics are of little practical importance. Thus, the educational levels that are relevant for the present study can be identified by the commonly accepted categories of upper secondary (ISCED 3B), post-secondary non-tertiary (ISCED 4) and tertiary education (ISCED 5B). The classification by educational level is considered more appropriate than the equally familiar distinction by the orientation of programmes, for example in terms of categories such as IVET and continuing VET (CVET) as well as higher education because not all countries clearly distinguish between initial and continuing training.

⁽⁶⁾ In the traditional concept of apprenticeship the practical part is dominant and may well exceed 75%.

These criteria can be applied separately to the two basic categories of dual VET in general and apprenticeship in the strict sense. It is assumed that the specific conditions of apprenticeship in the strict sense, i.e. the employee status of learners and the presence, as a rule, of a contract or formal agreement with the training enterprise, are either fulfilled or not and do not allow for any further distinction that might be of interest. Therefore a binary classification will be used according to which any dual VET programme in which the learners do not have the status of employees and are not paid for their work (not counting payments from third parties such as scholarships) are regarded as ‘other dual VET schemes’ rather than apprenticeship.

The application of these criteria leads to a structure of up to 12 potential dual VET types, six of which are apprenticeship schemes in the strict sense while the other six may be considered as ‘other dual VET schemes’. An overview of this structure is given in Table 2.

Table 2. **Types of dual VET**

	Apprenticeship (in the strict sense)		Other dual VET schemes	
	Mainly company-based (>50%)	Mainly school-based	Mainly company-based (>50%)	Mainly school-based
Upper secondary education (ISCED 3B)	Traditional apprenticeship	(not relevant) (*)	Company-based vocational studies	School-based vocational studies (with internships)
Post-secondary education (ISCED 4)	Specialist training (with complementary schooling)	(not relevant) (*)	Company-based specialist courses	School-based specialist courses
Tertiary education (ISCED 5B)	Higher apprenticeship	Dual studies (double degree type)	(not relevant) (*)	Higher professional studies

(*) Except at a small scale and under specific conditions, e.g. pilot projects.

Source: Cedefop, based on the European Commission and IKEI, 2012.

It is clear that not all of these potential combinations are equally plausible. For instance, it is not to be expected under normal conditions that a ‘mainly school-based’ version of apprenticeship in the strict sense actually exists or would be accepted by employers. The types that are theoretically implausible and not supported by any known example are not relevant to the present study and

will thus not be further considered ⁽⁷⁾. The characteristics of the remaining types are briefly outlined in the following.

As regards the group of apprenticeship schemes in the strict sense, the first type to consider is the mainly company-based version at upper secondary level, which is termed traditional apprenticeship for the purposes of this study. In programmes of this type, the learners, who have the status of employees and usually a training contract with the company as in the other five apprenticeship types, receive workplace training in the company (and possibly additional practical training at the enterprise's special in-house training facilities) and complementing classroom teaching in an educational institution. One example is the 'dual system' in Germany, in which apprentices typically spend three to four days at the workplace and one or two days at part-time VET schools. Another one is the Danish model of upper secondary IVET where the learners alternate between companies and vocational schools at longer intervals and spend on average two thirds of the training period at the enterprise.

At the level of post-secondary non-tertiary education, company-based apprenticeship programmes differ from those at upper secondary level in that they are typically shorter and aim at a more specialised vocational or professional certificate rather than an IVET qualification. For this reason, the term specialist training is suggested for this type of company-based training, which nevertheless includes by definition some complementary schooling in an educational institution or training centre. The specialist vocational qualifications in Finland, which are primarily designed for adult apprentices and take up to 12 months to complete, is such an example.

Finally, the apprenticeship types at tertiary level are higher apprenticeship, which is predominantly company-based; and dual studies, which is a mainly school-based type of programme. The term for the company-based type is borrowed from the higher apprenticeship programmes in the UK, which aim at higher vocational qualifications or, in some cases, at academically oriented qualifications such as Foundation Degrees (European Commission and IKEI, 2012, p. 206). As regards the mainly school-based version, the paradigmatic example is the German model where dual studies of the double degree type (Cedefop, 2014a, p. 101), i.e. those that lead to a vocational certificate and

⁽⁷⁾ This is not to say that instances of these less plausible combinations may not be found under exceptional circumstances. Some of the Spanish pilot projects for dual VET (Chapter 6) actually exemplify a variant of apprenticeship in the strict sense in which the share of in-company training is below the 50% threshold. However, these training schemes operate at a small scale and constitute single, isolated cases rather than examples of a genuine type.

subsequently to a tertiary degree, combine apprenticeship training and university studies in such a way that the overall amount of workplace learning does not exceed 50% while the learners have employee status nonetheless.

In the group of the other dual VET schemes, the first type to consider is the familiar category of school-based vocational studies at upper secondary level. In this model, the training programme is delivered predominantly (50% or more) in a VET school or comparable institution while training in an enterprise takes place in the form of internships or work placements. This arrangement may be viewed as an alternative to traditional apprenticeship and is the standard model of initial VET in countries whose VET systems are not based on the apprenticeship tradition or where apprenticeship is confined to specific sectors, such as craft trades.

Vocational studies at upper secondary level can also exist in a version that involves more than 50% training in an enterprise and which is accordingly termed 'company-based vocational studies' for the purposes of this study. In programmes of this type the distribution of company-based and school-based contents is similar to dual apprenticeship, but unlike the latter case, learners have the status of students rather than employees. This constellation may exist as a learning opportunity in its own right, but also as an alternative way of learning an occupation that is normally trained within the apprenticeship system. Examples of the second alternative would be publicly funded retraining measures or measures targeting persons who were unsuccessful in finding a regular apprenticeship place ⁽⁸⁾.

Non-apprenticeship dual VET schemes at the post-secondary level include school-based and company-based specialist courses. Like the apprenticeship types at this level, these specialist courses are concerned with specialist certificates and intermediate CVET qualifications below the level of the master craftsman. Some of these advanced qualifications may also belong to IVET. School-based specialist courses are exemplified by the technological specialisation courses (CET) in Portugal, which are one-year courses of 1 200 to 1 560 hours of learning that include between 360 and 720 hours of workplace training, or the programmes of the *istituti tecnici superiori* (ITS) and the *istruzione e formazione tecnica superiore* (IFTS) in Italy, which lead to higher technical

⁽⁸⁾ The typology does not consider borderline cases. For example, with regard to the Austrian case of ÜBA (*Überbetriebliche Ausbildung*) this type of dual VET would be considered as apprenticeship in the strict sense. But ÜBA is publicly financed and the learning venue is addressing training at first place and not necessarily linked to production as it takes place in vocational schools or training workshops predominantly.

diplomas and higher technical specialisation certificates respectively, and which include 30% workplace training each (European Commission and IKEI, 2012, pp. 179 and 194).

Dual VET at tertiary level can be termed higher professional studies if the proportion of workplace training in an enterprise does not exceed 50%. Programmes at this level aim at professional qualifications with a high level of theoretical expertise. Higher professional studies may include school-based IVET programmes in regulated professions such as health care and nursing, various labour market oriented degree programmes (also termed ‘short-cycle higher education’) at higher education institutions such as polytechnics or universities of applied sciences, or school-based CVET programmes (e.g. at a trade and technical school) that lead to an advanced VET certificate at the level of master craftspersons. ‘Practice-integrating’ dual studies, which include extensive work placements instead of a full-fledged apprenticeship (Cedefop, 2014a, p. 101), also fit into this category.

Lastly, one remark should be made with regard to the above typology and dual VET (including apprenticeship) programme schemes included in this study. Apart from the learning opportunities offered within the public education system where achieving certain learning outcomes in accordance with certain standards is confirmed by recognised certificates issued by a public institution, the study also includes learning opportunities offered by non-state actors such as social partner organisations, who may agree on occupational standards under the umbrella of collective agreements. This is based on the idea of transferable (or ‘portable’) skills, i.e. the idea that the knowledge, skills and competences acquired through training are certified in such a way that they are recognised in the labour market and not specific to one enterprise. This interpretation makes it possible to include the ‘borderline cases’ in which training programmes lack an official status but otherwise have all the attributes of dual VET. As these training programmes are not a part of formal VET, they will be categorised as ‘unclassified (no relevant ISCED level)’.

2.2. An integrated framework for the analysis of governance structures and financing arrangements

2.2.1. Governance structures: the role of interaction

The systemic and institutional arrangements that shape the implementation of dual VET, including apprenticeship, have been analysed with the help of various

conceptual approaches such as governance structures (Bertelsmann Stiftung, 2009; Rauner et al., 2010), feedback mechanisms (Cedefop, 2013) and skill formation regimes (Thelen, 2004; Busemeyer and Trampusch, 2012). In the following, the question will be addressed as to how these three concepts relate to each other, and how they can be synthesised to achieve an integrated conceptual scheme for the analysis and evaluation of governance and financing of apprenticeships. To this end, the characteristic analytical categories that define each of these concepts are identified, which makes it possible to compare the three concepts and to place them within a common framework. More specifically, it will be argued that the widest and most comprehensive of the three concepts, the skill formation regime (or system), which encompasses the entire process of developing human capital within a national economy (Busemeyer and Trampusch, 2012, pp. 3-4), can be interpreted as the result of successive extensions of the other two.

The term 'skill formation' as used in the literature refers to macro-level politics and institutions concerned with the availability of human capital, and it is observed that this domain is closely connected with other domains of the political economy. Skill formation is therefore expected to interact with other systemic policy areas such as industrial relations, labour markets or the welfare State, and is regarded as a fundamentally political concept (Busemeyer and Trampusch, 2012, pp. 3-4). Skill formation systems reflect fundamental decisions about the roles of enterprises, associations and the State with regard to the provision and the financing of skills (Busemeyer and Trampusch, 2012, p. 5), which is why the concept can be used as a comprehensive description of the structures of governance and financing of VET, including apprenticeship and other dual VET schemes. The literature suggests that two dimensions should be considered for the overall classification of skill formation systems: the degree of public commitment to vocational training (high/low) and the involvement of firms in initial training (high/low). The intersection of these two dimensions leads to the classification of four skill formation regimes: State-centred, liberal, collective and segmentalist (Table 3). Of these four types, the 'collective' one is particularly important with regard to the topic of this study since one of its typical features is the fact that VET takes place not only in schools but also in companies and that learners have the status of employees (Busemeyer and Trampusch, 2012, p. 15), which means that the collective skill formation system can be regarded as the natural systemic environment of apprenticeship in the strict sense. This can be explained by the particular financing structures in the collective model where the public sector, the enterprises and the learners share the costs of training (Section 2.2.3). In the 'state-centred' skill formation system, on the other hand, the 'other dual VET types' (as per the classification developed in Section 2.1.2) can be

expected to dominate while apprenticeship would exist at a small scale at best. The other two skill formation regimes are not relevant for the topic of the present study.

Table 3. **Skill formation regimes in advanced industrial societies**

		Involvement of firms in initial vocational training	
		Low	High
Public commitment to vocational training	High	State-centred (Sweden, France)	Collective (Germany, Austria)
	Low	Liberal (the US, Ireland)	Segmentalist (Japan)

Source: Busemeyer and Trampusch, 2012, p. 12.

When it comes to discussing the constitutive parts of the skill formation system with a view to integrating them into a common framework for analysis, the point of departure should be the ‘narrowest’ of the three concepts mentioned above, namely, the concept of governance structures. The analytical dimension that this concept focuses on is the interaction between the different actors within the system. More specifically, the term ‘governance’ refers to all mechanisms, practices and procedures that address the interdependence of actors in complex social environments with the aim to allow for a coordination of activities in the solution of common problems or the achievement of shared ends: from institutionalised self-regulation of civil society over different forms of cooperation between public and private stakeholders to mandatory regulations by State actors (Mayntz, 2006, p. 15). In the following, this definition of governance will be applied.

In recent years, approaches or conceptual frameworks using the established categories of governance theory have been proposed that aim to cover the particulars of apprenticeship oriented VET systems and to categorise the specific patterns of interaction that exist between the different types of stakeholders such as educational institutions, enterprises, social partners and public bodies. The model which serves as the basis of the normative model for this study (Rauner et al., 2010; Rauner and Wittig, 2013; Bertelsmann Stiftung, 2009) is based on the consideration that a closer look at VET governance models requires the understanding of the degree of coordination between different agents, ranging from complete fragmentation to centralised coordination; and of the rationale of agency, that is to say the logic underpinning actors’ behaviour in rules and resources management, be it an input- or an output-oriented one, that is, a management by means of rules and resources (e.g. legal norms or regulatory budgeting) on the one hand or a behaviour of actors determined predominantly by objectives such as products or services to be delivered (Jann, 2001; Stöbe-

Blossey, 2001). The intersection of these two dimensions identifies four different types of plural governance systems in VET (including apprenticeship and other dual VET schemes): fragmented output-oriented governance, coordinated output-oriented governance, fragmented input-oriented governance and coordinated input-oriented governance.

When it comes to operationalising the patterns of interaction in relation to VET (including apprenticeship and other dual VET schemes), the specific objective of VET has to be considered, namely the development of professional competence in the sense of the capacity to fulfil professional tasks independently and the corresponding learning theoretical insights concerning the proper organisation of dual vocational learning processes. This means that the interaction of VET stakeholders cannot be conceptualised only in terms of political economy and management theory, but has to be studied with the help of indicators that reflect these pedagogical aspects as well. The development of such indicators will be discussed in Section 2.3. Before moving to this discussion, the following two subsections will outline the additional perspectives that will be used to supplement the above-mentioned governance model and will inform the formulation of the assessment criteria.

2.2.2. From governance structures to feedback mechanisms: the role of actors

This perspective on the governance structures within the system of VET (including apprenticeship) is complemented by the related concept of ‘feedback mechanism’ proposed in a recent Cedefop study (Cedefop, 2013). This concept not only extends to governance processes and interactions between the VET system and the labour market but also widens the perspective by looking at different modes of interaction and at different types of actors. On the other hand, the phenomena described by this concept are not as encompassing as the ones covered by the term ‘skill formation system’ but rather located at meso level. This is reflected by the fact that within one and the same national context there is usually a coexistence of several types of feedback mechanisms (Cedefop, 2013, pp. 50 and 86). For this study, the concept of feedback mechanism is therefore considered as an intermediate step or level between the concepts of governance structures and skill formation system.

According to the definition used in the study, feedback mechanisms ‘are purposefully implemented institutional procedures that allow VET (sub-) systems to continuously renew themselves and adapt to emerging labour market needs. They can be understood as a policy intervention in the coordination of education and work, achieved by various other existing social exchange processes’ (Cedefop, 2013, p. 24). The study distinguishes between four types of actors

involved in such feedback mechanisms, namely governmental and administrative bodies, education and training providers, social partner organisations and the labour market. Furthermore, it identifies two types of interaction or exchange between the up to four types of actors, which are labelled ‘steering’ and ‘signalling’. While the former refers to interaction processes that aim at compromises between divergent interests and lead to changes for all actors concerned with a specific occupation, the latter denotes a weaker form of interaction consisting in the articulation of and voluntary response to demands and needs, which may lead to diverse outcomes with little or no systemic consequences.

As the dimension of interaction or exchange is already covered by the criteria based on the concept of governance structures, the proposed distinctions of ‘steering’ and ‘signalling’ will not be taken into consideration. The proposed distinction of types of actors, on the other hand, adds an additional dimension to the analytical framework for this study. One modification, however, is suggested with regard to considering the labour market as an actor in its own right, which is understood in the former Cedefop’s study as ‘the interplay between employers/demand and workers/supply’ (Cedefop, 2013, p. 47). As the present study is concerned with governance structures and financing arrangements within State-centred as well as collective skill formation systems, in which interaction does not take place predominantly through the market mechanism of supply and demand but rather by more permanent, albeit not necessarily hierarchical, relationships (e.g. networks), it seems advisable not to focus on the labour market as a whole. Instead, the study will concentrate on the actors within the labour market that play a crucial role for the VET system as well, i.e. the single enterprises, which may not only act as employers but are also relevant as training enterprises within the dual system. Another modification is that VET researchers and learners are considered as a group of actors in their own right.

2.2.3. From feedback mechanisms to skill formation regimes: the role of financing

The last analytical category needed to complete the model for this study is the financing of apprenticeships, which includes wages, costs for on-the-job as well as off-the-job training, cost of assessment and certification, and the administration of the system. The question of financing arrangements, that is, the division of the costs for apprenticeship or dual VET in general, is one of the ‘neuralgic points of conflict’ that characterise the complex and dynamic institutional equilibrium of collective skill formation systems (Busemeyer and Trampusch, 2012, pp. 15-20). The argument put forward in the literature is that the distribution of roles and responsibilities between the various types of actors in

collective skill formation systems is by no means static but an outcome of constant renegotiation driven by the heterogeneous interests of the different groups ⁽⁹⁾.

Financing arrangements can basically be classified according to the different stakeholders and the distribution of the costs among these groups. Three groups of stakeholders can be distinguished, namely the apprentices or learners themselves, the training enterprises, and the government. According to Busemeyer and Trampusch (2012, p. 9), there are four constellations of these stakeholder groups with regard to the main responsibility for financing VET, each of which is linked to one of the four possible skill formation regimes. The individual learner has to pay the costs of initial VET in the liberal system, the enterprises largely finance training in the segmentalist system, and the State has the primary responsibility for funding VET in the statist or State-centred variant. Collective skill formation systems, on the other hand, are the only model in which the training costs are shared between all three stakeholder groups. More specifically, the enterprises cover the costs of the company-based part of apprenticeship training while the government is usually responsible for financing VET schools. The financial undertaking of the apprentices consists in accepting relatively low wages during the training period (Busemeyer and Trampusch, 2012, p. 19; Thelen, 2004, p. 18). Table 4 summarises this relationship of financing arrangements and skill formation regimes.

Table 4. **Financing arrangements in different skill formation regimes**

	Main responsibility for financing VET		
	Learners	Enterprises	Government
Liberal	✓		
Segmentalist		✓	
State-centred			✓
Collective	✓	✓	✓

Source: Based on Busemeyer and Trampusch, 2012, p. 19.

⁽⁹⁾ The arenas of conflict or neuralgic points, besides the question of financing, are the supervision and monitoring of training in the workplace, which has to be reconciled with the enterprises' strive for autonomy, the roles of company-based versus school-based learning processes, and the relationship between VET and the system of general education, which centres around questions regarding the opportunities for transition between educational sectors and the transfer of learning outcomes, affecting the interests of various types of educational institutions. With the exception of financing, these issues are covered for the most part by the previously mentioned dimensions of interaction and the actors involved.

Accordingly, the evaluation of financing arrangements of apprenticeship can be carried out by investigating whether and to what extent the three stakeholder groups mentioned above actually share the costs for apprenticeship or dual VET. Another more focused indicator concerns whether apprenticeship is cost-effective for companies involved, i.e. whether the returns generated by the apprentices/learners are equal to or higher than the wages and the other costs associated with training.

By adding the category of financing arrangements to the model we arrive at an extended perspective of VET governance that covers the entire functions of the skill formation system. An overview of how the analytical categories to be addressed by the present study relate to the different conceptual approaches and how an extended governance model emerges from these categories is presented in Table 5.

Table 5. **Analytical categories and conceptual approaches**

	Governance structures	Feedback mechanism	Skill formation regime (extended governance model)
Interaction	✓	✓	✓
Actors		✓	✓
Financing			✓

Source: Cedefop.

2.3. Linking apprenticeship and governance: the normative model

2.3.1. Dimensions of governance and financing

The final step is to link the concept of apprenticeship in the strict sense to the analytical categories developed in Section 2.2 to define the ‘favourable’ or ‘appropriate’ structures that can be expected, from a theoretical point of view, to support the realisation of apprenticeship. The main criteria of the model are ⁽¹⁰⁾:

- (a) consistent legal framework;
- (b) balanced allocation of strategic and operational functions;
- (c) involvement/integration of the various bodies;
- (d) quality assurance and development strategies;

⁽¹⁰⁾ The original governance model by Rauner et al. (Section 2.2.1) has seven main criteria, five of which represent the coordination while the other two – the rationale of agency, i.e. input- or output-oriented governance (Rauner et al., 2010, p. 38). These criteria are here reformulated in the light of the specific concept of apprenticeship and the additional analytical dimensions presented in Sections 2.2.2 and 2.2.3.

- (e) balanced outcome and input orientation;
- (f) adequate financing arrangements.

The general assumption underpinning the model ⁽¹¹⁾ is that each of the main criteria is an important prerequisite for the implementation of apprenticeship. Hence, the general benchmark would be a 'balance' between the criteria in the sense that each of them should be realised to a large extent. With regard to the criteria related to the management by rules or input orientation on the one hand and the management by objectives or output/outcome orientation on the other, input control is typically associated with the traditional bureaucratic model of public administration, which is primarily concerned with the enforcement of the law. Output control, on the other hand, is one of the cornerstones of the new public management approach, which claims to improve the efficiency of the public sector with management techniques adapted from the private business sector (Osborne and Gaebler, 1993; Spicer, 2004). Neither of the two, however, would be adequate on its own for the management of VET systems, i.e. an output-oriented type of management cannot replace but only supplement a management by rules. A simple adaptation of the criteria that were originally developed for the private business sector is not possible due to the difference between the internal logic of the economic system on the one hand and the public sector on the other. While businesses in a market economy operate within a fixed system of objectives with the ultimate goal of profit maximisation, such a fixed structure is alien to political systems, at least from the commonly accepted perspective of an open society with democratic institutions and procedures. The formulation of policy objectives is a topic for public debate, and any such goals ultimately need to be properly authorised by the citizenry.

Governance structures for apprenticeship that are adequate should therefore include a high degree of coordination between the bodies involved and combine elements of input orientation like participation and deliberation with elements of output/outcome orientation such as performance orientation, efficiency and quality assurance. The main criteria of the normative model and the subcriteria of which they are composed are summarised in Table 6.

⁽¹¹⁾ This paragraph and the following one are based on Rauner et al., 2010, pp. 36-38.

Table 6. Composition of the main criteria

Main criteria	Subcriteria
Consistent legal framework	<ul style="list-style-type: none"> • a single act for VET or a single/coherent legal framework for VET (with several laws complementing each other); • centralisation/concentration of legislative competences at national level or national level responsible for overall legislative framework/guidance for VET and regional/local levels specifying the details; • legal framework/mandatory regulations for cooperation of learning venues; • the status and rights of apprentices are regulated by law.
Balanced allocation of strategic and operational functions	<ul style="list-style-type: none"> • national level responsible for strategic functions and long-term objectives. Local level responsible for operational functions; • defining/setting training standards, curricula and occupational profiles at national level. Determining specialisations at local level; • learning venues have autonomy to implement training programmes/training plans; • freedom of apprenticeship contract.
Involvement/integration of the various bodies	<ul style="list-style-type: none"> • adequate definition (in the legal framework) of the responsibilities of various stakeholders involved (companies, educational institutions, supervising bodies, institutions empowered to award and recognise qualifications, etc.); • official or officially recognised status of providers and supervising bodies; • institutional framework for VET dialogue (with involvement of government, educational institutions, social partners, researchers and learners); • social partners participate in designing curricula, standards and occupational profiles, assessing learning outcomes and ensuring quality of apprenticeship; • coordinating and/or moderating role of one institution; • institutionalised cooperation of learning venues.
Quality assurance and development/innovation strategies	<ul style="list-style-type: none"> • regular evaluation of curricula and occupational profiles; • regular assessment of learners' professional competence (systematic analysis/competence diagnostics as opposed to examinations or trade tests); • research on training quality and its improvement; • regular monitoring of demand for and supply of apprenticeship places; • adequate qualification standards and a system of initial education and continuous education for VET teachers and trainers.
Balanced outcome and input orientation	<p>Outcome orientation:</p> <ul style="list-style-type: none"> • mandatory objectives and benchmarks (overall objectives) for apprenticeship defined in law; • educational standards (knowledge, skills and competences to be acquired by learners) defined in occupational profiles and curricula; • examinations oriented towards learning outcomes; • possibility of recognising learning outcomes acquired outside regular training programme following strict equivalence criteria. <p>Input orientation:</p> <ul style="list-style-type: none"> • activities of the bodies involved determined by certain norms and rules (regulations on entry requirements for training programmes or access to certain occupations, regulations on company permission to train apprentices, etc.); • completion of a specific/mandatory curriculum is a prerequisite for awarding a qualification.
Adequate financing arrangements	<ul style="list-style-type: none"> • government covers the costs of school-based component; • employers cover the costs of company-based component; • apprentices receive moderate wages, which reflect the level of their productivity and increase progressively; • company-based component is organised as a cost effective system (returns generated by apprentices are at least equal to the wages and other training costs).

Source: Cedefop, based on Rauner et al., 2010; Rauner and Wittig, 2013; Bertelsmann Stiftung, 2009.

In addition to these criteria, which reflect the favourable governance structures and financing arrangements of apprenticeship, the particular relationship between apprenticeship and collective skill formation systems (Section 2.2) also suggests certain framework conditions that need to be in place if apprenticeship in the strict sense is to be established on a larger scale. These are exogenous factors which are not subject to any intentional design by policy-makers and relevant stakeholders. Hence, the framework conditions are not part of the governance model but serve as criteria for a preliminary estimation of the fundamental options for dual VET that are available in a given country.

There are two framework conditions for apprenticeship which relate to the industrial relations in a country. First, the employee status of learners, which is one of the two descriptors that distinguish apprenticeship in the strict sense from other types of dual VET, suggests the following conditions. When learners are paid by the enterprise during the training period, a structure of standardised qualifications and occupational labour markets (as opposed to company-specific internal recruitment systems) is sustainable only if it is backed by collective agreements that also foresee standardised wages. This equilibrium of occupational labour markets and standardised wages gives enterprises a strong incentive to train above their immediate needs while learners are encouraged to stay with their training companies, thereby protecting enterprises' investments in training (Thelen and Bussemeyer, 2012, pp. 68-75). In addition, an effective implementation of apprenticeship in the strict sense requires a balanced relationship of the social partners and a strong position of both parties, i.e. the membership rates in the trade unions and employer associations need to be high enough to cover substantial parts of the economic sectors in question since otherwise occupation-based training (as opposed to company-specific qualification schemes) would not be sustainable (Thelen and Bussemeyer, 2012, pp. 89-91).

In the following, the composition of the components of the governance and financing model for this study is discussed in detail.

2.3.1.1. *Consistent legal framework*

The first criterion for the description of the interaction among stakeholders is the consistency of the legal framework in which they operate. This descriptor is particularly important with regard to large countries in which the responsibility for regulating education and training may be allocated not only to different government departments, but also to different levels of State administration. In the context of the present study, Spain and Italy are examples of countries with regionalised political systems where different levels are involved in law-making. The consistency of the legal framework is considered to be an important

prerequisite for the overall integration of the VET system, for example when it comes to the definition and alignment of educational contents for the different learning venues within apprenticeship, and also for the connectivity between VET and other types of education.

Consistency of the legal framework requires that the VET system is regulated by one single act or at least that several laws supplement each other. What is also required is an adequate centralisation or concentration of the legislative competences. This means that the enactment of the relevant laws should be within the responsibility of only one level of government. In the event that different levels (e.g. national and regional levels) are involved, the legal instruments need to complement each other. An example would be an arrangement in which the national government is responsible for the overall guidelines for VET while the details of its implementation are regulated regionally by institutions.

One particular aspect for which the consistency and coherence of the legal framework is important is the relationship of the learning venues. The quality of apprenticeship strongly depends on a reliable framework for the cooperation of enterprises, educational institutions and, where applicable, training centres. If a given vocational training act applies to all types of learning venues, it is possible to enact mandatory regulations concerning the cooperation among them. If, on the other hand, these learning venues are subject to different legal spheres, a system of interinstitutional agreements on cooperation should be in place since otherwise the coordinated delivery of training contents and hence the overall quality of the VET programmes may be compromised.

Another specific aspect to be covered by the legal framework is the status of apprentices. To safeguard the educational mission of apprenticeship, regulations need to be in place to stipulate a unique status to the effect that apprentices are employees but also learners who are entitled to training at an adequate quality level.

2.3.1.2. *Balanced allocation of strategic and operational functions*

In the 'ideal' case, the national level is in control of the strategic functions and the law-making capacity for the overall framework. Operational functions are fulfilled at the regional and local levels.

The formal character of apprenticeship, i.e. the fact that this learning opportunity is a part of formal education and training, implies organised learning, which means that it is also necessary to specify which organisational arrangements are desirable. As explained in previous contributions (Bertelsmann Stiftung, 2009; Rauner et al., 2010; Rauner and Wittig, 2013), a clear distinction needs to be drawn between functions that relate to the definition of the overall

long-term objectives of training, which are relevant for the entire VET system, and functions that concern the implementation of training programmes, which need to consider the specific needs and conditions at local level.

The issue at stake here is the appropriate balance of centralisation and decentralisation. While the provision of recognised qualifications requires a certain degree of centralisation with regard to the regulation of training standards and curricula, there is also the need for some autonomy of the local actors when it comes to the implementation of training programmes. Specific conditions such as the local labour markets or the company profiles of training enterprises need to be taken into account. Operational functions which concern, for instance, the concrete implementation of vocational learning processes should not if possible be performed by actors at national level, since this would entail lengthy and detailed curricula and centralised guidelines for the design of tests and examinations.

A specific aspect of the allocation of strategic and operational functions is the standardisation of occupations in a way that leaves room for a flexible and localised implementation. To achieve this, the development of occupational profiles and curricula needs to take place at national level while the definition of specialisations as well as the development of training plans should be reserved for the agents at local level. The core elements that need to be defined at national level include the characteristic professional activities and competence requirements that define an occupation, and the core curriculum in terms of mandatory contents and notional hours of teaching and training. Functions such as the design of units, the formulation of school syllabi and company training plans, decisions about the supply of elective units, etc. should be left to the learning venues and, where applicable, the other competent institutions at local level.

Finally, because apprenticeship (in the strict sense) is typically based on a contract between the learner and the training enterprise, requirements exist concerning the freedom of contract. Apart from the general freedom to contract, which implies that it is up to the enterprises to offer training places or not and to select their apprentices while learners are free to decide whether or not to accept a particular training place, apprenticeship contracts require adequate freedom to negotiate terms to enable companies to define the details of training contents according to the local circumstances. This is a specific aspect of the more general need for local autonomy and a flexible implementation of standardised curricula.

2.3.1.3. *Involvement/integration of the various bodies*

The realisation of a concept of VET that is based on the alternation of learners between enterprises and educational institutions requires the involvement of various types of actors at national, regional and local levels, and the concept of formal education and training requires that the organisations responsible for the delivery and supervision of the programmes are official or officially recognised bodies. The actors that have to be involved include not only enterprises and educational institutions, but also supervising bodies to ensure that the learning venues comply with the relevant pedagogical standards and that training programmes are delivered in a coherent manner. Apart from government institutions (such as school inspectorates), business organisations such as chambers of industry and commerce typically fulfil these supervising functions. Finally, the involvement of institutions that are empowered to award and recognise qualifications can be formulated as a requirement.

To coordinate the activities of these stakeholders, appropriate institutional arrangements and procedures for communication and decision-making need to be in place. In general, there needs to be a continuous exchange of views between the social partners, the educational institutions and the government on fundamental questions of VET and the continuous improvement of the system. This VET dialogue should also be supported by researchers in the field of education and training. The involvement of experts from the social partner organisations as well as academic researchers should especially extend to the definition of occupational profiles and the development of VET curricula and standards. In addition, social partners should be involved in the issues of assessment of learning outcomes and in safeguarding the quality of apprenticeship training. The VET dialogue might also include representatives of the learners to encourage a more participatory governance of apprenticeship. At local level this can be realised through a participation of learners' representatives in bodies such as school boards. In addition, the representation of the apprentices' interests can be explicitly included in the mission of the trade unions.

The effectiveness of the cooperation of all relevant bodies in the organisation of apprenticeship depends on the presence of a moderating and coordinating institution that has the competence and expertise to fulfil a coordinating function for the system as a whole. A national institute or government agency for VET would be an appropriate institution for this role. At a regional or local level arrangements should be made for institutionalised cooperation of the learning venues to support an effective implementation of apprenticeship on the spot. An example would be regional boards or committees of VET teachers and in-company trainers for a given occupation or occupational field which would oversee the implementation of new occupational profiles and

curricula, make arrangements for the coordinated instruction and training of apprentices, and take part in the organisation of examinations.

2.3.1.4. *Quality assurance and development strategies*

The fourth criterion can be termed 'quality assurance and development (or innovation) strategies'. On the one hand this criterion is justified by the pedagogical consideration outlined above (Section 2.1.1), i.e. that VET needs to be adapted to changing circumstances such as the availability of new technologies and at the same time to maintain the overall objective of personal development and professional competence. On the other hand the criterion reflects the fact that collective skill formation systems are not static and self-sustaining equilibria but dynamic institutional arrangements in which the roles and responsibilities of the various actors are renegotiated periodically (Thelen, 2004, p. 35; Busemeyer and Trampusch, 2012, p. 4). This aspect of ongoing institutional evolution is also important with regard to the delivery of adequate information for the development of visions and strategies aimed to promote apprenticeship. On the whole, this criterion reflects the idea that apprenticeship by definition leads to a recognised qualification. From this perspective, measures for quality assurance and the continuing development of VET need to be in place to sustain the nationwide recognition and labour market relevance of the certificates.

Quality assurance measures and development strategies for the system of apprenticeship might include the regular evaluation of curricula and occupational profiles, the regular assessment of the learners' professional competence by means of competence diagnostics and research activities concerned with training quality and its improvement. The contribution of VET research to the development strategies may consist, for instance, in the enquiry of fundamentals of VET (e.g. from a pedagogical, psychological or sociological point of view), the clarification of the aims and contents of vocational education, especially through the monitoring of skills needs, and the analysis of national and international trends in VET.

The quality of apprenticeship also depends on the professional competence of training practitioners, which is why adequate qualification standards and a system of initial and continuing education for VET teachers and trainers are another crucial aspect of quality assurance and innovation. In the case of teachers such a system would first require that their university education should lead to a qualification at the level of a master's degree and be organised according to broad and comprehensive vocational disciplines (INAP Commission 'Architecture apprenticeship', 2013, p. 11). As regards trainers, there also need to be recognised professional qualifications for this group, which have to specify

technical as well as pedagogical competences. Both groups should be encouraged to update their skills regularly, which could be a part of the quality management or human resource development in educational institutions and training enterprises.

2.3.1.5. *Balanced outcome and input orientation*

The defining feature of apprenticeship stipulating that successful learners acquire a qualification and receive an officially recognised certificate implies the requirement that VET should lead to professional aptitude or holistic professional competence on the basis of a standardised, universally recognised occupational profile and not to mere employability defined on the particular needs of single employers (Section 2.1.1). This specific character of apprenticeship implies an element of output orientation in the sense that the primary objective of the training programme is the development of professional competence. Accordingly the behaviour of the actors involved needs to be oriented towards this goal. To this end, the legal framework should include mandatory objectives and benchmarks or standards for apprenticeship. This means that the overall objectives of VET, including apprenticeship, should be specified in the relevant law, and more specific educational standards in terms of the knowledge, skills and competences to be acquired by the learners should be fixed in the occupational profiles or curriculum documents. It is also essential that the examinations or assessment procedures reflect the idea of evaluating the competence to act professionally and independently. Accordingly, examinations should be oriented towards learning outcomes as well. It has to be taken into account that professional competences can be acquired in different ways, which is why the examinations should also allow for the recognition of individual learning trajectories to the extent that the principle that apprenticeship is a part of formal education and training is not compromised. Such recognition might take place by the admission of external candidates to the examination or by the recognition of learning outcomes achieved outside the regular training programme. In any case, however, it would have to be considered an exception and relatively strict equivalence criteria would need to be applied since apprenticeship implies that, as a rule, learners have to complete a formal curriculum.

The concept of apprenticeship as a type of formal education also emphasises the importance of well organised learning processes and the requirement that learners should follow a complete and well organised curriculum, which entails the need for a certain degree of input-oriented governance, i.e. the requirement that the activities of the bodies involved are not only determined by objectives but also follow certain norms and rules. With

regard to the institutional framework of apprenticeship, such rules may include regulations on the enterprises' permission to train apprentices, standards for the qualification requirements of VET teachers and trainers, and regulations on the entry requirements for training programmes or the access to certain occupations.

At the level of implementation of apprenticeship, input orientation is characterised by mandatory requirements that define the completion of a specific curriculum as a prerequisite for the award of the qualification. This is the case, for instance, when the completion of a specific learning trajectory in the sense of a regulated training programme with a fixed content and duration or a fixed period of professional work experience (in the case of certain CVET qualifications) is set as a mandatory requirement for the admission to the final examination. Where there is no final examination but continuous assessment, the completion of a specific curriculum is a prerequisite in this sense when the learners have to complete specific modules successfully (and possibly in a fixed sequence) to be awarded the qualification.

2.3.1.6. *Adequate financing arrangements*

The dualism of the learning venues also requires financing arrangements in which the different stakeholder groups are involved and cover the costs of the different learning venues according to their responsibilities. While the government, which is responsible for school-based learning, typically funds or subsidises the staff and operational costs of the educational institutions, the enterprises contribute by covering the same costs with regard to the company-based learning component. In a system of apprenticeship in the strict sense, the undertaking of the learners consists in accepting relatively low wages during the training period, and in contributing productive work that may generate a net profit for the company ⁽¹²⁾.

A specific criterion for apprenticeship in the strict sense is the organisation of the company-based part of the training programme as a cost-effective system. Here the employee status of the learners implies specific financial undertakings on the part of the training enterprises as well as on the part of the learners. As explained above, companies have to cover the costs of the apprentices' wages while the apprentices need to accept a relatively low pay compared to other income options (Busemeyer and Trampusch, 2012, p. 19; Thelen, 2004, p. 18).

⁽¹²⁾ In addition, there is the possibility that learners co-finance the school-based part of dual VET by paying tuition fees, which are common for many CVET courses as well as in some sectors of IVET. This, however, does not change the fact that dual VET in any case involves a substantial public commitment, especially with regard to the school-based part (Sections 2.2.1 and 2.2.3).

The salary of apprentices should reflect the level of productivity attained by the learners and increase progressively over the training period. It is estimated that the company part of an apprenticeship programme can be a cost-effective system (i.e. the returns generated by the apprentices can be at least equal to the wages and the other training costs) if the remuneration of the apprentices is about one third of a skilled worker's wages ⁽¹³⁾ (INAP Commission 'Architecture apprenticeship', 2013, p. 10).

It should be noted, that the main criteria and subcriteria discussed above apply to both apprenticeship in the strict sense and other dual VET schemes alike. A notable exception is the criterion of adequate financing arrangements and, specifically, the arrangement that apprentices receive relatively lower wages. This specific financial undertaking on the part of the learners is relevant only in the context of apprenticeship in the strict sense when the employee status of the learners comes into play.

2.4. From the normative model to assessment

In the present study, the assessment of existing governance structures and financing arrangements was carried out on the basis of a qualitative approach that involved a series of stakeholder workshops (first round) and supplementary desk research. The workshops were carried out according to the following schedule:

- (a) 30 May 2014, Riga, Latvia;
- (b) 19 June 2014, Milan, Italy;
- (c) 19 June 2014, Porto, Portugal;
- (d) 26 June 2014, Barcelona, Spain;
- (e) 9 September 2014, Gothenburg, Sweden.

During the workshop the representatives of employers, employees, governments, training providers and independent experts in the selected countries (Annex 2) debated the current state of affairs. The discussions were held in a national language of a particular country and supported by an assessment tool/questionnaire (Annex 1). The tool contained the main criteria and subcriteria for the assessment of the country's current governance structures and financing arrangements of apprenticeship and other forms of dual VET and allowed to rate the fulfilment of a particular subcriteria on a 10-point scale.

⁽¹³⁾ This applies when apprentices are predominantly young school leavers as distinct from adult learners. In the latter case financial incentives from the State would be needed.

However, the tool was developed in parallel to the theoretical work on the normative model. As a result, some of the criteria/subcriteria of the tool reflected an early stage of the conceptual work and did not cover all aspects of the normative model (Section 2.3). Therefore, the tool should be seen as prototype ⁽¹⁴⁾.

The assessment tool helped to facilitate group discussions. Prior to the workshop, the tool was sent to the participants who were asked to fill in the questionnaire in advance. At the start of each workshop the preliminary results of the assessment (ratings) were presented and the workshop participants were invited to comment and explain their ratings (the criteria were discussed one by one). The results that were worthy of particular attention were highlighted, e.g. outstandingly low or high ratings or where there was a particular disagreement or diversity of views. Participants had an opportunity to discuss their views with each other and reflect on their assessments. In a concluding discussion, participants aimed at reaching a consensus and forming an opinion on the overall assessment of the current governance structures and financing arrangements, and on the conditions for further development of apprenticeship (or other dual VET schemes) in the respective country.

Accordingly, the main source of information for the assessment does not consist in the quantitative ratings (which served mainly to structure and support the discussions), but in the statements made and arguments put forward in the discussions. The evaluation approach is essentially a qualitative one, building on the interpretation of verbal information.

The presentation of the assessment results in Chapters 3 to 7 follows the structure of the normative model (Section 2.3). The analysis of the governance structures and financing arrangements in Spain, Italy, Latvia, Portugal and Sweden is complemented with the findings of the desk research. As the model itself evolved in an iterative process overlapping with the data collection and the fieldwork as explained above, some of the subcriteria are not (fully) covered by the analysis (as they were introduced into the normative model at a late stage after the main fieldwork and desk research was already conducted). For this reason and due to the different starting points and interests of the countries analysed the subcriteria are not addressed to the same extent in all country chapters and in a few cases are not addressed at all.

⁽¹⁴⁾ These 'obsolete' items are highlighted in the English version of the tool documented in Annex 2.

2.5. From assessment to strategy development

Following the assessment, visions about potential governance structures and financing arrangements supporting apprenticeship (or other dual VET schemes) in the respective countries have been developed in accordance with the third objective of the study. These visions had a mid-term perspective ranging from 5 to 10 years and were complemented by strategies describing the way(s) to reach the envisaged aims delineated in a respective vision. For each vision, at least one strategy was to be defined, but it was also possible to suggest multiple (alternative) strategies for one and the same vision.

Box 2. Clarification of key terms: trends, visions, strategies

A trend is a general direction in which the governance and financing structures of an apprenticeship system are developing or changing. It is a new concept in society, economy or technology that triggers a new movement or direction of how something will develop in the future. Trends can be found in different areas – politics, economy, society, etc. and are usually observable over time. However, they are often difficult to measure.

Examples of trends: a ‘trend towards higher education’ or towards ‘a decline of engagement in training offered by enterprises’.

A vision is a picture of the future apprenticeship system in one country in a perspective of five or 10 years. It describes a desirable but also realistic state of affairs and can be regarded as a set of policy goals. A vision should serve as a frame for choosing current and future actions necessary to achieve the aspired situation.

A strategy is a plan of action that aims to put such vision into reality. It involves the description of specific activities or measures that can be expected to achieve the desired outcomes.

Source: Cedefop.

The process of strategy development was linked to four subsequent steps.

2.5.1. Step 1: setting up the strategy development team

In a first step a core team responsible for developing the individual national strategies was set up. In each participating country this core team consisted of a number of experts that represented the project team as well as national key stakeholders, who already participated in the first assessment workshop and were able to identify and estimate relevant trends and driving forces (Box 3) of potential governance structures and financing arrangements supporting apprenticeship.

Box 3. Drivers of change

Drivers of change are factors that could have an impact on the financing and governance structures of apprenticeship system. Usually there is uncertainty about how the driving forces may play out in the future. Drivers of change influencing future governance and financing structures of apprenticeship can be endogenous and exogenous:

Endogenous drivers of change (some examples):

- extending information and guidance services for apprenticeship training;
- implementation of credit systems;
- better match of learning needs and learning supply;
- centralisation of the education system versus decentralisation of VET;
- developing closer cooperation with employers;
- quality of apprenticeship system.

Exogenous drivers of change (some examples):

- economy (financial crisis, unemployment/youth unemployment, etc.);
- policy (influence of EU policies, federalism, industrial relations, etc.);
- culture (attractiveness of apprenticeship system).

Source: Cedefop.

2.5.2. Step 2: developing future visions of apprenticeship systems

Based on the analysis of all relevant trends and driving forces either identified through desk research or within the course of the first stakeholder workshops future visions for the national apprenticeship (or more generally, dual VET) systems were developed by the national core teams. Questions which could guide this work were as follows:

- which development(s) of apprenticeship is/are likely to occur in your country for the next 5 to 10 years; which of these developments are desirable/undesirable;
- what is a desirable share of apprenticeship at upper secondary level (both for young students and adults), at higher education level and/or as part of introductory learning when being employed;
- what proportion of school-based and workplace learning components in apprenticeship in the next 10 years to come is desirable;
- which formula of division of responsibilities, organisation and financing between the education sector and social partners is desirable in the next 5 to 10 years;
- in which way will young people's values and attitudes towards general and vocational programmes at upper secondary level develop (with respect to gender, ethnicity and functional impairments) and influence the future vision of apprenticeship in your country;

- in which way may social, economic or other changes influence the future vision of apprenticeship in your country?

The desired future visions of apprenticeship (or other dual VET schemes) were checked against the main drivers influencing these visions while the relative impact/importance of each driver in the future had to be checked and those drivers with the highest impact identified ⁽¹⁵⁾.

2.5.3. Step 3: developing strategy options

For each of the visions identified a strategy, i.e. in terms of policy measures/recommendations for expanding apprenticeship (or other dual VET) was developed. Questions which could guide this process were as follows:

- which reforms are needed in the governance and financing structure to expand apprenticeship and achieve the desirable future;
- which of the parameters evaluated in the first phase of the project (consistent legal framework, allocation of strategic and operational functions, etc.) needs to be addressed primarily and changed;
- which initiatives should be taken on the political or policy level to introduce new forms of apprenticeship in combination with employment and learning?

2.5.4. Step 4: stakeholder workshop to fine-tune strategies options

In the final step, the results of step 2 and 3 were presented and checked for plausibility and consistency in the second round of stakeholder workshops (Annex 2) with the aim to further revise and fine-tune the strategies. Thus, the aim of the second stakeholder workshop was to present the elaborated visions and strategy options to a broader audience and to obtain their assessment of the presented ideas. The workshops were carried out according to the following schedule:

- (a) 29 October 2014, Madrid, Spain;
- (b) 6 November 2014, Porto, Portugal;
- (c) 26 November 2014, Milan, Italy;
- (d) 27 November 2014, Riga, Latvia;
- (e) 18 May 2015, Stockholm, Sweden.

⁽¹⁵⁾ Porter (1985) states that identifying independent drivers of change is crucial for building scenarios and for strategic planning purposes. Heading into trends without awareness of drivers of change leads to 'hoped for' futures and only reflect singular opinions (ibid., pp.45-46). For those engaging with a scenario exercise, some time should be spent thinking about why a change might come about rather than concentrate solely on the 'how' or 'what' of the change (ibid., p. 50).

The organisation of the workshops in terms of the groups of participants to be invited followed the same pattern as in the first round of stakeholder workshops. Where appropriate, the workshops were split into smaller groups to improve the opportunities for all participants to be actively involved in the discussions.

As regards the strategy options the strength and weaknesses were discussed. The final outcome/products of this phase were in the form of documents describing the revised and validated versions of the future visions of the (governance and financing of) the respective apprenticeship/dual VET system and related strategy options on how to possibly achieve these visions.

CHAPTER 3.

Country analysis: Italy

The findings presented in Sections 3.1 to 3.3 are based on the research activities implemented between January and November 2014 and the subsequent analysis and interpretation of the information collected during that time. In June 2015, a major reform of the labour market legislation brought about several changes in the Italian apprenticeship system. These changes are briefly outlined in an appendix to this chapter (Section 3.4).

3.1. Apprenticeship (and other dual VET schemes) in Italy

At the time of research, the apprenticeship system in Italy is regulated by the Consolidated Act on Apprenticeship (*Testo unico dell'apprendistato* Legislative Decree 167/2011) with amendments ⁽¹⁶⁾. This act defines apprenticeship as a 'permanent employment contract for youth training and employment' ⁽¹⁷⁾. According to the act, three distinct types of apprenticeship are available with specific objectives and specific governing and implementing rules.

The first type is termed 'apprenticeship for gaining a vocational qualification and diploma' (*apprendistato per la qualifica e il diploma professionale*) and addresses young people aged 15 to 25 who wish to complete the period of compulsory schooling through a work-based programme. The purpose of the programmes is to acquire a vocational qualification or a vocational diploma, i.e. upper secondary level certifications that are regionally based but recognised

⁽¹⁶⁾ The comprehensive act fully entered into force on 25 April 2012. It was modified by Law 92/2012, and Law 99/2013 (which modified and approved the Decree-Law 76/2013). Law 78/2014 modified and approved Decree Law 34 2014. The act was eventually repealed by the labour market reform (Decree-Law 81/2015) described in Section 3.4. See the list of legislation at the end of the publication.

⁽¹⁷⁾ Apprenticeship can also involve adults: according to the legal provisions (Article 7, paragraph 4 of Legislative Decree 167/2011), workers involved in collective dismissal procedures (*procedura di mobilità*) can be hired under this contract (any of the types discussed in the following) without any restriction with regard to age. In practice, they usually enter into the second type – occupation-oriented apprenticeship (*apprendistato professionalizzante o contratto di mestiere*).

nationwide ⁽¹⁸⁾ (and could be acquired through full-time education as well). The contract lasts a minimum of six months and a maximum of three (for vocational qualification) or four years (for vocational diploma). The Regions and Autonomous Provinces (hereafter regions) regulate this apprenticeship through specific provisions, on the basis of an agreement signed by the State-region conference. More specifically, the regions specify the details of vocational education and training (VET) provision (e.g. content, the number of training hours, share of theory and practice, where training takes place, etc.), in line with national minimum standards agreed by the State-regions conference (Legislative Decree 226/2005). Formal VET (regulated and financed by the regions) should be provided for a minimum of 400 hours per year (according to the above-mentioned national minimum standards) inside or outside the company ⁽¹⁹⁾. As regards additional training provided and financed by a company, the modes of delivery must be defined by the collective labour agreements, respecting the general standards agreed by the regions.

Since apprenticeship type 1 programmes usually involve a larger share of work experience in relation to the formal education component, they could be classified as ‘apprenticeship in the strict sense, mainly company-based’ in the terminology of this study. However, the proportion of company-based learning differs across regions, economic sectors and collective agreements.

The second type is the occupation-oriented apprenticeship (*apprendistato professionalizzante o contratto di mestiere*). This scheme, which targets young people aged from 18 (or 17 for vocational qualification holders) up to 29, is oriented towards acquiring an occupational qualification, valid within the scope of relevant collective labour agreements. The minimum duration of this apprenticeship is six months while the maximum is usually three years or five years in the craft trades. Formal education and training (regulated and financed by the regions) should be provided, according to national standards, for a maximum of 120 hours over the entire apprenticeship period, and it should lead to acquiring basic and transversal skills ⁽²⁰⁾. The guidelines adopted by the State-region conference in 2014 (CSR 32/2014) define the common rules to be applied

⁽¹⁸⁾ The vocational qualifications and vocational diplomas are identified by the State-region conference, according to the Legislative Decree 226/2005. The conference established 22 operator profiles and 21 technician profiles for apprenticeship drawing on national register of qualifications (*repertorio nazionale delle qualifiche*).

⁽¹⁹⁾ Assuming a full-time job of eight hours per day and 220 working days per year, the said 400 hours would be equivalent to approximately 23% the total duration of apprenticeship (the share is not fixed).

⁽²⁰⁾ Mainly ICT, a foreign language, workers duties and rights.

by all regions in relation to basic and transversal skills training, including indications on the content ⁽²¹⁾. The duration of this training can be adjusted (reduced) considering the age, the qualification and skills of the apprentice ⁽²²⁾.

The formal education and training is provided by training centres accredited by regions. It can also be (partially) organised by companies which fulfil specific requirements set by regions and are recognised as companies with training capacities. The provision of basic and transversal skills training is complementary to the training for the acquisition of technical and professional skills. The latter is carried out under the full responsibility of the company. The training can be provided directly by the company or by specialised training centre and financed from the company's own resources or interprofessional training funds.

The occupation-oriented apprenticeship (*apprendistato professionalizzante o contratto di mestiere*) is the most widespread form of apprenticeship, accounting for over 90% of all apprentices in Italy in 2013 (ISFOL, 2015). It is the epitome of traditional apprenticeship in Italy as it is an employment contract designed for the apprentice to acquire an occupational qualification valid within the scope of the relevant collective agreements. In general, there is no formal act whereby the occupational qualification is awarded by the employer, apart from the registration of apprenticeship training and the change (increase) of pay grade of the former apprentice who is now treated as a qualified worker (if apprenticeship turns into standard employment). The recognition of the occupational qualification is not compulsory by law, but it is left to the employer's discretion: Legislative Decree 167/2011 (Article 2, paragraph 2, letter f), states that the occupational qualification may be recognised on the basis of the training provided inside and outside the company.

Thus, the scheme constitutes a 'borderline case' in which skills are transferable in practice but recognised by non-governmental entities rather than public institutions. Through the above characteristics, type 2 apprenticeship would also belong to the category of 'apprenticeship in the strict sense' according to the typology applied in this study, but given the fact that this scheme is not a part of formal education and does not have any ISCED classification it needs to

⁽²¹⁾ For example, occupational health and safety rules, employment law, e-skills, entrepreneurship, etc.

⁽²²⁾ According to the guidelines agreed by the State-regions conference in 2014 (CSR 32/2014), the duration of training for basic and transversal skills should be:

- (a) 120 hours for apprentices without a school qualification or with a school qualification lower than ISCED 2;
- (b) 80 hours for apprentice with an ISCED 3 or 4;
- (c) 40 hours for apprentices with an ISCED 5 or higher.

be placed in a separate category, namely ‘unclassified (no ISCED level assigned)’.

The third type is the ‘higher education and research apprenticeship’ (*apprendistato di alta formazione e ricerca*), which is also called ‘higher apprenticeship’ or ‘third level apprenticeship’. This type also addresses young people from 18 (or 17 for vocational qualification holders) up to 29 years of age. The programmes are offered in two subtypes, namely apprenticeship for higher education and apprenticeship for research. The former leads to various qualifications at upper secondary, post-secondary or tertiary levels, such as upper technical specialisation certificates, bachelor, master or doctoral degrees. The other subtype leads to the occupational qualification of ‘researcher’ or equivalent, which is not to be confused with any academic title and which has no official status in the public education system but can be recognised in relevant collective agreements.

The maximum duration of the programmes as well as the proportion of time spent in the workplace and in class are decided by the regions in agreement with local employer associations and trade unions (among those comparatively most representative at national level), universities, technical and vocational high-schools and other education/training or research institutions ⁽²³⁾. In the absence of regional regulations, type 3 apprenticeship can be activated through ad hoc agreements signed by individual employers, or their associations, with the above-mentioned education and training providers and other institutions. Depending on the regional regulation or on the content of the ad hoc bilateral agreements, training might be delivered exclusively in company, or also in an education/training institution.

As the programmes of the first subtype offer qualifications up to the tertiary level (EQF 8, ISCED 5B), they can be classified as higher apprenticeship in the terminology used in this study while the other subtype has to be considered ‘unclassified (no ISCED level assigned)’.

Besides the three types of apprenticeship described above, in Italy there are several other dual schemes ⁽²⁴⁾ in which predominantly school-based VET is

⁽²³⁾ Including those recognised at national or regional level and which have as their objective the promotion of business, employment, training, innovation and technology transfer activities.

⁽²⁴⁾ The wording here as well as in the other chapters reflects the terminology of the study and not necessarily the conventions in the countries concerned. For instance, the schemes described in the following paragraphs match the characteristics of dual VET as outlined in Section 2.1.1 but would probably be referred to by Italian readers under different terms such as ‘alternating training’ or ‘school-work alternance’.

combined with traineeships/work experience in companies. Learners in these programmes are students: they do not have the status of employees nor do they have any other contractual relationship with the companies, and they do not receive any wages. These well-established programmes are outside the scope of the present study but shall be summarised briefly to give a more encompassing overview of dual VET schemes in Italy ⁽²⁵⁾.

At upper secondary level, the State institutions delivering school-based VET are technical schools (*istituti tecnici*) and professional schools (*istituti professionali*), both offering programmes of five years divided into two years of basic studies and three years of specialisation, leading to a technical or professional diploma and giving direct access to the labour market, or to post-secondary VET or to university programmes. In addition, at the end of the third year, professional schools' students may gain a 'vocational qualification certificate' (*certificato di qualifica professionale*) giving access to the labour market or to an additional post-qualification course, which enables learners to enter post-secondary VET. Moreover, they may obtain a three-year programme qualification or a four-year programme diploma within the framework of the 'leFP regional systems' ⁽²⁶⁾. The exact proportion of school-based and work-based learning depends on the educational pathway and the agreements between schools and enterprises, but in any case the programmes are predominantly school-based.

The leFP regional system is mainly offered by training providers under the supervision of the regions. leFP is delivered in two cycles, namely first-level courses of three years and second-level courses of one year, both cycles at upper secondary level, the former leading to a professional qualification (EQF-3) and the latter to a professional diploma (EQF-4). On average, the proportion of work-based learning in leFP courses is 30%.

The dual VET schemes at post-secondary non-tertiary level are the courses at higher technical institutes (*istituti tecnici superiori*, ITS) and the system of higher technical education and training (*istruzione e formazione tecnica superiore*, IFTS), both operated by the regions. ITS courses last two years, comprise about 1 800 to 2 000 hours of learning and lead to a diploma of higher-level technician. IFTS courses, which are delivered by consortia involving at least one school, one training provider, one university and one enterprise or another public or private entity, last one year or 800 to 1 000 hours and lead to a

⁽²⁵⁾ On 15 July 2015 there was a new reform of the school system in Italy (Law 107/2015). The description that follows refers to the previous legal framework.

⁽²⁶⁾ leFP: *istruzione e formazione professionale iniziale* – initial vocational training.

certificate of high level technical specialisation. In ITS as well as IFTS, the share of work-based learning is approximately 30%.

The classification of all these apprenticeship and other dual VET schemes according to the typology of this study is summarised in Table 7. The programmes under 'other dual VET schemes' in the table are not further analysed in this report.

Table 7. **Classification of dual VET schemes in Italy**

	Apprenticeship (in the strict sense)		Other dual VET schemes	
	Mainly company-based (>50%)	Mainly school-based	Mainly company-based (>50%)	Mainly school-based
Upper secondary education (ISCED 3B)	Type 1 (apprenticeship for gaining a vocational qualification and diploma, <i>apprendistato per la qualifica e il diploma professionale</i>)			Technical school (<i>istituto tecnico</i>), 5 years professional school (<i>istituto professionale</i>), 5 years leFP – 1st cycle, 3 years; 2nd cycle 4th year.
Post-secondary education (ISCED 4)				ITS, 2 years IFTS, 1 year
Tertiary education (ISCED 5B)	Type 3 (higher education and research apprenticeship, <i>apprendistato di alta formazione e ricerca</i>) – subtype 1			
Unclassified (no ISCED level assigned)	Type 2 (occupation-oriented apprenticeship, <i>apprendistato professionalizzante o contratto di mestiere</i>) Type 3 (higher education and research apprenticeship, <i>apprendistato di alta formazione e ricerca</i>) – subtype 2			

Source: Cedefop.

With regards to participation in apprenticeship in Italy, according to the latest ISFOL report on apprenticeship (ISFOL, 2015), the number of apprenticeships started in 2013 (inflows) was 231 997. The average number of apprenticeships contracts with at least one working day in 2013 (stock), as declared by the National Institute for Social Security (INPS), was 451 954. Out of these, 410 369 related to the apprenticeship type 2, and 41 585 were relevant for other apprenticeship types, which include:

- (a) contracts started according to Law 196/1997;
- (b) until 2012 apprenticeship types 1 and 3 as regulated by Legislative Decree 276/2003;
- (c) from 2013 apprenticeship types 1 and 3 as regulated by the Consolidated Act on Apprenticeship (Legislative Decree 167/2011).

As regards the general economic context, apprenticeship in Italy is in principle supported by a system of collective agreements that contribute to a structure of nationally recognised occupational qualifications and also foresee standardised wages, which has been identified as one of the 'framework conditions' for a sustainable establishment of apprenticeship in the strict sense (Section 2.3.1). This conclusion is backed by strong collective bargaining coverage, i.e. the percentage of workers whose employment is regulated by some collective agreement, estimated at 80% in the Italian case (Eurofound, 2014a). Industrial relations also play an important part in shaping the content of training programmes. More specifically, national labour collective agreements for the relevant sectors or intersectoral agreements define provisions for the content of job-specific training programmes for the various occupations as well as contractual aspects of apprenticeship. These provisions have to comply with the principles set out in Article 2, paragraph 1 of the 2011 consolidated act (Legislative Decree 167/2011).

With regard to the specific prerequisite of strong industrial relations in terms of membership in trade unions and employer associations only limited information is available. One important indicator is the trade union density, which is the proportion of trade union members among all employees. For 2012, the trade union density for Italy is estimated by Eurofound at 37.1% (Eurofound, 2014a) while the figures given by the OECD are 36.3% in 2012 and 36.9% in 2013, which is above the OECD average of 17% (OECD, 2014). A corresponding figure for the strength of employer associations in Italy is not available. Nevertheless, the available data, together with the above-mentioned collective bargaining coverage of about 80%, might suggest that, at least in principle, there are conditions for social partners to have considerable influence and thus the

opportunity to sustain an occupation-based training system by means of appropriate collective agreements.

However, some other characteristics of industrial relations in Italy suggest that the practice of collective bargaining does not necessarily support a 'collective' skill formation system as discussed in Chapter 2, but may instead create a drive towards a 'segmentalist' one, i.e. a system in which company-specific training prevails. More specifically, the Italian collective bargaining system is a two-tier structure in which 'centralised' agreements at national level and 'decentralised' agreements at local or company level exist side by side, the latter often serving as supplements to centralised agreements with the aim to make adaptations to the local circumstances. While centralised agreements still dominate, the opportunities for derogating from their provisions by means of company-specific agreements have been extended in recent years and are incentivised by tax reliefs. This means that decentralised bargaining might become more important (Eurofound, 2014a). In this situation employers would have fewer incentives to opt for training programmes on the basis of standardised occupational profiles rather than internal training schemes that respond to the specific skill needs of the single enterprise.

3.2. Assessment of governance and financing of apprenticeships

3.2.1. Dimensions of the governance model

3.2.1.1. *Consistent legal framework*

As explained in Section 2.3, the consistency of the legal framework requires in the first place that one single act or, failing that, several laws that supplement each other should be in place to regulate the system of apprenticeship. The requirement that legal instruments complement each other is critical when the legislative competences are not centralised but shared by different levels of government, as is the case in Italy where both the national government and the regions have legislative powers.

The regulatory framework for the three apprenticeship types in Italy is relatively complex and involves legal instruments enacted at the national level, agreements between the State and the regions, collective labour agreements or cross-sectoral/inter-confederal agreements (*accordi interconfederali*) and regulations enacted by the regions.

The fundamental instrument at national level is the Consolidated Act on Apprenticeship of 14 September 2011 (Legislative Decree 167/2011). Repealing

the previous legal acts regulating apprenticeship, the act aimed to create one single reference at national level for all matters concerning apprenticeship. It defined three types of apprenticeship (Section 3.1.), building on the models enshrined in the previous legislation (Legislative Decree 276/2003), but with more room for collective bargaining to set the detailed contract rules.

The consolidated act established that the apprenticeship contract is a permanent employment contract, which can be described as structured in two phases: apprenticeship (also called 'training period') and an open-ended contract. At the end of the training period, the apprenticeship contract automatically becomes a regular open-ended contract, unless the employer gives advance notice, though is not required to provide any reason.

The apprentice benefits from the same rights ⁽²⁷⁾ as other workers employed under an open-ended contract for the whole duration of the apprenticeship period. However, it is considered a 'special contract' as vocational training is a compulsory part of it. The consolidated act defines the general characteristics of the contract (Box 4), which need to be considered by the bodies involved. The act also limits the number of apprentices that the company can employ ⁽²⁸⁾.

While the consolidated act constitutes the overall framework for apprenticeship in Italy, the details of implementation are left to various regulations at regional level and collective agreements. It was the 2011 reform itself that changed the normative technique: instead of providing for detailed prescriptive provisions, it allowed for some key aspects of the apprenticeship system to be negotiated among social partners, within the framework of collective agreements.

As a result, national collective labour agreements or cross industry agreements – signed by most, relatively representative associations at national level – define the specific discipline of the apprenticeship contract, common to all types, in accordance with the legal principles set out in Article 2, paragraph 1 of the consolidated act (Box 4). As part of this discipline, ideally for each of the three apprenticeship types, the national or cross-sectoral collective agreements

⁽²⁷⁾ Such as insurance benefits, maternity leave, sickness leave, household allowance, etc.

⁽²⁸⁾ The total number of apprentices per employer cannot exceed a ratio of three apprentices to two skilled workers. In companies with less than 10 workers, the ratio is one to one. Employers, who employ less than three skilled workers or none, can still hire a maximum of three apprentices. These restrictions do not apply to the crafts sector. Employers can hire new apprentices provided that they have retained at least 50% of apprentices hired in the previous 36 months. This provision does not apply to companies with less than 10 employees (consolidated act as amended by Law 92/2012).

define the content and provide rules for in-company training (e.g. duration of training, mode of delivery, tutor requirements, skills and competences to be acquired, etc.). The act also specifies that with regards to apprenticeship type 2 (*apprendistato professionalizzante*) the collective agreements stipulate the duration and mode of delivery of the training for the acquisition of technical and professional skills, according to the professional profiles established by the workers' classification systems and relative pay grades.

Box 4. Legal principles set out in Article 2, paragraph 1, of the Consolidated Act on Apprenticeship (Legislative Decree 167/2011)

- (a) the employment contract and the probation period pact should always be in written form; the employment contract includes, in brief form, the individual training plan (*piano formativo individuale*), which can be drafted also on the basis of samples and formats provided by collective bargaining or bilateral bodies;
- (a bis) minimum contract duration is six months, exception made for seasonal apprenticeship contracts;
- (b) prohibition of piecework;
- (c) possibility to reduce pay: the entrance level of the apprentice can be fixed two levels below the qualification that he/she will have at the end of the apprenticeship period (as envisaged by the collective bargaining agreements) or remuneration can be calculated according to seniority level (starting low and gradually increasing throughout the duration of the apprenticeship) ^(a);
- (d) there should be a tutor or a person responsible for training ^(b);
- (e) the possibility to finance training also through the use of the inter-professional funds (*fondi paritetici interprofessionali*) ^(c);
- (f) at the end of the apprenticeship (any type), an occupational qualification can be awarded to the apprentice;
- (g) all learning activities should be registered in the individual training booklet;
- (h) the possibility to extend the duration of the apprenticeship contract in case of pregnancy, illness or other health related reasons that do not allow the apprentice to work for more than 30 days;
- (i) it is forbidden for the firm and for the apprentice to terminate the apprenticeship contract before its natural expiry date unless very serious reasons apply. In case of layoff without justification, the sanctions foreseen by current legislation apply;
- (j) the possibility for both parts (apprentice and company) to terminate the contract after the apprenticeship's expiry date, by giving due advance notice. Otherwise the contract continues as a permanent employment contract.

NB: As amended by Law 92/2012 and Law 78/2014 (i.e. updated at the time of the first stakeholder workshop which took place in June 2014).

^(a) According to the Decree Law 34/2014, wages during training/education hours, for type 1 apprenticeship only, are fixed to 35% of the salary paid at that, by means established by the collective bargaining agreements.

^(b) The tutor or the person responsible for training does not have to be necessarily in the plant where the apprentice is employed. Collective agreements define all relevant details.

^(c) *Fondi paritetici interprofessionali* are associations promoted by social partners through inter-confederal/cross-sectoral agreements signed both by trade unions and employer associations. The activities carried out by the *fondi* are authorised and monitored by Ministry of Labour.

Source: Based on Legislative Decree 167/2011.

On 15 March 2012, the State-region conference signed an agreement for the regulation of the training standards (*profili formativi*) for type 1 apprenticeship (pursuant to and in accordance with Article 3, paragraph 2 of the consolidated act, Legislative Decree 167/2011). The agreement is structured in six points that are the lowest common denominator to assure the comparability of different training routes that can lead to the recognition of a title in Italy and abroad (Box 5).

Box 5. Agreement for the regulation of the training standards (*profili formativi*) for type 1 apprenticeship

Point 1: establishes the occupational profiles for which it is possible to activate an apprenticeship contract. This is based on the professional figures found in Legislative Decree 226/2005 Article 18, paragraph 1d and following State-region conference agreements. Additional figures can be added at regional level to meet specific territorial needs.

Point 2: establishes the minimum training standards for technical, professional and basic skills that must be met in type 1 apprenticeship training. This is based on Legislative Decree 226/2005 Article 18, paragraph 1d and following State-region conference agreements;

Point 3: the skills related to quality, safety, hygiene and environmental safeguard (defined in the State-region conference agreement of 29 April 2010, Annex 3) are common to all parties identified in the agreement;

Point 4: the models used for skills certification are those defined in the State-region conference agreement of 27 July 2011 (CSR 137/2011);

Point 5: the minimum amount of training hours per year are fixed to 400. The training can take place either inside or outside the company;

Point 6: ways in which intra-company training can take place, as defined by collective bargaining agreement and considering the apprentices training plan.

Source: Based on State-region conference 58/2012.

The State-regions conference agreement of 19 April 2012 (CSR 96/2012) defined a national certification system for the skills gained within the apprenticeship period (Legislative Decree 167/2011, Article 6). This was a first step to move from an interregional certification system to a national one.

Decree-Law 76/2013 – converted into Law 99/2013 – identifies first urgent interventions for promoting youth employment and states that regions would define common guidelines for type 2 apprenticeships. This request has been met through the approval of the Guidelines for the regulation of the occupation-oriented apprenticeship (type 2) by the State-regions conference of 20 February 2014 (CSR 32/2014). These guidelines define common rules to be applied in all regions, especially on aspects concerning educational matters.

As regards the consistency of the legal framework, and specifically a single act requirement or, failing that, complementarity of the legal instruments, the conclusion can be drawn that this condition is fulfilled as far as the consolidated act of 2011 (Legislative Decree 167/2011) is concerned. The act serves as a single framework defining the core principles and guidelines for all three types of apprenticeship.

The fact that the rules defined by national collective agreements (e.g. those relating to the in-company training or guidelines for apprenticeship contract) must comply with the principles set out in the consolidated act confirms that the overall legislative framework/guidance is in place.

The strategy of specifying certain aspects of the implementation in agreements under the umbrella of the State-region conference is an appropriate approach for reconciling the need for nationwide standardisation/overall legislative framework with the autonomy of the regions, at least in principle. However, the multitude and complexity of the legal measures as well as the fact that some necessary regulations for apprenticeship have not been put in place yet in a few regions (e.g. training regulations in type 1) suggest that the interplay of national and regional legislation is still not fully adequate, and that the legal framework, despite its promising approach, is not fully consistent in practice.

The comments on the overall structure of the legal framework at the first stakeholder workshop point in the same direction: the consolidated act of 2011 has to be regarded as a single central legislative framework, but at the same time stratification of the normative sources at regional and contractual level creates fragmentation and dispersion of legislative powers. Due to this fragmentation, the type 1 and type 3 apprenticeships differ across regions while apprenticeship type 2 is relatively homogeneous in terms of vocational and technical skills, which are defined by national collective employment agreements. However, apprenticeship type 2 programmes differ across regions with regard to the basic and transversal skills. The number of vocational qualifications available under type 1 is inadequate as there are only 21 three-year qualifications and 22 four-year qualifications (CSR 32/2014).

Some participants therefore advocate a more centralised approach at national level with common standards and national financing. On the whole, the adoption of the consolidated act of 2011 is considered an improvement, but in the meantime the enactment of several provisions addressing specific aspects of apprenticeship has further increased the complexity of the legal framework.

As regards the criterion concerning legal provisions on the relationship among learning venues, there are no mandatory regulations on cooperation between educational and training institutions and companies. The desk research also suggests that all learning venues fulfil their functions relatively autonomously

according to the rules set forth in the relevant regulations and collective agreements as well as in the training contracts.

3.2.1.2. *Balanced allocation of strategic and operational functions*

Table 8 summarises how actors share strategic and operational functions for the three different types of apprenticeship in relation to training and contractual issues.

Focusing on the overall distribution of the functions related to the concrete implementation of training in Italy, the legal framework allocates responsibilities to different actors according to the principle of subsidiarity.

One key indicator for the evaluation of the allocation of strategic and operational functions, with regard to apprenticeship training, is the combination of common training standards or curricula with an adequate degree of local autonomy that allows for an adaptation of training programmes to local or regional circumstances in the implementation. As the discussion in the previous subsection already shows, the legal prerequisites for this allocation of functions are in place in Italy as certain minimum training standards are set in the Consolidated Act on Apprenticeship (Legislative Decree 167/2011) and by the State-regions conference agreement (CSR 32/2014), and the responsibility for regulating the details of apprenticeship training is assigned to regions and social partners' organisations.

The next aspect to consider is the standardisation of occupational profiles in a way that leaves room for local adaptation. Occupational profiles are defined by the occupational qualifications set out in national collective agreements. The definition of concrete training activities, on the other hand, takes place in the individual training plan (*piano formativo individuale*). A short description of the individual training plan (Box 5) concerning in-company training needs to be attached to employment contract at the start of apprenticeship ⁽²⁹⁾.

⁽²⁹⁾ According to Decree-Law 34/2014 (Law 78/2014); before this decree, the company had to provide the apprentice with an individual training plan within 30 days of the employment date. The plan needed to include training activities both inside and outside the company.

With the entry into force of Law 78/2014, which amended the Consolidated Act on Apprenticeship (Legislative Decree 167/2011), there is no such separate document as the individual training plan. This should be instead included – in a concise form – in the employment contract. It can be still drafted also on the basis of samples and formats provided by collective bargaining or bilateral bodies.

Table 8. **Allocation of the main contract and training related functions in Italian apprenticeship between regions, social partners and training providers**

Type 1 (apprenticeship for gaining a vocational qualification or a diploma)	
Regions	Regulate for what occupational profiles, among those agreed by the State-region conference, apprenticeship can be started in the region, and define the rules about formal VET (minimum 400 hours per year, inside or outside the company), in accordance with the principles set out in Article 3, paragraph 2 of the consolidated act (Legislative Decree 167/2011).
Social partners (employer associations and trade unions comparatively most representative at national level)	Define the detailed discipline of the apprenticeship contract, abiding by the principles set out in Article 2, paragraph 1 of the consolidated act, and provide rules for in-company training.
Accredited vocational training centres (<i>Centri di formazione professionale</i>)	Provide VET.
Type 2 (occupation-oriented apprenticeship)	
Regions	Regulate and finance, having consulted the social partners, the training provision for acquisition of basic and transversal skills (inside or outside the company) for maximum 120 hours for the entire duration of apprenticeship
Social partners (employer associations and trade unions comparatively most representative at national level)	Define the detailed discipline of the apprenticeship contract, abiding by the principles set out in Article 2, paragraph 1, of the consolidated act, and provide rules for in-company training. This includes defining the duration and mode of delivery of the training for the acquisition of technical and professional skills, according to the occupational profiles established by the workers' classification systems and relative pay grades.
Accredited vocational training bodies	Provide transversal and basic skills training.
Type 3 (higher education and research apprenticeship)	
Regions	In agreement with universities, educational/training and research institutions and social partners, stipulate regulatory arrangements to define the training aspects and the duration of the training phase of the contract.
Social partners (employer associations and trade unions comparatively most representative at national level)	Define the detailed discipline of the apprenticeship contract, abiding by the principles set out in Article 2, paragraph 1, of the consolidated act, and provide rules for in-company training.
Upper secondary schools, universities and other training and research bodies recognised institutionally as defined by law	Provide education and training.

Source: Cedefop.

Box 6. The individual training plan

The individual training plan is a document that describes the objectives of the apprentice's learning process and the respective training programme (including details about training content, didactics, the tutor, etc.), coherently with his/her occupational profile. The individual training plan should consider the apprentices' knowledge and skills that have already been achieved through school and other professional experience. It should also consider the occupational profiles defined by the collective bargaining agreements that specify the professional skills one must acquire to become a qualified worker. There is not a standard format that must be used, but collective agreements and bilateral bodies can provide formats. For type 2 apprenticeship, some regions also defined specific procedures and measures to fill in the individual training plan.

Source: Cedefop.

There are several areas where regions and social partners play a role in development of apprenticeship. Some regions may set minimum standards for companies that want to carry out basic and transversal training internally. To this end, some regions have introduced a learning capacity statement (*dichiarazione di capacità formativa*) for the type 2 apprenticeship ⁽³⁰⁾. Also some of the collective labour agreements have set the requirements a company must meet to carry out internal basic-transversal training, defining a procedure for the learning capacity statement. The requirements mainly deal with the adequacy of the human resources within the firm to transfer skills and competences, the presence of a tutor with appropriate professional and technical skills, the presence of an appropriate location where to carry out training.

As regards training registration, the employer is responsible for the registration of the delivered training in the citizen's training booklet (*libretto formativo del cittadino*) ⁽³¹⁾, or in an equivalent document, as the booklet is not fully operational in Italy. Some regions have adopted an internal regulation that specifies the use of the booklet and assures the transparency of the skills acquired by the apprentice, but some have not. The social partners have intervened to define its format that can be used where the regional procedures are not yet fully operational.

⁽³⁰⁾ The regional standards usually include:

- (a) an adequate location where to carry out the learning process. This must be separate from where the production of goods and services takes place;
- (b) training should be carried out since the beginning of the apprenticeship period and needs to include ways to test the acquired knowledge;
- (c) human resources with adequate skills and competences.

⁽³¹⁾ For details on the *Libretto formativo del cittadino* see European Commission et al. (2014).

Training outcomes certification is instead a fully public procedure for which the regions are responsible even though this procedure is not fully operational in all regions. About half of the Italian regions have their own certification systems, but only in a few of these was the system developed collaboratively with the social partners. Another six regions do not have any certification system at all while the remaining ones adopt the systems developed by other regions. Practice varies across the country, and regions may focus on different specific aspects related to the registration and the certification of the competences acquired by the apprentice ⁽³²⁾.

These provisions indicate that there is considerable room for manoeuvre for the actors at regional and local levels with regard to the development of apprenticeship training. However, the structures are quite complex as different levels of government and different types of actors have to cooperate at certain points.

According to the participants, the management of the responsibilities attributed to the lower levels of governance is problematic in some respect, for instance, sometimes regions did not approve the regulations for the concrete implementation of apprenticeship or training provision. However, in the stakeholders' view, the provisions of the 2011 consolidated act are believed to be an improvement (especially as regards the type 2 of apprenticeship) as the responsibilities of actors are clearly defined (Table 8).

The assessment workshop also revealed a disagreement between employer associations and trade unions concerning the equilibrium of national standardisation and local adaptability. Participants from the employers' side emphasised that the social partner organisations indeed define occupational profiles for sectors at national level, i.e. in the context of national collective labour agreements, and that regional differences existed only with regard to the assessment and certification of skills. The trade unions, on the other hand, pointed out that as yet there was no common national system of standards for apprenticeship even though occupational profiles had been defined for some important sectors.

⁽³²⁾ In Tuscany for example, the transparency process, validation and certification of competences and the subsequent recording of the skills acquired in the individual citizen's booklet, may take place starting from six months prior to the end of the formative period of the apprenticeship contract. In Lombardy, on 14 March 2013, a memorandum of understanding was signed between the Province of Milan and the social partners for the testing of certificates of competence in professional apprenticeship (type 2 apprenticeship) according to the consolidated act and legislation previously in force (Legislative Decree 276/2003, Article 49) for the issuance of certificates of competence.

They identified several critical factors, namely the distribution of legislative competences between the national and regional levels, the inactivity of the national government, and difficulties posed by employer associations.

The resulting ‘multi-level governance’ of the ‘repertoire of occupations/professions’ (*repertorio delle professioni*) was criticised at the assessment workshop for its inconsistency across regions as well as across the different types of apprenticeship. From the trade unions’ point of view, the lack of occupational profiles and standards approved by the ministry is an obstacle to the delivery of apprenticeship.

The final criterion to be addressed with regard to the allocation of functions is the question as to whether there is an adequate freedom in apprenticeship contracts. The above discussion of the individual training plan indicates that there are indeed opportunities for employers and learners to specify the details of the learning process by individual agreement, and to make adaptations to local needs. Therefore, it can be concluded that this criterion is fulfilled.

3.2.1.3. *Involvement/integration of the various bodies*

The above description of the Italian apprenticeship system shows that in principle all relevant stakeholders are involved in the management of apprenticeship programmes and their responsibilities are relatively clearly and adequately defined in the legal framework. The bodies involved include enterprises and educational institutions that are responsible for the delivery of education and training, social partner organisations which agree on the occupational profiles or discipline of apprenticeship, and the national as well as the regional governments. The latter are responsible (among others) for the certification of skills, which means that the requirement that institutions empowered to recognise qualifications should be involved is fulfilled.

The arrangements for deliberation and, where applicable, decision-making, take institutionalised formats such as the above-mentioned agreements signed by the State-region conference or the semi-official ‘tripartite concentration’ (between public authorities, employer organisations and trade unions on labour market and social security issues) as well as informal relationships. According to the participants in the stakeholder workshop on the whole there is a VET dialogue among parties, but the intensity of the involvement of actors and degree of communication and coordination varies across regions, sectors of the economy and types of apprenticeship. With regard to the first type, opportunities for debate exist especially at national level as well as in some of the regions (e.g. in Lombardy, in Veneto, in the Autonomous Province of Trento and in the Autonomous Province of Bolzano). As regards the third type, the situation differs for the two subtypes (outlined in Section 3.1). Within those programmes that lead

to an occupational qualification outside the public education system (apprenticeship for research), the procedures work well as vocational education and training is defined along with the companies, mainly on the basis of their business plan. With regard to the other subtype, i.e. apprenticeship leading to an upper secondary, post-secondary or tertiary degree, dialogue works less effectively among others because universities strive to consider the needs of the enterprises and they are hardly prepared to modify their study programmes accordingly.

As the institutional framework for apprenticeship in Italy is strongly decentralised and responsibilities are assigned to a large extent to bodies at regional level (Section 3.2.1.2), there is consequently no single organisation that could be regarded as a coordinating institution for the system as a whole. At national level, the Ministry of Labour and Social Policy is assisted by two agencies with the relevant expertise, namely ISFOL and Italia Lavoro (Box 7), both with an advisory function but none in a position to coordinate or moderate decision-making processes.

Box 7. Roles of ISFOL and Italia Lavoro

The Institute for the Development of Vocational Training for Workers (ISFOL) is a national research institute with a specific focus on VET, employment and social policies and a strong commitment to promoting employment, social inclusion, skills and human capital development as well as on fostering growth and innovation. ISFOL reports to the Ministry of Labour and Social Policy and provides support to the central government and local authorities. It also acts as in-house agency for the Ministry and is entrusted with the management of relevant national contracts in its fields of expertise. In fact, since the 1990s, ISFOL has been providing technical assistance to EU-funded programmes and initiatives. The Institute is the national evaluation structure for the European Social Fund (ESF).

Italia Lavoro is a technical agency of the Ministry of Labour and Social Policy. It promotes and manages active labour policies and provides technical assistance to employment services. Italia Lavoro is involved in a series of actions and national and local projects. These projects are implemented with the regions and local authorities and aim to encourage employment of vulnerable groups in the labour market. The agency encourages the use of the apprenticeship system: it has developed the *Apprendistato e mestieri a vocazione artigianale* – AMVA programme, promoted by the Ministry of Labour and Social Policies. Italia Lavoro implements the programme using funds from the national operational programme of the ESF 2007-13 'System actions' and 'Governance and system actions'. The programme aims to promote the use of the apprenticeship contract to increase youth employment levels in the Italian labour market. Italia Lavoro also manages the FlixO programme (*Formazione e innovazione per l'occupazione*) which concerns training and innovation for employment and deals with school-to-work transition including also higher education apprenticeship and apprenticeship for research.

Source: Cedefop.

A coordinating institution according to the definition of the present study is thus absent at national level, which is also confirmed by the outcomes of the assessment workshop. The participants agree that a coordinating institution for the entire system does not exist and that in any case coordinating functions would have to be fulfilled rather at the subnational levels. An exception to this lack of coordinating bodies is a sector-specific coordinating institution in the construction industry where one central body coordinates a total of 119 organisations at the provincial level. Moreover, participants indicate that various arrangements for centralised coordination exist in some regions. In the province of Bolzano, a central body is in place for the coordination of type 1 apprenticeships, and in the Piedmont region a coordinating institution exists for type 1 and type 3. In other regions, the coordination functions are usually performed by the regional departments in charge of employment and/or training policies.

As regards the criterion that social partners should be involved in the definition of occupational profiles, curricula and standards, the important role of collective agreements gives evidence that this criterion is fulfilled.

With regard to institutionalised cooperation between the learning venues, the results of the assessment workshop reveal that such cooperation does not exist, except in some areas, namely Lombardy (type 1 and type 3), the province of Bolzano (type 1) and in the construction sector.

3.2.1.4. *Quality assurance and development strategies*

According to the outcomes of the desk research and the assessment workshop, effective quality assurance measures are absent at systemic level. The literature review leads to the impression that awareness of the importance of training research, evaluation and quality assurance is relatively limited in Italy. The Italian apprenticeship system shows lack of assessment and evaluation of occupational profiles, training programmes, curricula and the overall outcomes (including the vocational competences gained by the apprentice). This is generally considered a strong weakness of the apprenticeship system in Italy since, without a proper impact evaluation, there is a risk of developing inappropriate models and policies.

However, a reporting system is in place at national level, which falls into the responsibility of ISFOL. Since 2001, ISFOL's monitors the progress of apprenticeship and publishes an annual report, which describes and analyses the legal framework and implementation of the apprenticeship contract. However, according to the results of the assessment workshop there is still no evaluation of training programmes or occupational curricula. It is agreed that the development of such a system is necessary, and that the assessment of the impact of apprenticeship training would be very important for policy development.

Exceptions from the general rule that curricula are not evaluated regularly are reported for the Emilia Romagna region as well as for the banking and insurance sector with regard to the third type of apprenticeship. Similarly, the workshop discussions indicate that on the whole there is no systematic assessment of the apprentices' competences and competence development (especially in relation to type 2), exceptions being reported for certain sectors, namely banking and insurance, construction and crafts, and certain territories, namely Bolzano, Emilia Romagna and Trento. On the quality of 'off-the-job training', the educational institutions that provide transversal basic training must be formally accredited at regional level.

The next criterion to be considered is the qualification and professional development of teaching and training staff. The requirement that teaching staff at educational institutions involved in apprenticeship training should have a qualification at the level of a master's degree in a comprehensive vocational discipline and that there should also be qualification standards for workplace trainers is fulfilled in Italy only to a limited extent ⁽³³⁾.

As regards off-the-job training, for apprenticeships type 1 and 3, teachers from schools and universities do not need any further qualifications or skills other than those already necessary to teach in 'standard' school or university courses. For type 1 (leading to upper secondary vocational qualification/diploma – subject falling under the competences of the regions), the State-regions conference of 2012 (CSR 58/2012) (regulating this type of apprenticeship's training) does not mention any qualification requirement for off-the-job teaching staff. For type 3 (leading to upper secondary, post-secondary non-tertiary and tertiary qualifications, falling under the jurisdiction of the State), off-the-job teaching staff (e.g. university professors) will be qualified according to the (pedagogical) standards required by the Ministry of Education, University and Research (hereafter Ministry of Education). Concerning their occupational skills, the consolidated act (Legislative Decree 167/2011) sets no requirements. Apprenticeship for research does not lead to any recognised qualification and does not necessarily involve a public education and training body. Provisions on teaching/training staff qualifications are left to social partners' bargaining or, possibly, to single employers. For apprenticeship type 2, defining qualification requirements for off-the-job teaching staff are left to the regions.

As concerns on-the-job trainers, the Consolidated Act on Apprenticeship does not foresee any legal qualification requirements. Article 2d of the act requires only the 'presence of a tutor or a contact person for training'. By law,

⁽³³⁾ The following paragraphs are based on Rustico, 2013, pp. 52-55.

qualification requirements for trainers in the companies are entirely defined by collective bargaining (at national, local or company level) ⁽³⁴⁾. Nevertheless, some regions have intervened to regulate the role of tutors and training they should receive (Box 8).

Box 8. Training for in-company trainers/tutors organised by regions

The regions, with the approval of trade unions and other social parties, can plan specific training courses for tutors to develop the following competences:

- understanding of the legal framework in which apprenticeship takes place;
- understanding of the role of the tutor and what training the company/sector is responsible of;
- welcoming and following the apprentice's entry in the firm;
- management of the relations with external subjects that are involved in the apprentice's training process;
- planning and accompanying the apprentice in the learning and socialisation process within the working environment;
- evaluating the apprentice's progress and results in the learning process.

The tutor in these cases attends a training session of eight hours. This training session should be organised by external training structures.

Source: Based on http://www.nuovoapprendistato.gov.it/opencms/opencms/ISFOL-IT/Strumenti_per_la_formazione/Strumenti__formazione_tutor_apprendista.html

Further specification might be provided by collective bargaining, by means of cross-sectoral/inter-confederal agreements or collective labour agreements signed at national level by employers and workers comparatively most representative. Provisions for apprenticeship in sectoral collective agreements are mostly common to, and valid for, all types of apprenticeship. A good example of on-the-job training staff qualification requirements can be found in the regulated professions collective agreement ⁽³⁵⁾, signed by social partners in November 2011. The tutor is identified before training activities start and is in

⁽³⁴⁾ Before 2011 reform, the Ministerial Decree of 28 February 2000 required regional and provincial administrations to set up training courses for company trainers, aimed at developing the basic skills necessary to accompany apprentices in the company and in their work.

⁽³⁵⁾ *Contratto Collettivo Nazionale di Lavoro per i Dipendenti degli Studi Professionali*, a collective agreement signed by social partners (Confedertecnica, CIPA, FILCAMS – CGIL, FISASCAT – CISL, UILTuCS – UIL) on 29 novembre 2011: [http://www2.filcams.cgil.it/info.nsf/0/91AAB56EA5A3ABD9C1257E2E003446E6/\\$file/StudiProfessionali-IpotesiContrattoColl.Naz.17-04-2015.pdf?OpenElement](http://www2.filcams.cgil.it/info.nsf/0/91AAB56EA5A3ABD9C1257E2E003446E6/$file/StudiProfessionali-IpotesiContrattoColl.Naz.17-04-2015.pdf?OpenElement)

charge of following the development of the training programme attached to the employment contract. The tutor can be the owner of the company, another professional employed by the same company or another person previously delegated as such. In this case, the tutor holds the same qualification towards which the apprenticeship aims, and possesses adequate skills and a pay grade equal or above to the one that the apprentice will achieve at the end of the apprenticeship. In the case of manufacturing, by contrast, the relevant agreement simply mentions the requirement of a tutor or contact person at the company level (not necessarily in each productive unit), to whom apprentices can refer, because of his or her adequate skills. Commerce, instead, was the first sector to introduce the figure of the *referente aziendale*, namely a contact person in charge of the function identified by the training programme, holding adequate skills and a qualification at the same – or preferably higher – level as the one the apprentice will achieve at the end of the apprenticeship.

On the whole, qualification standards are in place only to a limited extent. While there are statutory requirements for off-the-job teachers in schools or universities, which may be defined by the regional governments or by the Ministry of Education depending on the level of formal education, the qualification standards for training staff in the companies are largely left to collective agreements and thus have a status that is at best semi-official. In addition, the assessment workshop comes to the conclusion that there is no comprehensive system of continuing professional development in the sense that teachers and trainers would be encouraged to update their skills continuously. Participants observed that activities undertaken in the field of training of teachers and trainers are fragmented and isolated.

3.2.1.5. *Balanced outcome and input orientation*

The Italian apprenticeship system is meant to be characterised by an outcome orientation in the sense that certain minimum training standards are specified in the consolidated act and the State-region conference agreement 58/2012 and occupational profiles descriptions set out in collective labour agreements (Section 3.2.1.1). These may be considered as fundamental objectives of apprenticeship in general. However, one important result of the assessment workshop is that objectives and targets for apprenticeship are generic and not always implemented. In addition, there is no nationwide common system of occupational profiles (Section 2.3).

The question as to whether the idea that apprenticeship (and VET in general) should be oriented towards the development of professional competence is also reflected in examinations and assessment procedures has to be answered in the negative with regard to apprenticeship type 2, the reason

being that no formal examination exists for this type of training. Instead, successful completion of the training programme is constituted by the employer's recognition and the subsequent promotion to the salary level of a skilled worker (Section 3.1). More specifically, the company tutor confirms that the apprentice has accomplished the learning objectives specified in the training contract, whereupon the employer decides whether to attribute the occupational qualification for internal and contractual purposes. This recognition, however, is also a form of outcome-oriented assessment – albeit of an informal nature – since the decision to raise an apprentice's pay grade can plausibly be based only on his or her performance and hence on the level of competence demonstrated in a real-life work setting.

Accordingly, it can be assumed that some rudimentary form of outcome-oriented examination exists also in the type 2 of apprenticeship, but at the same time the assessment by stakeholders indicates that the benefit for the learner is still limited. One shortcoming is that, according to the stakeholders, skills and credentials acquired inside the company are hardly valued outside the enterprise due to the absence of a nationwide certification system. Moreover, skills acquired through on-the-job learning are difficult to assess in some cases as the available tools are not always flexible enough. This means that the concrete tasks and operations performed within a given apprenticeship and required by the enterprise do not always fit the descriptions of occupational profiles as defined by the relevant collective agreements ⁽³⁶⁾. Occupational areas where this problem arises include soldering with electronic tools, the assembly and disassembly of scaffolding, and tyre mounting.

Concerning the two other types of apprenticeship, which include formal examinations, the result of the assessment workshop is that these examinations are strongly oriented towards learning outcomes. As regards the recognition of learning outcomes acquired outside formal education and training, it is observed that the opportunities are limited. It is difficult for the universities to put in place mechanisms whereby they can recognise to apprentices the credits training obtained outside the formal universities programmes and in non-formal settings.

⁽³⁶⁾ A local example of good practice regarding the improvement of the definition of occupational standards was described for the Lombardy region. Social partners identified, for 12 occupations, the most relevant skills for which a certification was desirable from the companies' point of view and asked the regional authorities to review the framework of occupational standards accordingly. As a result, 120 apprentices had their competences certified, the companies' awareness of the learning objectives was increased, and the status of the skills acquired in the company was enhanced.

When it comes to the question as to whether and to what extent Italian apprenticeship is input oriented, i.e. managed by norms and rules that especially determine the curriculum to be followed by the learner, a distinction must be drawn between the second type of apprenticeship, which does not aim at an educational degree but exclusively at a labour market oriented qualification, and the other two types in which there is a link to the system of formal education. As regards type 2, the legal framework does not specify any predefined training courses or detailed curricula, which are instead defined by the individual training plan agreed upon between the apprentice and the training enterprise within the framework of the collective labour agreements. In the other two types, mandatory or 'closed' curricula exist to some extent, the exception being those type 3 programmes that lead to a doctoral degree. In these cases, the training course is based on a specific project agreed upon between the enterprise and the university, which means that the regular study programme can be adapted to the enterprise's needs. Similar rules work for type 3 apprenticeship for research for which there is no closed curriculum.

The organisational framework for apprenticeship is moderately governed by norms and rules in the sense that regulations apply with regard to the fundamental terms of the training contract and the standards for the delivery of training by enterprises (Sections 3.2.1.1 to 3.2.1.3). The relevant collective agreements usually require companies to comply with standards of training capacity if they plan to carry out apprenticeship training and for workplace tutors to have adequate skills. At the same time, the actors have considerable room for manoeuvre in making their own decisions concerning the implementation of training at local level.

Finally, the extent to which completion of a specific curriculum or learning trajectory is a prerequisite for the award of the qualifications available in the Italian apprenticeship system, should be considered. As regards type 2 apprenticeship, which is strictly speaking not a formal educational programme but an employment contract, the very nature of the programme implies that the recognition of the occupational qualification is open only to those who participated in the training course organised by the employer in question. Concerning the other two types, both apprentices and full-time students may be admitted to final examinations. For apprenticeships certain parts of the curriculum may be skipped on the basis of recognition of prior learning. Type 3 apprenticeships seem to be particularly restrictive in this regard as universities may not recognise learning outcomes acquired outside their formal courses of study.

The view that apprenticeship programmes in Italy are in between input- and output-orientation is basically confirmed by the discussion at the stakeholder

workshop. The participants did not reach a consensus as to whether either of the two extremes predominated over the other.

3.2.1.6. *Adequate financing arrangements*

Apprenticeship in the strict sense requires that each of the three relevant stakeholder groups, i.e. enterprises, government and learners, contribute to the financing of training. According to the desk research, this basic criterion is in principle fulfilled for Italian apprenticeship programmes.

Apprentices bear part of the costs of the systems in terms of reduced wage.

Companies pay wages and bear the related labour costs, and also part of the cost of training, primarily on-the-job training. In principle, a company that employs an apprentice benefits from the lower salary to be paid. By law, the entrance level of the apprentice can be fixed two levels below the qualification that he/she will have at the end of the apprenticeship period (as envisaged by the collective agreement) or remuneration can be calculated considering the seniority level (starting low and gradually increasing throughout the duration of the apprenticeship). Nevertheless, in practice, apprentices wage levels are not as low as international practice shows: with variation across sectors, the pay of an apprentice ranges between 60 and 80% of the full pay of a qualified worker ⁽³⁷⁾. This is partly related to the age of apprentices, most of whom, unlike in other countries, are aged between 20 and 24 or even older.

The financial incentives for a company that hires an apprentice are also given in terms of lower social contribution and social security costs. The 2012 Stability Law (Law 183/2011) – *Legge di stabilità* – introduced new elements regarding tax relief and training. For apprenticeship contracts that have been signed from 1 January 2012 to 31 December 2016 (as stated in Article 22, paragraph 1 of the Stability Law) companies with fewer than 10 workers do not pay social security costs for the apprentice for the first three years and pay only a 10% rate of social contributions for the following years until apprenticeship terminates. For companies with 10 or more workers, the company pays, for the whole duration of the apprenticeship contract, 10% share of social security costs ⁽³⁸⁾. Also the apprentice pays less in terms of social security (5.84% instead of more than 9% for normal employees) ⁽³⁹⁾. The above is only applicable if the de minimis aid limits are respected as established by the European Union.

⁽³⁷⁾ http://www.bollettinoadapt.it/old/files/document/12414apprendistato_st.pdf, Table 2.

⁽³⁸⁾ ADAPT - Incentivazione dell'occupazione giovanile a livello nazionale e regionale.

⁽³⁹⁾ Generally, social security costs are 33% of the worker's salary. 2/3 of the amount is paid by the employer and 1/3 is paid by the employee.

Also, for the first type apprenticeship only, the Decree Law 34/2014 states that remuneration during training/education hours, could be fixed to 35% of the salary paid at the level established by the collective labour agreements.

For type 2 apprenticeship, as far as training activity is concerned, the 2011 consolidated act (Legislative Decree 167/2011) states that funding can also come from bilateral inter-professional funds. However, most collective bargaining agreements do not mention these funds as means to finance apprenticeship, except for those regarding trade, tourism, financial and business activities for instance. Collective bargaining agreements in the wood and transport sectors, have postponed the decision to use joint inter-professional funds to further evaluation ⁽⁴⁰⁾.

To encourage permanent employment, the same conditions on reduction of social security taxation apply for an entire year after the end of the apprenticeship period, if the apprentice is hired as a standard employee (i.e. 10% rate of social contributions for the company and 5.84% for the apprentice).

Regions and the autonomous provinces contribute to finance training. For type 2 apprenticeship, according to the State-region conference agreement of 20 February 2014 (CSR 32/2014), the limit of public resources available for each region for the preparation of the training offer for the acquisition of basic and transversal skills corresponds to 50% of the total share allocated annually through a Ministerial Decree, by the Ministry of Labour and Social Policy. This limit can be expanded by additional resources that the regions and the autonomous provinces allocate to this type of intervention in their training programmes. The public training offer is financed within the limits of available resources and is considered compulsory to the extent that it is regulated as such in the context of regional regulation and that it is actually available ⁽⁴¹⁾ for the company and the apprentice. However, available data of the Ministry of Economy and Finance show that the majority of public resources are used to cover social security contributions and tax exemptions. In 2011, the State spent EUR 1.7 billion for apprenticeship: 93.9% to cover social contribution exemptions for companies and the rest for training (ISFOL, 2015).

In some regions, and for type 2 and type 3 apprenticeship only, one of the tools used to finance training is the voucher system (Box 9). This system is used

⁽⁴⁰⁾ ISFOL, XIII report on apprenticeship (ISFOL, 2012).

⁽⁴¹⁾ Formally approved and funded by the public administration authority, which will enable the company to register for the training activities to be initiated within six months from the date of employment of the apprentice.

both to finance training activities, and to ensure access to various support services.

Box 9. Financing apprenticeship training in Italy through the voucher system

The Emilia Romagna region contributes financially to the implementation of training for apprentices with seasonal contracts through the vouchers of the value of EUR 120 for 10 hours; EUR 180 for 15 hours; EUR 500 for 40 hours.

In Veneto* region, each apprentice gets a voucher for each of the 40 hours modules on basic and transversal training, amounting to EUR 320, inclusive of any transport costs. To receive the voucher the apprentice must attend the training course for at least 80% of the total hours scheduled, and acquire the desired learning outcomes.

These two regions have also activated the voucher system for type 3 apprenticeship:

- in Emilia Romagna the voucher given to the apprentice varies according to the title to be achieved and is calculated based on the total hours of 'formal learning'.

Specifically:

- for a first level degree, the value of the voucher amounts to EUR 5 000 per year until graduation and in any case for no more than three years;
- for a first or second level master's degree the value of the voucher amounts to EUR 6 000;
- for a PhD the value of the voucher must not exceed EUR 2 500 per year, for a maximum of EUR 7 500 for three years.

- in Veneto, the project for the implementation and development of the inter-regional catalogue of higher education for the participation of apprentices to 1st and 2nd level masters and/or ASFOR** accredited Masters assigns to each apprentice a training voucher that covers the cost of enrolment in courses that are included in the master catalogue of higher education. The provision of training already present in the catalogue can be redefined and implemented with other courses co-designed by universities or other educational institutions and companies, to meet the specific needs of companies and apprentices. The request for vouchers may be submitted by companies, public and private, in all sectors of economic activity, with production units located in the national territory, interested in hiring apprentices with type 3 apprenticeship contracts for the acquisition of a title among those established by the region. Each company may request a voucher for each of its apprentices for a maximum amount of EUR 6 000.

* ISFOL, 2015.

** ASFOR is the Italian association for management of training. Its aim is to develop management culture in Italy and to provide a qualified offer for management training.

Source: Cedefop, based on ISFOL, 2015.

On the whole, the financing arrangements that are in place in the Italian apprenticeship system meet the conditions that each stakeholder group makes a substantial contribution. The financial undertakings of public bodies such as the regional governments also include various types of direct financial support to companies or learners, suggests that as yet, the company-based part of apprenticeship is not a fully cost-effective system for many companies.

Accordingly, the specific condition for apprenticeship in the strict sense is not fulfilled at present.

3.2.2. Priorities for policy development

There are several challenges that the Italian apprenticeship system faces today. The following are some of those that the stakeholders participating to the project workshops addressed as the most relevant ones. However, before identifying and discussing the governance and financing priorities for apprenticeship development, more general challenges, highlighted by most stakeholders, should be considered.

First of all, there is a cultural challenge: in Italy there is no well-developed vocational training culture. Over recent decades, the country has lost its pedagogical knowledge and tradition of VET, and an adequate work-organisation culture. Nowadays, employers tend to neglect the economic argument of investment in human capital: its value and the returns. Companies, especially SMEs, which are the majority in Italy, are reluctant to invest in apprentices' VET, which would require work reorganisation, investing resources and time in a young person's competence development and appointing a supervisor. Moreover, as the discussion carried out within the scope of this project highlighted, companies often lack social responsibility towards younger generations. There is the tendency among employers to select 'trained' people from the general education system, although employers complain about the mismatch between skills developed in schools and universities and the ones needed by companies. There is a structural division between the world of work and the education and training system, between study and work (as a learning process), and between theory and practice alike. The separation between school and work as well as theory and practice has characterised most school reforms in Italy, at least up until 2003.

This relates to the lower status attributed to VET, and especially to apprenticeship, by the Italian classicist culture, compared to general schools, which, traditionally, have been the centre and best part of the education system in the country. For Italy, the low status of VET has been explained as a result of the classicist tradition that embraces a hierarchical conception of the school system, with general education at the top rank, and vocational training at the bottom (Rustico, 2013, p. 179).

Another challenge concerns apprenticeship quantity, in terms of apprenticeship training coverage. Despite the commitment of Italian governments in the past 15 years to support and reform apprenticeship as the main tool for youth employment, the number of apprenticeship contracts has decreased recently. This has certainly been influenced by the economic crisis. Nevertheless,

the stakeholders' debate suggests that there are other determinants that help to explain why companies and young people neglect apprenticeship.

The quantitative challenges concern also apprentices training activity levels. So far, the share of apprentices enrolled in VET courses financed by public authorities has been fairly limited, namely ranging from 25% to 30% of all apprentices. This share is far too low considering that apprenticeship should provide young people not only with occupational skills, but also transversal and life competences.

Finally, quantitative challenges regard also completion rates. In Italy, the number of apprenticeship contracts terminated before the expected end is relatively high. The Italian rate of completed programmes was 66% in 2009 for the *apprendistato professionalizzante*, which was relatively low ⁽⁴²⁾, especially when considering that most of the completed contracts were likely not to have included sufficient training provision.

There is not a simple solution to the complex challenge of the Italian apprenticeship system, and its development largely depends on the institutional changes and labour market reforms that are being discussed, as the stakeholders pointed out. For instance, the new contract for entering the labour market (*contratto a tutele crescenti*), which has been introduced along with generous social contributions and tax exemptions, might become a more convenient tool for hiring young people, compared to apprenticeship, which would therefore risk losing its appeal.

As regards governance and financing of apprenticeship system in Italy, the following future challenges should be considered.

First, governance is complex and not always smooth. As emerged from the project workshops discussion, legal provisions are not always implemented consistently. Although formal norms foresee that the system works according to the principle of subsidiarity, it is difficult to employ this in practice. While there is dialogue among actors of the system (employers, workers' organisations, public institutions and training bodies), coordination is weak. This could be strengthened, both vertically and horizontally, by setting up coordinating bodies. Not only should employers be more involved, but also stakeholders of VET systems.

The second set of challenges related to governance concerns quality, first as regards training provision. Although there is no standard definition of quality apprenticeship, it is possible to agree on some indicators. One to be considered is the cooperation between different learning venues: schools and workplaces (as

⁽⁴²⁾ Compared, for example to 86% in Germany in 2009.

foreseen in this study's normative model). Training providers should develop a dialogue among them and with other stakeholders of apprenticeship governance. Another key issue concerning quality is training staff, both inside and outside the company. Trainers should qualify as such after completion of a due training period providing the necessary pedagogical and occupational skills ⁽⁴³⁾. Another aspect of quality is the need to develop research (and innovation) on apprenticeship. There is a need for more monitoring and evaluation arrangements. There is still limited knowledge about what happens in companies: there is no information about on-the-job training and educational activities organised by employers. This should become visible and be assessed.

The stakeholders stressed the importance of having adequate tools – such as occupational standards and the occupational profiles repository. Employers cautioned about the risk of developing rigid and bureaucratic obstacles, and called for flexibility and adaptability of the tools to the constantly changing labour market needs. As regards standards, Article 6 of the Consolidated Act on Apprenticeship (Legislative Decree 167/2011) foresees that the collective agreement define apprenticeship occupational standards in the relevant job classifications, and provide for the relevant tools, including training programmes and details about training staff requirements. This has not been done consistently across sectors, but a review of the existing practice is beyond the scope of this work. The occupational profiles repository is a highly debated issue in Italy. There is a working group at the Ministry of Employment but it requires much work, which so far has not been carried out.

The third set of challenges relate to financing. On the one hand it has to be stressed that the conditions to make the system work are in place in Italy, i.e. with apprenticeship costs shared by the State, employers and apprentices. Nevertheless, public resources are used primarily to cover the deductions/exemptions from social security contributions and taxes, with limited investment in VET ⁽⁴⁴⁾. Moreover, Italian apprentices' wages are relatively high (compared to their European peers), starting from 60% or 80% of a qualified worker's pay in some sectors. This is also due to the average higher age of Italian apprentices, which is more than 20, since apprenticeship at upper secondary education level is still not widely developed. Yet, high pay might reflect the need to compensate the lack of training. Unions might consider bargaining for more training and of higher quality, and also if the salaries would need to be reduced.

⁽⁴³⁾ To understand the importance of this issue, see Rose and Wignanek, 1990.

⁽⁴⁴⁾ ISFOL, XIII report on apprenticeship (ISFOL, 2012).

3.3. Visions and strategy options for developing apprenticeship

In this section, two visions and the corresponding strategy options for the development of the Italian apprenticeship system are presented, which have been elaborated in the second semester of 2014, based on consultations with stakeholders. These visions and strategies were discussed and validated at the second stakeholder workshop held in November 2014 ⁽⁴⁵⁾. Therefore, both visions and strategies and stakeholders' opinions were influenced by the normative frameworks of labour market and education system existing at that time.

3.3.1. Vision 1: radical development

3.3.1.1. Overview

Box 10. Vision 1: radical development of apprenticeship in Italy

Future developments in the Italian apprenticeship system will concern only the first and the third type of apprenticeship. What is called today *apprendistato professionalizzante* (type 2) will cease to exist.

A radical development is desirable since the first and third type apprenticeships are potentially effective tools for youth VET, combining learning in schools and universities with on-the-job training in companies. What is called today *apprendistato professionalizzante* (occupation-oriented apprenticeship), which is currently the most widespread type of apprenticeship in Italy, cannot be considered as apprenticeship, or at least it does not answer to the common understanding of the term 'apprenticeship' in Europe, due to the marginal relevance of the training function. Therefore, in five years' time there will only be two types of apprenticeship in Italy based on the current first and third level apprenticeships as provided for under Articles 3 and 5 of the Consolidated Act on Apprenticeship.

Apprenticeship will be more appreciated since its education and training component will be considered as equally important as traditional general education and training. The value of work for development of skills and

⁽⁴⁵⁾ At the workshop two visions and two strategies per each vision were presented and discussed. After the debate, the stakeholders agreed on two strategies, one per each vision (putting together some elements from the two proposed strategies).

competences, in a lifelong learning perspective, will be acknowledged. Alongside the development of the companies' training functions, the role of education and training institutions will be enhanced, starting from designing the training programmes (especially for the younger apprentices). The alternance between learning in school/university and on-the-job training in companies will be enhanced and curricula flexibility increased. In this perspective, apprenticeship is seen as an investment in youth education, aimed at the development of skills that are relevant for companies and therefore are valued in the labour market. Apprenticeship will no longer be seen exclusively as a tool to reduce youth unemployment (an aim that has not been achieved through the current *apprendistato professionalizzante*).

Apprentices, who will maintain a student status, will complete their training also through a considerable amount of in-company training with a specific employment contract. The approach to maintain the student status of learners has been suggested by stakeholders because they wanted to stress the training side of apprenticeship (while at the moment the focus is more on the working aspects). The discussion highlighted that a specific contract for apprentices should be adopted to keep the status of worker and of student (working student).

Students will enrol in VET programmes at the age of 14, spend two years in the classroom and start on-the-job-training from the age of 16. In the meanwhile, they will start their apprenticeship at the age of 15.

Since the system will be more education/training oriented it will need greater financial support involving the central and regional governments as well as funds of the bilateral system. Furthermore, the apprentices' salary will be adjusted according to the amount of time worked.

3.3.1.2. *Drivers*

When considering endogenous drivers, the following could affect financing and governance mechanisms:

- (a) from a legislative perspective:
 - (i) legal reforms should consider examples of best practices in the EU and re-define the existing apprenticeship typologies to enhance training;
 - (ii) legal reforms should also re-define the balance between school/public and workplace/private training and between training and work in type 1 and type 3 apprenticeship;
 - (iii) bureaucratic simplification might support the expansion of type 1 and 3 apprenticeship since red tape discourages companies from using any type of apprenticeship. For example, single companies and their workers, or their representatives, will be free to define the apprentices' individual training plans;

- (b) from an economic perspective:
 - (i) the State, regions and companies (through the bilateral system) should have greater responsibilities concerning the financing of students/apprentices formal training. More investment will be needed to expand apprenticeship (type 1 and 3);
 - (ii) an apprentice's wage should be adjusted to reflect a better balance between work and training;
- (c) from a cultural point of view, a greater responsibility of all stakeholders of the apprenticeship system governance is a relevant driver to realise this vision. This means, for instance, a wider and in depth involvement of companies, their representatives and education and training institutions in the training process, from curricula design to evaluation;
- (d) in terms of operational management, tools for apprenticeship training will be necessary, including:
 - (i) development of a national apprenticeship qualification repository to guarantee a better match with a national occupational profiles repository;
 - (ii) training provision for apprenticeship trainers;
 - (iii) a training system based on learning outcomes. Evaluation and competences certification should be designed accordingly.

There are also exogenous drivers that might explain this vision, most of which are cultural:

- (a) a greater acknowledgement from the public opinion, families and policy-makers of the educational value of apprenticeship;
- (b) the necessity (especially for schools and universities) to acknowledge the training value of work and in-company training and that it can contribute to the learning process leading to an educational qualification;
- (c) a greater acknowledgement from the business sector (especially in apprenticeships involving younger apprentices) of the ability of education and training institutions to design appropriate training plans. The education and training institutions' ability to carry out training that allows apprentices to acquire skills that are useful for companies should also be acknowledged;
- (d) a growth in industrial relations culture would be welcomed, in terms of trade unions capacity to represent apprentices, their engagement in bargaining to strengthen the training component of apprenticeship. As a result, this might lead to lower apprentices' pay but it would enhance the quality and the function of apprenticeship.

3.3.1.3. *Consolidated strategy option: abolishment of apprenticeship type 2*

Legal framework

It is expected that the labour market reform currently under discussion and its related future decrees will impact the legislative framework of apprenticeship and the different types of apprenticeship. Therefore no concrete recommendation is made concerning potential changes to the articles of Legislative Decree 167/2011.

The apprentice's status might change from 'employee/worker' to 'student who carries out part of the training within the company'. A specific contract or agreement will be drawn up.

It will not be necessary to lower the access age of apprentices to 14 years since type 1 apprenticeship would be a dual VET programme in which in-company training would take place only after two years of school training.

Organisation of training provision and curricula and training programmes design take place at central level, with a greater role of the Ministry of Education. Margin will be left for experimentation at local level. The local level has to consider, however, the training needs expressed by companies, also for type 1 apprenticeship.

Apprenticeship aimed at acquiring an upper secondary school diploma should be included in type 1 apprenticeship.

Bureaucratic structures have to be simplified.

Allocation of strategic and operational functions

The strategic functions should be centralised to a larger extent. Strategies are defined by the central State, not at regional level. Apart from the Ministry of Employment, social partners at national level are also involved.

The regions are responsible for the operational functions. For the implementation of the operational functions, the regions should follow national guidelines (these should be used according to the subsidiarity principle). The central State should support creating a more homogeneous and coordinated system between the regions.

Since vocational training is exclusively the responsibility of the regions, unless a constitutional reform takes place to assign to the State said responsibility, it will be necessary for the State-region conference to define the guidelines.

Involvement/integration of the various bodies

Measures should be taken to strengthen the coordination among stakeholders involved in the development of the apprenticeship system (central government,

regions, social partners, training bodies). This should be achieved through the creation of a national framework that leaves room for different territories to consider their specific features.

Different forms of coordination should be created for type 1 and type 3 apprenticeships, adjusted to their specific features.

Quality assurance and development strategies

The monitoring function on the system's quality is to be carried out by an independent external body. The stakeholders participating in the workshop did not specify the content of the monitoring activities. These could be defined by the independent external body according to the policy-makers' needs and objectives. A similar body could perform the evaluation of the system.

The stakeholders themselves will define strategies for continuous development after the new apprenticeship system has been implemented.

Outcome orientation and input orientation

The apprenticeship system can lead to two outcomes: the recognition of a qualification and permanent employment contract.

To make sure that the apprenticeship system leads to said outcomes it is necessary to:

- (a) make sure that the training allows apprentices to pass final examinations, even if such exams are not specifically designed for apprenticeship (e.g. type 1 apprentices should be able to pass exams designed for *leFP – Sistema di Istruzione e Formazione Professionale* [vocational education and training systems];
- (b) connect vocational educational qualifications to occupational profiles. These should be defined considering the needs of the firms;
- (c) define a national apprenticeship qualification repository of vocational profiles to overcome the current differences between regions. This would increase the certification's relevance, as it would be recognised nationwide.

Financing arrangements

Financing mechanisms should be different according to the type of cost:

- (a) training provision (basic transversal training, skill specific training): in case of type 1 apprenticeship, costs should be covered by the public sector through the ESF and State funds. In the case of type 3 apprenticeship the private sector and, in the case of SMEs, bilateral and inter-professional funds should be more involved;

- (b) wage level: for both types of apprenticeships, pay should be established by collective bargaining (i.e. not at company level) adjusting apprentices' pay according to the balance between training and work;
- (c) deductions from social contributions and taxes (incentives): resources available for deductions for people employed with type 1 apprenticeship should be increased since this type might have higher costs compared to type 3 apprenticeship due to a larger education and training component.

Other points

A comprehensive guidance system for learners after lower secondary education should be implemented.

3.3.2. Vision 2: gradual development

3.3.2.1. Overview

Box 11. Vision 2: gradual development of apprenticeship in Italy

In the next five years, the apprenticeship system development is going to be gradual, i.e. no major changes will occur. The current three types of apprenticeships will remain but the distribution of apprenticeship contracts among the three types will be more balanced: the size of type 1 and type 3 apprenticeships is going to grow with respect to their current marginal use and with respect to type 2. The system's governance will become more stable.

The second development option envisages a more 'evolutionary' approach and builds on the established structures of the three existing types of apprenticeship. The key propositions of the second vision as formulated in the stakeholder workshop are presented below.

Apprenticeship is no longer conceived only as a tool to fight youth unemployment. Apprenticeship can partly solve this problem, but only if there is quality training. Therefore, policy-makers' attention shifts from quantity (size of the system) to quality (training).

As far as the system's governance is concerned, the stakeholders involved in type 1 and type 3 apprenticeships will not change. However, the Ministry of Education will be more involved in the governance and will establish a stronger coordination with the Ministry of Employment and, if/when useful, with ANVUR (National Agency for the Evaluation of the University and Research System) (e.g. on the topic of giving more university credits to students who have undertaken in-company training through type 3 apprenticeship to achieve a university degree). Although types 1 and 3 apprenticeships will marginally increase in terms of size,

impact and visibility, they will not replace the role of the type 2 *apprendistato professionalizzante*. Access to type 1 apprenticeship will be simplified ⁽⁴⁶⁾ and training plans will be more flexible.

As regards type 2 apprenticeship, a newly created steering committee at national level will manage/govern the system. It will bring together representatives of the central government (Ministry of Employment) and the regions. A specifically designed law or decree will empower the steering committee to interpret laws on apprenticeship to decrease the company's uncertainty and risk of regulatory breaches when using an apprenticeship contract. Social partners at national level will be involved in the steering committee to share good practices. The dialogue between the steering committee and social partners will focus on themes of common interest such as company's skills demand. These themes will then also be discussed with training bodies.

In terms of balance between school/public and workplace/private training and between training and work, a marked difference will still be seen among the different apprenticeship types. The balance in type 1 and type 3 apprenticeships will not change: the mechanisms whereby schools and universities award educational qualifications will continue to work well and guarantee quality, by defining learning outcomes, training objectives, curricula and evaluation systems. In the type 2 *apprendistato professionalizzante*, in five years' time, the importance of on-the-job training will be properly acknowledged and appreciated.

Thanks to greater political support, the process for the definition of standards for apprenticeship will carry on: since March 2013 ISFOL has been coordinating the technical body composed by the Ministry of Employment, the regions and social partners, set up according to Article 6 of the Consolidated Act on Apprenticeship. This body aims at creating a link (*correlabilità*) between occupational standards defined in national collective agreements ⁽⁴⁷⁾ and statistical classifications of jobs (e.g. ATECO). ISTAT and ISFOL are managing the latter: this tool will link occupations to typical job tasks, to define the boundaries of occupational profiles. A national classification, recognised at

⁽⁴⁶⁾ Among the potential obstacles of using type 1 apprenticeship are the need to coordinate the school year with company production needs, including class and exam schedules with working hours, but also the selection of apprentices and the formation of classes.

⁽⁴⁷⁾ What is defined today by national collective labour agreements is not sufficient to design curricula, consequently define learning outcomes and create tools for their assessment.

European level, will be the outcome. Social partners will voluntarily ⁽⁴⁸⁾ choose to use such classification to define occupational profiles, to design apprenticeship curricula (VET, both inside and outside the company) and assess learning outcomes.

As far as financial mechanisms are concerned, the current system of economic and fiscal incentives for companies will be continued and extended. This will be achieved by turning the temporary exemption/deduction from social contributions into a permanent incentive (even after 31 December 2016) and expanding it to companies with more than 10 employees. Incentives will also be given to firms that employ a qualified apprentice who has carried out certified on-the-job training in a different company, in other words an apprentice whose apprenticeship has not been converted into a standard employment contract after the training period. The apprentices' pay will be adjusted in exchange for stable employment. Keeping in mind the apprenticeship cost sharing principle between the public and private sector, the companies will be able to choose if to use transversal training financed by public authorities or to deliver this type of training within the company, recovering the amount from tax charges by getting reimbursement.

The second major change in the next five years in the financing mechanisms of apprenticeship training will be the stabilisation of the current annual-based system of resources allocation ⁽⁴⁹⁾, with the creation of a fixed and predefined item cost for apprenticeship in the State balance sheet. This process, managed by the steering committee, should stabilise and strengthen the apprenticeship system.

As far as wage levels are concerned, collective bargaining will adjust apprentices' pay, according to the balance between training and work.

3.3.2.2. *Drivers*

The main drivers of change that are likely to influence the future developments of apprenticeship are endogenous:

- (a) a legal reform should be necessary to simplify and encourage the use of type 1 apprenticeship. For type 2 apprenticeship, the reform in question

⁽⁴⁸⁾ A positive response can be expected from social partners. Industries, especially those working at an international level, need such tools and to engage in these processes.

⁽⁴⁹⁾ The State allocates resources to the regions every year, on the basis of a State law of 1999 (Law 144/1999). These resources include both EUR 100 000 for the *apprendistato professionalizzante*, and funds for the first and third apprenticeship type.

- should introduce a more flexible management for collective bargaining and give firms a choice for basic and transversal skills between using a public training offer or paying and carrying out training privately;
- (b) in terms of operational management, an occupational profiles national repository should be created to determine occupational standards for type 2 and type 3 apprenticeship. There is already a repository of VET qualifications, but no specific tool exists for apprenticeship, except for type 1;
 - (c) from a cultural point of view, decision-makers should show a greater awareness that employment issues cannot be solved exclusively through regulatory changes. Labour market reforms should be considered, especially tools for youth employment and for combining this with VET. School system reforms should also be considered.

Some exogenous drivers will also impact apprenticeship:

- (a) the completion of the constitutional reform regarding decentralisation would be desirable;
- (b) paying a greater attention to the determinants influencing labour demand and supply and their matching, including the economic system's competitiveness and growth;
- (c) labour market globalisation may lead to the definition of International standards, professional profiles, recruitment processes and evaluation practices.

3.3.2.3. *Consolidated strategy option: stable governance and more balanced distribution between the three types*

Legal framework

The national law should be more flexible, allowing second level collective bargaining to design and manage training (for which companies are responsible) and its duration, foreseeing the opportunity to end the training period sooner if monitoring reveals that the training objectives have been reached.

Regulatory changes should be aimed at simplifying bureaucratic management of the apprenticeship system and at clarifying doubts on operational issues such as: the end of the training period coinciding with the end of the apprenticeship contract, how pregnancy during apprenticeship should be managed, how the termination of an apprenticeship contract should be managed, the contractual definition of qualifications at the end of the apprenticeship period.

Regulatory changes should be made to make type 1 apprenticeship more interesting to companies (e.g. reducing the number of annual formal training hours).

There should be regulatory changes to type 2 apprenticeship to allow companies, as far as basic transversal training is concerned, to choose between public provision or paying and carrying out this training within the firm. In this case, the costs incurred by the company will be deducted from taxes. From the stakeholders' point of view there is no need to repeal the obligation of the regions to provide basic-transversal training for type 2 apprenticeship. It is considered more important to allow companies a more flexible and independent management, especially as far as the duration of the apprenticeship period is concerned, which is often considered too long.

Apprenticeship aimed at acquiring an upper secondary school diploma should be included in type 1 apprenticeship.

Allocation of strategic and operational functions

A multi-level governance should be maintained, but with greater coordination among stakeholders, also at a decentralised level, for strategic and operational functions.

Regarding type 2, a steering committee should be created that brings together representatives of the central government (Ministry of Employment) and of the regions. A specifically designed law or decree will give the steering committee the power to interpret laws on apprenticeship (see vision).

There will be a redistribution of responsibilities between the Ministry of Education and the Ministry of Employment for the governance of type 1 and 3 apprenticeships. The Ministry of Education will be more involved in the design and governance of training in apprenticeship.

Involvement/integration of the various bodies

Tools/locations to create links and synergies with social partners will be set up. This will enable them to share good practices, occupational needs, etc. and to reach formal agreements. The tools could be protocols, memoranda of understandings, or other tools to share procedures, standards and rules for operational procedures to carry out apprenticeship.

For type 1 and type 3 apprenticeship, coordination mechanisms will be established between the Ministry of Education and the Ministry of Employment. When necessary, these coordination mechanisms will be extended to ANVUR.

Greater political support at central level for the implementation of Article 6 of Legislative Decree 167/2011 is needed. The definition of professional standards will help create a national classification. Social parties will voluntarily choose to use such classification to define occupational profiles. The adoption of this classification cannot be compulsory since sectoral differences and the fragmentation of collective bargaining need to be considered.

Quality assurance and development strategies

A quality assurance system should be set up, especially with regard to training plans and tutorship. This should be defined at national level. Other quality aspects were not addressed at the workshop.

Outcome orientation and input orientation

Training will continue to be designed, implemented and evaluated according to a learning outcome oriented approach:

- (a) for type 1 and type 3 apprenticeships, this mechanism exists. Work will be done to strengthen the approach (e.g. giving more university credits to students who have undertaken in-company training through type 3 apprenticeship to achieve a university degree);
- (b) for type 2 apprenticeship, companies and trade unions will be free to define personnel classification systems based on the contents of the collective bargaining agreements. The national occupation classification repository will be optional and will not influence the agreement reached among the stakeholders.

Financing arrangements

The current system of economic and fiscal incentives for companies will be continued and extended: this will be achieved by turning the currently temporary exemption/deduction from social contributions into a permanent incentive (even after 31 December 2016) and expanding it to companies with more than 10 employees.

Collective bargaining will adjust apprentices' pay, according to the balance between training and work.

It is desirable to create incentives for firms to hire a qualified apprentice who has carried out certified on-the-job training in a different company, in other words an apprentice whose apprenticeship has not been converted into a standard employment contract after the training period. The apprentice's pay will be adjusted in exchange for stable employment.

Companies, as far as basic transversal training is concerned, can choose between public provision or paying and carrying out this training within the firm. In this case the costs incurred will be deducted from taxes.

Other points

There should be a review of the relationship between internship and apprenticeship, envisaging, for example, a system of incentives to enhance the use of the two tools, creating a connection between the first and second. For example, hiring a former internship trainee with an apprenticeship contract allows

the company to benefit from a social contributions reduction of 100% for the first six months.

3.3.3. Workshop discussions

Stakeholders' preferences were evenly distributed between the two visions. The majority of those who expressed preference for vision 1 were the representatives of trade unions and national and local administrations. Those who voted for vision 2 were mainly the representatives of national employers' associations, followed by training providers and government representatives at regional and national level.

In the workshop's plenary session participants stressed the need for clarifying whether their choice should be made according to the 'desirability' of one vision (and from which point of view) or according to its 'feasibility'. This seemed to be a critical issue for the stakeholders, who recognised the potential distance between laws and practices in the national context.

Participants who chose vision 1 declared that this would be desirable but hardly feasible, especially within five years. They pointed out that this vision will need more time to carry out, being more realistic to consider its feasibility in the next 10 years. According to the majority of this group, vision 1 is desirable as it would highlight the importance of apprenticeships' training component, which would be in favour of workers' vocational skills development and professional growth. It could also contribute to reducing skills mismatch. Participants also said, though, that vision 1 might not become true since the employment reform under discussion is expected to downplay the role of apprenticeship in the Italian labour market in comparison with other employment contracts.

The stakeholders who chose vision 2 claimed that type 2 apprenticeship should be deemed as desirable, as this is what companies are mostly interested in. As evidence for the desirability of vision 2, employers reported data showing an increase in the use of type 2 apprenticeship in some territories (Lombardy, in particular), at least at the time of the workshop discussions. This increase could create the conditions for growth of the Italian apprenticeship system (in terms of the size) without losing its main distinguishing elements.

3.4. Changes introduced by the 2015 labour market reform

3.4.1. Overview

Between late 2014 and early 2015 the Italian government reformed many elements of the national labour market. Some of the new legislative provisions

⁽⁵⁰⁾ have or will have a direct impact on the Italian apprenticeship system: they introduce changes in the structure of the apprenticeship system itself and also in some of the factors relevant for its development and governance.

It is interesting to observe that these changes address some of the priorities for policy developments identified by the Italian stakeholders during the debate on the future of apprenticeship, organised by Cedefop within the scope of this project (second stakeholder workshop, November 2014, Milan). In particular, apprenticeship provisions introduced by the 2015 employment law (Legislative Decree 81/2015) reform (as outlined below), closely reflect what has been referred to as vision 2. The three-tier structure of apprenticeship is still in place but with greater emphasis on the educational component, especially for types 1 and 3. These apprenticeships systematically integrate education and training and work in a dual system, as provided for by law, so that apprenticeship practically becomes part of the education system. As a result, among other elements, the Ministry of Education is involved to a greater extent in the governance of the system, the education/training institutions are also responsible for drafting the individual training plan, new provisions regulate apprentices' pay and more emphasis is placed on training standards.

Concisely, the legal provisions introduced in 2015 concerning apprenticeship are:

- (a) Legislative Decree 81/2015 issued on 24 June regulating employment contracts including apprenticeship which, according to the Italian law, is an employment contract. It greatly reforms the first and the third type of apprenticeship and introduces some minor changes in the second type (details are reported below). It entered into force on 26 June 2015 and it repealed the consolidated act of 14 September 2011 (Legislative Decree 167/2011);
- (b) Legislative Decree 23/2015 issued on 4 March introducing a new form of contract, the so called 'open-ended employment contract with growing protections', a contract designed primarily to encourage conversion of non-standard contracts into permanent contracts but also to facilitate the entry of young people into the labour market. Since this type of contract, which is combined with strong economic incentives to enterprises, is less expensive and complex than apprenticeship, many observers think that it will completely replace apprenticeship and more specifically type 2

⁽⁵⁰⁾ In particular, the implementing decrees of the Jobs Act, first of all the Legislative Decree 81/2015.

- (*apprendistato professionalizzante*) at least for the recruitment of young people;
- (c) moreover, another legislative decree will be issued, reforming the Italian model of governance of the active labour market policies by introducing a single national agency, the ANPAL (*agenzia nazionale per le politiche attive del lavoro*). To ensure all citizens a homogeneous minimum level of performance, the agency will be responsible for planning, supervising, monitoring and evaluating these policies nationally. The role and responsibility of regional authorities, employers' associations and trade unions will therefore be reduced.

In addition, there is the possibility of a reform of Title V of the Italian Constitution in the years to come. Currently this part of the Constitution gives the regions the concurrent legislative power in the field of labour market and employment. Therefore, at present, the State determines the basic principles in this field, while the regions exercise the legislative and regulatory power. It is not excluded that this constitutional reform will modify the current allocation of the legislative and regulatory power between State and regions with regard to employment policies.

The following sections give a detailed description of the changes of the apprenticeship system introduces by Legislative Decree 81/2015. These concern the general rules and rules governing the first and the third type of apprenticeship. The second type of apprenticeship (occupation-oriented apprenticeship) has undergone only minor changes.

3.4.2. Definitions and general rules

Legislative Decree 81/2015 confirms that apprenticeship is a 'permanent employment contract for youth training and employment'; that the system is composed of three distinct types of apprenticeship with specific objectives and specific governing and implementing rules; that the contract must be formalised in writing and that it must contain a concise individual training plan.

A significant change is that some key elements of the apprenticeship system are now regulated directly by law and are no longer delegated to the negotiations between social partners within the framework of collective agreements. These elements, which are reported in the initial four articles of the new regulation, confirm some of the previous rules but also introduce significant innovations.

The new legislation extends the scope of the first type of apprenticeship to include, besides programmes to acquire a vocational qualification or a vocational

diploma ⁽⁵¹⁾, also programmes to attain an upper secondary level diploma (which before were included within the framework of the third type of apprenticeship) or upper specialisation certificates ⁽⁵²⁾. Accordingly, the third type apprenticeship focuses on programmes for research activities or to attain post-secondary and tertiary level qualifications.

Compared to the former legislation, the new regulation emphasises more the need for synergy between training and work, pointing out that the first and third types of apprenticeship systematically integrate training and work in a dual system. According to this approach, the law clearly states that, with reference to the first and third types of apprenticeship, the individual training plan is elaborated by the training/education institutions with the involvement of the company.

On the other hand, Legislative Decree 81/2015 reinforces the role of the education/training institution in the first level apprenticeship and seems more oriented than previously to training output: the decree states that the failure to achieve the educational objectives, as certified by the education/training institution, is a just cause for dismissal.

VET qualifications as well as occupational qualifications gained through an apprenticeship programme should refer to a national repertory linked to the European framework of qualifications.

Companies with more than 50 employees can hire a new apprentice only if 20% of total apprenticeships started in the previous 36 months have been confirmed and transformed into permanent employment contracts. This policy applies only in relation to the second type of apprenticeship.

3.4.3. Changes related to the first type of apprenticeship

Legislative Decree 81/2015 introduces several changes in the regulation of the first type of apprenticeship in relation to, among others, the role of the regions, the nature of the relationship between company and education/training institution, the length of apprenticeship, the numbers of training hours, and the apprentice's salary during the hours/periods of training. First of all, the new law establishes that there must be a synergy between training provided by the company and that supplied by the training agency. This provision will probably improve and strengthen the relationship that currently exists between these two learning

⁽⁵¹⁾ These are upper secondary level certifications that are regionally based but recognised nationwide and could be acquired through full-time education as well.

⁽⁵²⁾ The certificate of technical specialisation, valid throughout the national territory, is released by the region at the end of a programme of higher technical education and training (IFTTS).

venues, which is an element usually reported by the relevant stakeholders as one of the main critical points of apprenticeship in Italy.

Some new provisions clearly lead towards a centralisation of the governance of apprenticeship and a limitation of the role of the regions and social partners. Training qualifications gained through a first level apprenticeship programme are no longer put under the exclusive regulatory power of the regions. In fact, the qualifications should be among those included into the national repertory of training qualifications and occupational profiles which acts as a reference infrastructure for the training qualification systems previously established at regional level. Similarly, the training standards of apprenticeship are no longer defined by regions and/or through a negotiation between the social partners but are decreed by the Ministry of Employment in consultation with Ministry of Education and the Minister for Economy and Finance, in agreement with regions and autonomous provinces on the basis of Article 46 of Legislative Decree 81/2015. In addition, if a region results in default on some aspects of the regulation of the first level apprenticeship, its implementation is left to the Ministry of Employment.

The above-mentioned interministerial decree (Interministerial Decree 12.10.2015) – to be issued in compliance with Article 46 of Legislative Decree 81/2015 – will define crucial elements of the first level apprenticeship, such as the content and duration of the training obligations of the employer; the general criteria for designing an apprenticeship programme; the requirements of the companies in which the apprenticeship programme will be implemented as well as the number of hours to be carried out in the company.

In addition, Legislative Decree 81/2015 has already set out the share of training to be supplied outside the company and within the VET agency of the regional systems where the students are registered: up to 60% in the second year and up to 50% in subsequent years.

It is confirmed that the first type apprenticeship addresses young people from the age of 15 to 25 years and that the contract lasts a maximum of three or four years depending on the qualification held by the apprentice and on the qualification he/she wants to acquire. However, the new decree gives more opportunities to continue the training programme for the acquisition of further skills/qualifications: there is the possibility of a one-year extension of the contract to acquire technical and professional skills that can be useful to attain a higher technical education and training certificate (*certificato IFTS*) or a professional baccalaureate. The one-year extension applies also if at the end of the three/four-year programme the apprentice fails to obtain the qualification, diploma, certificate of technical specialisation or professional baccalaureate.

The first level apprenticeship can be used also to obtain an upper secondary level qualification. According to Legislative Decree 81/2015, to this end the student can access an apprenticeship contract starting from the second of the five-year school programme, i.e. when she/he is 15 years old (it was 18 years old in the law previously in force). The maximum contract duration is four years and can lead to the acquisition of further skills useful for obtaining a higher technical education and training certificate.

The employer who wants to hire an apprentice must sign an agreement with the training/education institution where the student is registered, setting out the content and duration of the training obligations of the employer, according to the training standards defined by the interministerial decree (Interministerial Decree 12.10.2015).

The cost incurred by companies that hire apprentices is further reduced also in terms of lower wages recognised to apprentices. Legislative Decree 81/2015 states that for the hours of training carried out in the training institution (outside the company) the employer is exempt from the payment of a wage to the apprentice, while for the in-company training the pay is equal to 10% of the apprentice wage. This new provision may change the opinion expressed in the past by the main stakeholders with respect to two questions related to the financing of apprenticeships: (a) the company-based part of apprenticeship is a self-financing [cost-effective] system; (b) costs are shared between the relevant stakeholders (employers, State, learners).

3.4.4. Changes related to the third type of apprenticeship

According to the new legislation, the third type apprenticeship focuses on programmes for research activities or to attain post-secondary and tertiary education qualifications or to attend practical training to access certain professions. Tertiary education qualifications include university degrees, doctorates, beside post-secondary technical specialisation diplomas. Therefore, the third type apprenticeship no longer includes programmes to achieve upper secondary level qualifications or post-secondary technical specialisation certificates.

It addresses young people aged 18 to 29, who hold an upper secondary level diploma (five-year programmes); or a professional diploma (four-year programme) obtained within the regional VET systems supplemented by an upper technical specialisation certificate; or a professional baccalaureate.

Similarly to what is provided for the first type apprenticeship, also for the third type apprenticeship the new legislation sets out a reallocation of roles and functions of the actors involved in the definition of the training standards, giving a smaller role to regions and social partners' negotiations and a greater role to the

central government and to training agencies. The employer who wants to hire an apprentice must sign an agreement with the training institution or with the research body at which the student is registered: the agreement sets out the content and duration of the employer's training obligations and the numbers of training credits (*crediti formativi*) that can be acquired. However, the elements of the agreement are to be defined according to the criteria, principles and methods that will be established by interministerial decree (Legislative Decree 81/2015, Article 46, paragraph 1).

As for the first type apprenticeship, Legislative Decree 81/2015 settles a considerable reduction of the apprentice's wage and, therefore, of the company's costs: for the hours of training carried out outside the company the employer is exempt from any wage, while for the in-company training the pay is equal to 10% of the apprentice wage. Therefore, also in relation to the third type apprenticeship, the opinion expressed in the past by the main stakeholders could change for what concerns the cost-effectiveness and the sharing of the costs of the system.

3.4.5. Occupational standards and skills certification

Training standards will be defined by a decree of the Ministry of Employment in consultation with the Ministry of Education and the Ministry of Economy and Finance, in agreement with regions and autonomous provinces, as provided under Article 46, paragraph 1 of Legislative Decree 81/2015 (Section 3.4.4). These apprenticeship training standards are included within the Italian 'essential levels of services' (*livelli essenziali delle prestazioni*), therefore, according to the Italian Constitution, they must be guaranteed throughout the national territory; moreover, the definition of the 'essential levels of services' is an exclusive responsibility of the central government, while local authorities are involved in their implementation. The public debate in Italy considers this provision of Legislative Decree 81/2015 particularly relevant to determine the upcoming structure of the national apprenticeship system because in defining the training standards the central government will outline the characteristics of what Article 41 of Legislative Decree 81/2015 labels, at least on a nominal level, a 'dual system' integrating training and work.

Other noteworthy modifications introduced by Legislative Decree 81/2015 relate to the *Libretto formativo del cittadino* ⁽⁵³⁾, which is a tool similar to the European skill portfolio, i.e. a document aimed at recording and validating

⁽⁵³⁾ For details on the *Libretto formativo del cittadino* see European Commission et al. (2014).

learning outcomes acquired through various training programmes (apprenticeship, specialist training, life-long learning) as well as in non-formal and informal ways. According to the new legislation, the responsibility of filling in this document is shared between the company and the training institution depending on the type of apprenticeship: learning outcomes acquired through training aimed at achieving occupational qualifications within the framework of the *appendistato professionalizzante* (type 2) are registered by the employers, while learning outcomes acquired in the first and third type apprenticeship programmes are registered by the education/training institution or by the research body at which the student is registered.

Finally, Legislative Decree 150/2015 introduced incentives for employers that hire young people with type 1 and 3 apprenticeships contracts, as a pilot measure until 31 December 2016. These incentives include tax breaks and reduced payment shares for pensions' contributions.

CHAPTER 4.

Country analysis: Latvia

The findings presented in Sections 4.1 to 4.3 are based on the research activities implemented between January and November 2014 and the subsequent analysis and interpretation of the information collected during that time ⁽⁵⁴⁾.

4.1. Dual VET schemes in Latvia

The legal basis for vocational education ⁽⁵⁵⁾ is ensured by the Vocational Education Law (Saeima, 1999) and by the relevant regulations of the Cabinet of Ministers. The Vocational Education Law (Saeima, 1999) defines three levels of vocational education:

- (a) basic vocational education, which is a part of an integrated primary and lower secondary education;
- (b) vocational education and vocational secondary education, which belong to the upper secondary level;
- (c) professional higher education, which is located at the first level of professional higher education (college education) and at the second level of professional higher education (university).

Vocational basic education and vocational programmes at upper secondary level are mainly school-based, with practical training periods at schools or companies.

Pupils are admitted to vocational basic education programmes (ISCED 2A, 2C) at the age of 15 or above. The programmes lead to a certificate of vocational basic education and the Latvian professional qualification level 1 (ISCED 2A, 2C). The early school leavers (without basic knowledge and skills) are admitted to vocational education programmes which include 'pedagogical correction', with the aim to integrate them back into the education system. However, it has to be

⁽⁵⁴⁾ Section 4.1 is for the most part based on Cedefop's 2013 'VET in Europe' country report for Latvia and on the short description of the Latvian education and training system 2015 (Cedefop and ReferNet Latvia, 2013; Cedefop, 2015).

⁽⁵⁵⁾ In this chapter, VET is often referred to as 'vocational education' (in Latvian: *profesionālā izglītība*). It includes periods of practical training in schools and enterprises. The term 'training' is not commonly used in the national context.

stressed that vocational basic education is outside the scope of this study and will not be discussed further.

At upper secondary level, there are vocational education (*arodizglītība*) and vocational secondary education programmes (*profesionālā vidējā izglītība*) for students who have graduated from basic school. Vocational education programmes lead to a certificate of vocational education and to the Latvian professional qualification level 2 (ISCED 3C). After successful completion of these programmes one cannot proceed directly to the level of higher education. For the students who want to continue their studies at this level, a one-year intermediate course in general secondary education is available. Vocational secondary education programmes lead to a diploma of vocational secondary education and to the Latvian professional qualification level 3 (ISCED 3A, 3B). Additionally, the students have to take four centralised State examinations: Latvian, mathematics, one foreign language and an optional study subject. After that, students are awarded a certificate of general secondary education which gives the right to enter higher education institutions.

According to the regulations of the Cabinet of Ministers on the 'State vocational secondary education standards' and the 'State vocational education standards' the share of practical training (at school or company, taking the form of practical and laboratory works, practical studies and qualification practice) varies from 35% to 70% depending on the type of programme and previous education ⁽⁵⁶⁾. However, as the proportion of company-based learning cannot be expected to exceed 50%, these programmes are situated within the 'mainly school-based' subclass of dual vocational education and training (VET) exemplifying the type of school-based vocational studies.

As regards VET at post-secondary (non-tertiary) (ISCED 4B) level, the situation is as follows. There are programmes designed for basic education and general secondary school graduates, at the age of 17 to 29, which are more oriented towards the acquisition of vocational knowledge and skills. The duration of the programmes is shorter: one or 1.5 years. However, in Latvia this stage of education is not thoroughly developed, and according to the national education classification, post-secondary education programmes belong to the upper secondary level and, correspondingly, are mainly school-based. According to the

⁽⁵⁶⁾ According to the information available to the Ministry of Education and Science, practical and laboratory works on average in 98% are organised in the education institution, practical studies on average in 73% are organised in education institution and 27% in companies, and qualification practice on average in 94% are organised in the company. Qualification practice, however, accounts for only a small proportion of the total training period.

typology used throughout this study, these programmes belong to the category of school-based specialist courses.

At the level of higher education, there are ISCED 5B programmes at colleges and other higher education institutions, which are open to holders of a completed general secondary education certificate. These programmes, which are also termed 'first level higher professional education', take two to three years and include classroom teaching, internship (at school or in a company) and a thesis. The minimum of practical training is 16 credits according to the national credit system (24 ECTS), i.e. approximately 640 hours. They represent the type of higher professional studies. Even though these programmes may in principle fall into the scope of the study, they were not taken into consideration by the stakeholders in the assessment workshop, which is why they will not be discussed further.

The Latvian 'apprenticeship' system exists on a small scale mainly in the crafts sector in traditional professions, e.g. builder, potter, lathe operator, carpenter. It is implemented separately from other education sectors, and is not included in the classification of educational programmes (no relevant ISCED level). A person can enter into apprenticeship at the age of 16 or above, regardless of previous education. Upon completion of training period, apprentice may take exams for journeyman and further for master of crafts ⁽⁵⁷⁾. These qualifications do not provide, however, access to regulated professions, nor do they give access to any opportunity to continue in the formal education system. There are no mechanisms in place that would enable those who drop out from apprenticeship to continue their vocational education in another form.

The Law on Crafts stipulates the organisational foundation for crafts, basic regulations for apprenticeship and the procedure for awarding craftsman qualifications. The main organisation involved is the Latvian Chamber of Crafts, which is a self-governing organisation. Apprenticeship programmes are drafted by the corresponding craft professional association and approved by the Council of the Chamber of Crafts. The duration is also set by each particular craft association, which is the reason why variation exists. On average, the duration is three years. The share of theory and practice is not predefined. The theoretical courses may take place in professional craft associations or in schools (as the chamber has signed cooperation agreements with several vocational schools to provide theoretical knowledge).

⁽⁵⁷⁾ To take part in journeyman and master of crafts exams, candidates need to be members of the corresponding chamber's craft association. The candidates for master of crafts must have eight years of work experience as a journeyman and follow a two-month theoretical course offered by the chamber.

An apprenticeship can be organised in two ways:

- (a) an apprentice works with a master craftsman and looks for opportunities for theoretical learning in vocational schools or;
- (b) an apprentice is a student in a vocational school and works with a master craftsman during a practical placement period. After graduation, the student has to pass the exam of journeyman at the Chamber of Crafts to receive a journeyman qualification.

Apprenticeship is based on the Chamber of Crafts standard template contracts, concluded between apprentice and master or vocational school. The contract determines the responsibilities of apprentices and their master. During the apprenticeship, an apprentice is regarded as a student; however, as the apprentice acquires more knowledge, skills and competences, he or she may receive some payment for individual projects. Nevertheless, the payment procedure greatly depends on each particular craft and individual agreements.

On the whole, the Latvian apprenticeship model thus exemplifies the type of 'traditional apprenticeship' according to the terminology used in this study, but at the same time it should be observed that strictly speaking the model is not fully covered by the general definition of apprenticeship because the connection to the formal education system is missing, which means that the one of the defining characteristics is not fulfilled. An involvement of the State and hence an 'official' or 'public' status of the system is only given in the sense that the Chamber of Crafts fulfils an officially recognised function regulated by labour market legislation (Law on Crafts, Supreme Council, 1993). Accordingly, Latvian apprenticeship has to be viewed as a borderline case which does not really form a part of the subject matter but is analogous to it. Although the Latvian apprenticeship system in the crafts sector does not fulfil the criteria as defined in Section 2.1.1, it warrants being included in the study. It has its origin in the traditional apprenticeship and shares almost all the features of apprenticeship apart from the fact that it is not part of the national qualification system.

Finally, initiatives have been taken to establish a strong work-based learning component (Box 9) within the existing framework of school-based VET. From 1 September 2013, six vocational schools in Latvia have started a pilot project on a new type of dual VET. The more general term 'work-based learning' (*darba vidē balstītas mācības*) is often used when referring to this project. In the first year (2013/14) 17 vocational education programmes were offered in cooperation with 29 companies ⁽⁵⁸⁾. In the meantime, the overall response to the programme was

⁽⁵⁸⁾ The following areas were covered: metalworking (one year), mechanical engineering (four years), power and electrical engineering (four years), mechatronics (one and a

quite positive, and by the second year (2014/15) the figures of VET schools applying for participation had increased fourfold while those of companies had increased sixfold (Cedefop, 2015).

Box 12. Definition of work-based learning in Latvia

Work-based learning is a type of learning where practical skills and knowledge are acquired in the company's real working environment for more than 50% of the time while only a smaller part of the time is assigned to the acquisition of theoretical knowledge in a vocational training institution. It is based on an agreement between the vocational school, the student and the enterprise. Unlike apprenticeship in the craft sector, work-based learning is a part of the formal education system and leads to qualifications linked to the national qualifications framework.

The work-based learning project envisages the linking up of theoretical studies and real work environment to professional training. The aim is to improve the acquisition of skills and competences based on a better link to the needs of the labour market. Young people who participate in pilot projects while studying will be able to learn their chosen profession during training at a company (Saeima, 2014; Education Development Guidelines 2014-20, p. 140). These experimental programmes have to be classified as work-based vocational studies since according to the description given in Box 12, the proportion of work-based learning is above 50% in most cases (varies from 50% to 70%). Table 9 summarises the existing dual VET schemes and their position within the typology.

The relevance of the regular (school-based) VET programmes is shown in Table 10.

As concerns the crafts sector: since 1994, 2 593 masters of crafts qualifications, 5 651 journeymen qualifications and 15 000 cards for masters of crafts (self-employed persons) have been awarded in total; 150 crafts enterprises were operating. Relevant certificates of crafts practice have been issued together with qualification documents since 2004. The Chamber of Crafts is currently planning to introduce measures to increase the interest in apprenticeship, which focus on providing more information to vocational education schools and

half years), construction (four years), wood product manufacturing (four years), bakery products production (four years), catering services (four years), electronics (four years), printing and publishing (four years), printing production technology and product manufacturing (four years), woodworking technician (four years), auto-transport (one year), textile production technology and product manufacturing (one and a half years).

improving the network of craft masters who could be interested in training apprentices.

Table 9. **Classification of dual VET schemes in Latvia**

	Apprenticeship (in the strict sense)		Other dual VET schemes	
	Mainly company-based (>50%)	Mainly school-based	Mainly company-based (>50%)	Mainly school-based
Upper secondary education (ISCED 3B)			Pilot projects of work-based learning	Vocational education (<i>arodizglītība</i>) and vocational secondary education (<i>profesionālā vidējā izglītība</i>) with qualification practice
Post-secondary education (ISCED 4)			Pilot projects of work-based learning	Post-secondary education programmes
Tertiary education (ISCED 5B)				Higher professional education (college programmes)
Unclassified (no ISCED level assigned)	Apprenticeship in the crafts sector			

Source: Cedefop.

Table 10. **Number of students in VET programmes in Latvia at the beginning of a school year**

By means of	2012/2013	2013/2014	2014/2015
Basic vocational education (ISCED 2A, 2B)	448	440	367
Vocational secondary education (ISCED 3A, 3B)	27 992	26 464	24 847
Post-general secondary education (non-tertiary education (ISCED 4B)	3 488	3 945	4 477

Source: <http://www.csb.gov.lv>

As regards the 'framework conditions' in terms of the contribution of industrial relations to the legal environment in which apprenticeship in the strict sense may be established, the situation in Latvia can be outlined as follows (Eurofound, 2014b).

On the whole, collective agreements play a relatively marginal role as the collective bargaining coverage, i.e. the employees covered by collective agreements as a percentage of all employees aged 15 to 64 in dependent employment, was only 16% in 2012. The importance of collective bargaining has

substantially decreased since 2008 due to the insufficient observation of agreements. The dominant levels are the national (intersectoral) and the company levels while sectoral agreements are less important. The role of collective bargaining on the wage structure is often limited to the determination of minimum wages, which takes place in agreements at national level. Apart from that, wages may be fixed in agreements at the sectoral or, predominantly, company levels. This indicates that a structure of standardised wages (Section 2.3) is largely absent, which means that the incentives for employers to participate in a 'collective' VET system such as apprenticeship in the strict sense are not very strong. Instead, it would be rational for them to rely on the existing 'statist' system or to opt for company-specific training schemes. Therefore, it might be more adequate for Latvia to expand dual VET by strengthening the component of work-based learning within the 'other' or non-apprenticeship types of dual VET, i.e. those in which learners do not necessarily have an employment status, which is precisely the course taken by the current experimental work-based learning schemes.

Similarly, the prerequisites for a strong and balanced influence of the social partners on the coordination of apprenticeship do not seem to be in place to date. Industrial relations in Latvia are characterised by a relatively low importance of collective bargaining, and the current EurWORK data (Eurofound, 2014b) suggest that membership rates in trade unions and employer associations are low. More specifically, the trade union density was 11.5% in 2012 while the employer organisation density was 41% in 2013 (Eurofound, 2014b). Accordingly, it has to be assumed that a collective skill formation system would lack effective backing by collective agreements so that apprenticeship in the strict sense (with collectively agreed wage of remuneration levels) could be expanded beyond its existing status in the crafts sector.

4.2. **Assessment of governance and financing**

Despite the relevance of the apprenticeship in crafts sector for the subject of this study, the discussion in Sections 4.2 and 4.3 focuses mostly on 'other dual VET schemes' (as defined in this study) that belong to the system of formal education. The apprenticeship in the crafts sector did not play any role in the workshop discussions ⁽⁵⁹⁾ and was covered only by the desk research activities. Unless

⁽⁵⁹⁾ Work-based learning pilot projects are a new initiative and priority for the Ministry of Education and Science with the aim to make formal VET closer to labour market and company's needs, thus improving the attractiveness of VET. As the apprenticeship

otherwise stated, the results presented in Sections 4.2 and 4.3 apply therefore only to formal dual VET programmes.

4.2.1. Dimensions of the governance model

4.2.1.1. Consistent legal framework

The criterion of a consistent legal framework is met only to some extent. A single act regulating VET in general is in place, namely the Vocational Education Law (Section 4.1). This legal framework, however, covers only the formal school-based VET programmes at the basic, secondary, post-secondary (and also tertiary) levels while the apprenticeship in the crafts sector, which is not part of formal education and training, is regulated by separate legislation, which is constituted by the Law on Crafts and the regulations of the Latvian Chamber of Crafts ⁽⁶⁰⁾. The newly established work-based learning programmes are not based on any specific regulation but provided within the framework of the Vocational Education Law, which at the time of the project's research activities (2014) was to be amended – to recognise work-based learning as a type of vocational education in its own right, and to authorise the Cabinet of Ministers to specify the details of its implementation by appropriate regulations ⁽⁶¹⁾.

On the whole, the legal framework for the various types of dual VET is not as consistent as desired since the different types exist side by side with the apprenticeship in crafts sector being separated from the education system. Under these circumstances the connectivity between different pathways in education and training is difficult to maintain, and there is some risk that certain training programmes become 'dead ends' from the learners' point of view. Some additional points of concern have been identified by the assessment workshop.

In relation to the work-based learning pilot programmes, according to the participants' observations unanswered questions remain with regard to taxation, the share of study and work-based learning, and the distribution of responsibilities among schools, enterprises and students. This is a consequence of the fact that the new work-based learning schemes are implemented under the

system in the crafts has been implemented since 1993 and is organised within a separate system and regulations, and the number of apprentices has decreased over the years, it did not play any role in the workshop discussions.

⁽⁶⁰⁾ These are internal regulations of the Latvian Chamber of Crafts about organisation of the apprenticeship, issuing documents for masters, and other regulations. It is constituted by the Cabinet regulations about occupations which are considered as crafts (2009) and the regulations of the Latvian Chamber of Crafts.

⁽⁶¹⁾ Such an amendment was introduced on 15 May 2015.

existing Vocational Education Law, provisions of which are oriented towards school-based learning and do not adequately address the situation of students who work in a real working environment during the day and study in the evening. It is an open question whether these arrangements should be covered by the Vocational Education Law or should be covered by labour legislation so that employment contracts can be concluded with the learners. Unanswered financial questions are about the contract type and taxation if an enterprise pays the learners. In addition, the status of the learning outcomes achieved in the workplace is not clear as regulations concerning the implementation of work-based learning are still absent and the preparation of the necessary amendments of the legal framework is still an ongoing task.

It is clear that the conditions for an adequate centralisation of the legislative competences are fulfilled as there is only one level of government in Latvia. At national level the Ministry of Education and Science is responsible for drafting the relevant legislation. As explained above, this applies only to the mainly school-based VET programmes while a full-fledged legislation for the new (currently piloted) work-based learning programmes remains a desideratum.

As far as mainly school-based VET programmes are concerned, their content is defined by the State vocational education standards that are stipulated by relevant Cabinet regulations ⁽⁶²⁾. The State vocational education standards outline the strategic aims of education programmes, the mandatory content of education, and the basic principles and procedure for evaluating the acquired education. The standards determine the ratio of theory and practice, the ratio of subjects of general education and vocational subjects, the division of general education subjects, etc. This indicates that there is in principle a consistent curricular framework for the entire range of learning activities, i.e. theoretical instruction as well as practical training which ensures a maximum scope of in-company training. Pilot work-based learning programmes, by contrast, are not yet covered by these regulations and standards, which is why the share of practical training in the pilot projects of work-based learning varies between the schools, enterprises and qualifications.

Information on the other assessment subcriteria is relatively scarce. The available sources do not refer to the legal regulations concerning the cooperation of learning venues, and the topic also did not play a role in the workshop discussions, which suggests that this issue is not a top priority at the moment. As regards the regulation of the status and rights of VET learners the above

⁽⁶²⁾ The 'Regulations on the State vocational secondary education standard and the State vocational education standard' (2008).

descriptions indicate that this criterion is realised only at a very basic level. Practical training is organised within the Cabinet regulations 'The procedure for organising learning practice and insurance of learners' (2012). These regulations define the organisation of practical training, for example duties and responsibilities of all parties, also the legal framework for the cooperation of learning venues, and set professional qualifications, which are subject to mandatory insurance against accidents in the time of practical training. Pilot work-based learning is organised in connection with these regulations.

The rights of apprentices within the apprenticeship in the crafts sector are regulated in the sense that standard contract templates are provided by the Chamber of Crafts (Section 4.1). With regard to the learners participating in the new work-based learning programmes, it was already observed above that the applicability of the existing labour legislation is uncertain, which implies that their status remains to be regulated.

4.2.1.2. *Balanced allocation of strategic and operational functions*

In the formal VET system, the distribution of functions concerning strategic planning and implementation (in relation to the programmes under the scope of this analysis, see 4.1) is as follows.

The strategic functions performed by State institutions at national level are described in Table 11.

Apprenticeship programmes in the crafts sector are organised according to the Law on Crafts, which stipulates the organisational basis for crafts, basic regulations for apprenticeships and the procedure for awarding journeyman and craftsman qualifications. The main organisation involved is the Latvian Chamber of Crafts, which is a self-governing organisation (Section 4.1). Apprenticeship programmes are drafted by the corresponding craft professional association and approved by the Council of the Chamber of Crafts.

In formal VET system vocational education standards are formulated at national level by State institutions: they are stipulated in the relevant Cabinet regulations. Occupational standards are developed by representatives of educational institutions and social partners through working groups organised by the National Centre for Education ⁽⁶³⁾ and the Ministry of Education and Science ⁽⁶⁴⁾. Then, occupational standards ⁽⁶⁵⁾ are confirmed by the National Tripartite

⁽⁶³⁾ For the Latvian professional qualification levels 1-3 (EQF levels 3-4).

⁽⁶⁴⁾ For levels 4-5 (EQF levels 5-7).

⁽⁶⁵⁾ Occupational standards comprise a description of specific tasks and employee duties as well as the abilities, skills, and professional competence (including a description of the responsibility of skilled workers in certain work situations) that are

Sub-Council for Cooperation in Vocational Education and Employment and approved by the Cabinet of Ministers for maintaining the classification of occupations ⁽⁶⁶⁾.

Table 11. **Strategic functions of national State institutions in Latvia**

Authority	Function
Cabinet of Ministers	Determines the State's political and strategic areas in VET, funds VET providers established by the Ministry of Education and Science, sets the framework for issuing State-recognised qualifications.
Ministry of Education and Science	Develops the framework regulations for VET, accredits VET providers, creates and updates the register of occupational standards, makes proposals about the allocation of funds from the State budget, supervises guidance and counselling services, researches skills demands of the labour market, employs the heads of vocational schools under its supervision.
National Centre for Education	Is under the Ministry of Education and Science. Ensures development of content of vocational programmes ⁽⁶⁷⁾ in compliance with State standards, ensures development and implementation of uniform content and procedures for State-centralised examinations, coordinates the development of study aids complying with vocational education standards, coordinates and delivers the vocational teachers' professional improvement.
State Education Quality Service	Is under the Ministry of Education and Science. Licenses education programmes, accredits providers, evaluates the quality of VET programmes and institutions

Source: Based on Cedefop and ReferNet Latvia, 2013 and on Cedefop 2015.

Educational institutions are responsible for the design of VET programmes or curricula, which specify the objectives, contents and implementation plans, requirements concerning previous education and the personal, financial and material resources necessary for the implementation. In this regard, the educational institutions operate in line with the State vocational education standards, occupational standards as well as the recommendations set by the

necessary to carry out these tasks. According to these characteristics the Latvian occupational standards can be regarded as equivalent to the 'occupational profiles' referred to in the normative model even if the national terminology is different.

⁽⁶⁶⁾ Cabinet regulations: 'Regulations regarding the classification of occupations, basic tasks corresponding to the occupation, basic qualification requirements and procedures for the use and updating of the classification of occupations' (see details in the list of legislation at the end of this publication). The regulations regarding the classification of occupations (i.e. the basic tasks appropriate to the occupation, the basic qualification requirements, and the procedures for the use and updating of the classification of occupations) determine that occupational standards are included in the classification of occupations as appendices. The classification of occupations is maintained and updated by the Ministry of Welfare.

⁽⁶⁷⁾ Vocational basic, vocational and vocational secondary education (also general education).

National Centre for Education. Programmes are afterwards evaluated by the National Centre for Education and licensed by the State Education Quality Service.

On the whole, this distribution of tasks is a slight modification of what is desired from the point of view of the normative model, which recommends that the fundamentals of training curricula, including entry requirements such as prior education, should be formulated at national instead of the local level. However, it has to be taken into consideration that the involvement of the National Centre for Education and the State Education Quality Service in the ultimate approval of the curricula also constitutes an important element of centralisation at national level. Therefore it seems reasonable to conclude that there are fundamental prerequisites for a combination of national standardisation and local autonomy and the subcriterion in question is fulfilled at least in principle. This is confirmed by the conclusion reached at the stakeholder workshop that vocational schools have a 'wide range of responsibilities and duties'.

The autonomy of the agents at local level concerns especially the freedom to draw up VET programmes for local needs. The implementation of pilot work-based learning programmes takes place by a tripartite agreement among the student, the vocational education institution and the enterprise. A common approach to the tripartite agreements is (in most cases) ensured as a result of coordinated actions of the Ministry of Education and Science. Contracting parties agree about ensuring work-based learning in company, in concrete specialisation and the period. Trilateral agreements are developed taking into account the current experience in ensuring mandatory qualification practice ⁽⁶⁸⁾ (in mainly school-based VET programmes).

These provisions indicate that there is an appropriate room for manoeuvre for VET institutions and enterprises to define the training contents for the individual student according to the local needs. In principle this interpretation is confirmed by the participants of the Latvian stakeholder workshop, who observed that vocational schools have a high autonomy in teaching and in the implementation of programmes but also point out that the necessity to conclude an agreement between the vocational school, the enterprise and the student with regard to the contents of practical training in a work-based learning pilot programme may be viewed as a restriction of that same autonomy. However, given that a dual VET programme is supposed to be an integrated whole so that the contents of classroom teaching and workplace have to be aligned in any

⁽⁶⁸⁾ Which are organised in accordance with the regulation for the procedure for organising learning practice and insurance of learners.

case, the requirement of the tripartite agreement can be regarded as an adequate design option for the flexible implementation of dual VET at local level.

Whereas the subcriterion of freedom of contract is relevant only for apprenticeship in the strict sense where learners have employee status and the apprenticeship contract is fundamental for the training relationship, the criterion is fulfilled to some extent also in the case of tripartite agreements. These agreements fulfil a similar function as an apprenticeship contract in that they define the roles and responsibilities of the parties involved.

4.2.1.3. *Involvement/integration of the various bodies*

The Latvian structures for dual VET and apprenticeship in the crafts sector meet the condition that all the relevant types of actors are involved (Section 4.2.1.2). The bodies responsible for the management of VET at national level, namely the Ministry of Education and Science, the National Centre for Education and the State Education Quality Service represent the government and ensure an effective public control of the formal VET system. Educational institutions and enterprises also have adequate responsibilities of their own as described above. A formal involvement of supervising bodies representing the world of work, on the other hand, can be observed only with regard to apprenticeship in the crafts sector where the Latvian Chamber of Crafts is performing a regulatory function.

The next aspect to consider is the framework for deliberation and decision-making. Several arrangements are in place for the exchange of views between government bodies, educational institutions and – notwithstanding their relatively weak status outlined above – the social partner organisations. These arrangements are presented in Box 13.

For the most part, the institutional framework of the ‘VET dialogue’ in Latvia is also viewed positively by the stakeholders taking part in the assessment workshop. However, some critical aspects have been identified as well. One point of concern is the support of VET research. From the stakeholders’ point of view there is no institution that would explicitly be responsible for research in VET. In addition, the existing VET research is affected by quality issues. As regards the quality of the VET dialogue itself, it is observed by participants from the trade unions’ as well as the employers’ side that the tripartite social dialogue is often only formal and that the social partners have no opportunity to influence decisions in VET policy. This seems to be in line with the above assumption that the overall socioeconomic context and the systemic conditions in Latvia are such that a large-scale establishment of apprenticeship in the strict sense, which would presuppose a collective skill formation system, is not a likely option, and that efforts to expand dual VET would have to concentrate on more State-centred dual VET schemes.

Box 13. Institutionalised arrangements for VET dialogue in Latvia

At national level, the 'VET dialogue' is institutionalised in the National Tripartite Sub-Council for Cooperation in Vocational Education and Employment, which was founded by the Cabinet of Ministers, the Free Trade Union Confederation of Latvia and the Employers' Confederation of Latvia. The main tasks of the Sub-Council include reviewing the drafts of State development plans, concepts and normative acts concerning vocational education, human resource development and employment, to draw up proposals for improvements, and to elaborate or update educational programmes and occupational standards.

At the sector level, there are 12 Sector Expert Councils (*). In the Councils along with the representatives from the relevant sectors, representatives from the Ministry of Education and Science, the Ministry of Economics, Employers' Confederation of Latvia, Free Trade Union Confederation of Latvia, the Latvian Chamber of Crafts, the Ministry of Welfare and the State Employment Agency are engaged. Their main functions are the involvement of sector trade unions and employers in view of improving vocational education quality, i.e. occupational standards and curricula. Moreover, Sector Expert Councils provide sector experts for quality assessment and for an assessment of learning outcomes of the students, the evaluation of IVET sector enrolment plans as well as an evaluation of the training of unemployed persons.

In pilot work-based learning programmes, the main stakeholders involved and partners of the Ministry of Education and Science are the Ministries of Welfare, Economics, and Agriculture, as well as the Latvian Employer's Confederation, the Latvian Chamber of Commerce and Industry, the Free Trade Union Confederation of Latvia, the Latvian Association of Local and Regional Governments, local governments and its structures (e.g. education authorities). Sector expert councils, professional and sector associations, and also enterprises and vocational schools implementing pilot work-based learning are also involved.

(*) Established as a part of the ESF project 'Development of sector qualifications system and increasing the efficiency and quality of vocational education' (2010-15) implemented by the State Education Development Agency.

Source: Based on Cedefop and ReferNet Latvia, 2013 and Cedefop, 2015.

The question as to whether there is any one institution that fulfils a coordinating role for the entire VET system can be answered in the affirmative but only to a limited extent. Strictly speaking a centralised coordination of the VET system as a whole is precluded by the fact that dual VET in Latvia is itself not a single system but a pluralism of coexisting systems, namely VET within formal education, and the separate apprenticeship system in the crafts sector. In each of the two, however, there is an institution to which a coordinating role especially with regard to occupational standards or curricula can be attributed. In the case of dual VET within the formal education system, the National Centre for Education plays a central part in the development of vocational programmes in cooperation with educational institutions and in moderating the process of formulating occupational standards as described above (Section 4.2.1.2). However, the interplay with other actors at national level, especially the Ministry

of Education and Science, is complex, which seems to be a reason why there is no agreement among the participants in the stakeholder workshop concerning the coordinating role of one institution. It is emphasised that the Ministry of Education and Science is the main policy-maker, and it is also observed that the role and responsibilities of the Sector Expert Councils are as yet unclear in the pilot work-based learning programmes. The stakeholders' view indicates that the National Centre for Education is not perceived as a coordinating body for setting work-based learning programmes at local level, and that its responsibilities as well as its relationship with other decision-making or advisory bodies would have to be adjusted if it were to assume that role.

In the area of apprenticeship there is clearly a coordinating institution as the Latvian Chamber of Crafts is the central body that is responsible for approving the apprenticeship programmes for all professional groups covered. On the whole, however, its impact is obviously limited by the fact that apprenticeship is disconnected from regular education and training. It is an open question which organisational options would be available and feasible if there was the political intention to integrate the existing apprenticeship in crafts sector into the formal education system as this issue was not discussed at the stakeholder workshop, as explained before. The focus of the discussion was exclusively on dual training within the formal education system, which seems to indicate that as yet there is not much awareness on the part of the stakeholders of the potential of the existing apprenticeship scheme. This emphasises the fact that the options for developing education and training also depend on the overall attitudes in the general public towards the various types of learning opportunities. Nevertheless it might be expected that in a scenario that envisages a link between apprenticeship to the formal education system, the chamber could continue to serve as a coordinating body for this part of the VET system alongside the National Centre, provided that the terms of such a 'division of labour' were fixed in appropriate regulations that would have to specify the responsibilities of each institution as well as rules for the cooperation with the Ministry of Education and Science.

The last criterion to consider is the institutionalised cooperation of learning venues. In relation to the pilot work-based learning programmes, an appropriate framework for this cooperation is in place as each individual training programme is covered by a trilateral agreement (Section 4.2.2.2). This arrangement allows for coordinated instruction and training in the VET school as well as in the company. The results of the assessment workshop confirm this interpretation. In general, the participants strongly assent to the view that there is an institutionalised cooperation of learning venues. However, it is also pointed out that apart from the requirement of the trilateral agreement, no legal regulation of

the cooperation exists, which apparently is considered to be necessary to address the differences between individual enterprises. Even though the training programme is the same, there is a considerable variety in terms of the technology used and hence the tasks to be carried out in the workplace. An example would be the textile industry where factories apply industrial manufacturing techniques while in small businesses handicraft techniques dominate. Another problem identified in the workshop is that the monitoring of the workplace learning period by the vocational school, which is expected to ensure the quality of the training programme as a whole, is often ineffective. The reason is an inadequate supply of information on the workplaces and the performance of the trainees. Accordingly it can be concluded that although the conditions for a cooperation of learning venues are fulfilled in principle, the effective implementation of this cooperation might still be improved.

4.2.1.4. *Quality assurance and development strategies*

The quality and continuous development of VET programmes within the formal education system, including pilot work-based learning programme, is addressed at the systemic level by the registration and supervision of educational institutions as well as the evaluation and accreditation of programmes. The Latvian Chamber of Crafts is responsible for the quality of apprenticeship in crafts sector and the awarding of qualifications (Section 4.1).

The quality assurance measures (accreditation of education programmes and educational providers) in the formal VET are described in Box 14.

These general insights from the desk research have been supplemented by the assessment workshop. With regard to the regular evaluation of curricula, the participants point out that according to the applicable regulations, curricula have to be evaluated and updated every year. In practice, the frequency of evaluation depends on the teachers and the activity of employers. According to recent amendments, vocational schools have to update their self-evaluation reports every year.

According to the discussions at the assessment workshop, there is a difference between vocational schools on the one hand and colleges and competence centres ⁽⁶⁹⁾ on the other. Unlike vocational schools, colleges and

⁽⁶⁹⁾ Vocational education competence centres are institutions that provide vocational secondary education programmes and additionally act as regional methodological and further education centres and carry out validation of professional competences acquired outside formal education. Institutions with more than 500 students in regional centres (more than 800 in Riga) are gradually transformed into competence centres (ReferNet 2015).

competence centres are required to conduct additional 'research activities' on the improvement of the contents of their vocational programmes.

Box 14. Quality assurance in formal VET in Latvia

The national vocational education quality control is ensured through education programme and provider accreditation, which is outlined in the Cabinet regulations 'Procedure of accrediting general and vocational education programmes, education establishments and examination centres' (2010). The State Education Quality Service among other functions organises licensing and accreditation (*) of vocational education programmes, as well as accreditation of vocational schools and examination centres regardless their ownership (state, local government and private). Only accredited local governments' and private vocational education establishments may apply for State or ESF funding for implementing initial (and continuing) VET programmes and vocational improvement programmes.

When licensing education programmes or during the accreditation process, the external experts from the State Education Quality Service, as well as representatives of the sector NGOs, employers, employees or crafts evaluate the correspondence of education programmes to the State education standards, occupational standards, the classification of occupations, as well as to requirements of legal regulations regulating education content and process; they also make sure that the planned content of education programmes will allow students to acquire the necessary knowledge, skills and competences, i.e. whether the content and outcomes of an education programme corresponds to the relevant qualification level description.

(*) Licence gives the right to implement the programme. Accreditation takes place within two years after implementation of the programme and gives State-recognised certificate.

Source: Based on Cedefop ReferNet Latvia, 2013.

The regular evaluation of the learners' competence development is not part of the quality assurance schemes.

Finally, a system of continuing professional development is in place for VET teachers but not for in-company trainers, which means that the relevant criterion of the normative model is met only in part. Within the formal vocational education system and in relation to school-based practical training, vocational education teachers serve as both teachers and trainers. The regulations on qualification requirements for vocational education teachers and development of their professional competences are described in Box 15.

Box 15. Regulations on qualification requirements for vocational education teachers and their professional development

In 2014, the new regulations on required teachers' education and professional qualification and procedure for teachers' professional competences development came into force. They set the same requirements for all teachers of vocational subjects, regardless of the level of education they teach.

According to the new regulation, VET teachers in vocational secondary education must have:

- (a) higher education in their field and the B programme (*) of pedagogical training of at least 72 hours; or
- (b) vocational secondary education or a master craftsman's qualification awarded by the Chamber of Crafts and the B programme of pedagogical training of at least 72 hours.

These requirements are not applicable to supervisors of practical training, if their teaching load does not exceed 240 hours per year. Teachers are also responsible for their professional development; they have to undertake at least 36 hours of training in a three-year period.

(*) Programme B type is intended for the development of pedagogical competences. The programmes are at least 72 hours long and are implemented by higher education institutions. The completion of such programmes gives people without a teacher's qualification the right to teach.

Source: Based on Cabinet regulations on requirements for teacher education and professional qualifications and professional improvement 2014.

According to the Education Law (1998), the Ministry of Education and Science and its subsidiary body the National Centre for Education are the institutions responsible for coordinating teacher education and their continuing education. Various organisations provide continuing training for vocational education teachers including school boards, municipalities, professional associations, the National Centre for Education, learning and examination centres, universities and higher education institutions, as well as continuing vocational training centres.

At present there are no requirements for in-company trainers. Therefore, the training or qualification of in-company trainers is a point under current discussion. The education development guidelines for 2014-20 support the improvement of professional competences for vocational education teachers, as well as for supervisors of practical training, in-company trainers, etc. Training will be organised at working places in cooperation with employers in Latvia and abroad.

According to the results of the assessment workshop, the above-mentioned procedures of professional qualification are insufficient as training of VET teachers is perceived to be 'episodic'. Participants also observed that the remuneration system needs to be improved. It was also emphasised that

although there are regulations according to which teachers have to update their qualification on a regular basis, there is a lack of training for in-company trainers and training for VET teachers provided at the company level.

4.2.1.5. *Balanced outcome and input orientation*

In formal VET State vocational education standards and occupational standards are in place as a basis for the development of curricula (Section 4.2.1.1). This indicates that in general the Latvian dual VET programmes meet the requirement that the relevant legal framework should include mandatory objectives and benchmarks or standards. The assessment workshop confirms this view in principle but some restrictions have to be made. It was acknowledged that occupational standards were indeed the basis for the curricula, but the participants also mentioned the problem of standards being very general and not providing clear information for the implementation (methods). This interpretation is interesting since from a theoretical point of view the very point of outcome orientation is that the standards in question should only define educational objectives but leave it to the training institutions to decide how these objectives might be attained. On the other hand one underpinning assumption of this study is that vocational education and training needs to be oriented towards the attainment of professional competence and to provide for a structured learning process, which means that outcome orientation and input orientation have to be combined. The problem identified at the workshop seems to indicate that the outcome orientation in Latvian dual VET is not yet complemented by a sufficient degree of input orientation.

A specific criterion of outcome orientation is the design of examinations or other assessment procedures that evaluate the professional competence of the learners. In Latvian formal dual VET, to acquire a professional qualification, students have to take a State qualification exam at the end of the education programme. The development of the contents and procedure of this qualification exam at the basic and secondary education levels is determined by the relevant Cabinet regulations ⁽⁷⁰⁾. In addition, the content of final qualification examinations, which conclude vocational education programmes and consist of a theoretical and a practical part, is drafted in line with occupational standards. Participants completing a vocational education programme, including pilot work-based learning programmes, take a final State-centralised qualification examination, which is organised by the Ministry of Education and Science (its

⁽⁷⁰⁾ Cabinet regulations 'Procedure of professional qualification examinations in accredited vocational education programmes' (2011).

agency). They aim to ensure that all graduates who aim to exercise a given profession have identical knowledge, competences and skills. In the examination commission representatives of relevant sector organisations (employers, workers) are represented.

The fact that final examinations in VET explicitly aim to establish the level of knowledge, skills and competences attained by the learners means that they are oriented towards learning outcomes and thus contribute to the outcome orientation of the system. This is confirmed by the participants of the stakeholder workshop, who emphasise that ‘all main competences and knowledge’ of a given occupational standard are covered by the final examination. With regard to the methodology of examinations the observation was made that the practical part could be improved in terms of content and technology used. It was also suggested that examinations should be centralised at examination centres at the sectoral level.

The description of the institutional framework (Sections 4.2.1.3 and 4.2.1.4) indicates that the relevant regulations guide the activities of the organisations involved to a large extent so that arbitrariness in the implementation of training is ruled out. Examples of regulations that constrain the agents’ room for manoeuvre are the supervision and accreditation of educational institutions by the Ministry of Education and Science and the requirement that each single training programme has to be covered by a trilateral agreement between the learner, the VET school and the enterprise. Another indicator of input orientation at the institutional level is the relatively detailed regulation on the qualification requirements for VET teachers. However, there seem to be shortcomings with regard to the actual enforcement of this legislation. Another problem is that at present no mandatory regulations are in place with regard to the training staff in enterprises.

Finally, the organisation of examinations and assessments, which was described earlier, involves also an element of input orientation as the examination usually takes place at the end of a regular training programme, which means that the completion of a specific curriculum is a prerequisite for the award of the vocational qualification. However, there is also the possibility to take the final examination on the basis of recognition of prior learning, in which case no specific requirements apply, i.e. the admission of external candidates to a final examination does not require any work experience. However, the examination is organised to demonstrate genuine expertise, and it cannot be passed in practice without real work experience. On the whole, the Latvian dual VET system can be viewed to be close to equilibrium of outcome and input orientation; however, the input component might still be strengthened in some aspects.

4.2.1.6. *Adequate financing arrangements*

In formal dual VET, the State or local government finance the school-based part while enterprises cover the costs for workplace training. There are no mechanisms in place, such as tax allowances or subsidies/grants, to support enterprises in covering the costs for work-based learning or practical training (within the Vocational Education Law). However, according to the discussion at the stakeholder workshop there is an exception with regard to certain ESF supported short-term (one or one and a half year) vocational programmes at post-secondary level (in the Latvian context upper secondary level) where employers receive a compensation of EUR 7 per day and per learner. In apprenticeship, no tax allowances or subsidies are stipulated in the Law on Crafts.

According to Cabinet regulations on scholarships (Cabinet of Ministers, 2004), all students of State and local government financed initial VET programmes receive a monthly allowance. It is funded by the State budget and paid from a 'scholarship fund' of the vocational education provider. The amount varies from EUR 10 to EUR 71 per month. Orphans/students without parental care as well as high achievers in studies or school social activities are entitled to a higher allowance. Additionally, students of State- and local government-financed initial VET programmes, based on their performance, have an opportunity to receive ESF cofinanced scholarships in the amount of EUR 14-29 per month in the first year of study and EUR 29-71 in the second, third and fourth year.

The students aged 17 to 25 following short cycle ESF financed initial VET programmes (post-secondary level) may receive financial support up to EUR 100 (since 2012).

In the apprenticeship system (crafts), no allowances/scholarships are provided: either by the State or by ESF funds.

Students are not reimbursed for their transport expenses resulting from travelling to an enterprise. Vocational schools do not have the financial resources for this particular purpose. The pilot project of work-based learning revealed that reaching some companies was problematic or impossible for students who were not able to pay for their transportation costs or could not afford to pay for living in a different city.

In relation to pilot work-based learning programme, although the learner's remuneration is not regulated by legislation, in practice some enterprises pay their students. These allowances or wages are taxed with personal income tax or compulsory State social security contributions (in case of wage). In the event of the student's absence from the company premises during the agreed working hours, the allowance or wage is reduced or cancelled completely. However,

some companies from the pilot project do not wish to pay wages, since if this occurs, students need to be recruited in accordance with all the formalities (i.e. they have to conclude an employment contract).

The level of allowances and wages vary between industrial sectors as well as between companies. For example, the company Valmiera stikla šķiedra pays students a scholarship in addition to the ESF scholarship starting from the first semester. The support amounts to EUR 100 per month in the first semester, EUR 214 per month in the second semester and EUR 285 per month in the last semester. On the other hand, there are employers who do not provide any financial support for students while participating in work-based learning studies.

On the whole, the financing arrangements indicate a strong financial commitment on the part of the public sector, which is a sign of a State-centred rather than a collective approach to skill formation. The financial undertakings of companies are not negligible, especially as regards the financial support that some employers provide for their VET students, but in comparison to the public expenditure this commitment of companies is an occasional rather than a systemic feature. This view is in line with the conclusion reached at the stakeholder workshop. The notion that costs are shared between the relevant stakeholder groups was only weakly supported by the participants.

The specific criterion for apprenticeship in the strict sense that the company-based part should be organised as a cost effective system is difficult to evaluate. The desk research has led to the result that research findings or statistics on the cost-benefit ratio of the pilot work-based learning programme or other types of dual VET are not available. The outcome of the assessment workshop is that the opinions of stakeholders on this topic are highly divergent, even among employers. However, the dominant attitude of employers seems to be that, in general, work-based learning programme is associated with additional costs for the employers. To put it differently, work-based learning programme is widely believed to be an investment that pays off only in the long term as the returns generated by the learners are likely to be lower than the expenses. The economic crisis has also had an impact on the employers' attitudes, and the majority of enterprises do not pay their trainees anymore. It is an open question as to whether the quality of training and the commitment and performance of learners would increase if learners were paid by the enterprises.

4.2.2. Priorities for policy development

4.2.2.1. *Financial incentives for employers*

The employers' view on training in the enterprise tends to be that training is associated with additional costs and might at best be regarded as an investment

that generates a return only in the long term. Accordingly, enterprises need to be motivated to provide training places, and financial incentives are seen as an effective instrument for this purpose. At the current stage, the State does not have any policy of providing financial incentives for enterprises such as compensation, subsidies or tax allowances. Even though such incentives are currently unavailable, some enterprises pay wages or allowances to students during the in-company training part of the pilot work-based learning programme.

4.2.2.2. Covering costs for transportation and living for students

One of the obstacles for a successful implementation of work-based learning programme (piloted) is ensuring transportation and living costs of students. Some opinions have been expressed that there is a need for a regulation. To this end, some proposals have been made, for example, a modification of Cabinet regulations of 2007 on the expenditures minimum per student for implementing vocational education programmes that would envisage that students are reimbursed for their incurred living and transportation costs (from and to the enterprise) during the time of practical in-company training.

4.2.2.3. Accident and general liability insurance for students

In accordance with the Cabinet regulations 'The procedure for organising learning practice and insurance of learners' (2013), student insurance against accidents is only given during the time period of practical training, i.e. if a student learns one of the professional qualifications that are specified in the addendum to this regulation.

General liability insurance is given only to ESF-financed short cycle vocational education programmes (post-secondary level) in accordance with the Cabinet regulations, but there are situations when this insurance is provided by the enterprise. In work-based learning programmes (piloted), general liability insurance should be provided to all students, so that enterprises would be insured against equipment damage.

4.2.2.4. Training of in-company trainers

Formal qualification requirements or standards for trainers in companies do not exist (Section 4.2.1.4). This is a challenge as the model of dual VET presupposes qualified training practitioners at each of the two learning venues. In-company trainers need to be educated to work with young people and also they should be trained to evaluate the practical work carried out by the students after the training. Appropriate training courses for trainers could be organised in such a way that several trainers from different companies learn together. It is important to ensure that this training would be financed from the government funds.

4.2.2.5. *Cooperation model with enterprises*

Existing enterprises have voluntarily engaged in the implementation of the pilot project, encouraged by the vocational schools. Industry associations could submit a list of enterprises to vocational schools that would have the necessary working conditions and motivation to implement programmes of work-based learning.

4.3. Visions and strategy options for developing dual VET

4.3.1. Common drivers

The following general factors need to be taken into consideration for the formulation of any specific vision and strategy on the promotion of apprenticeship or other types of dual VET in Latvia. They can be regarded as common drivers of the further development of a work-based learning programme (in pilot phase at the time of this study).

First, the bilateral cooperation between Germany and Latvia needs to be taken into account, since there is a political commitment and a strong influence of German stakeholders. The German Federal Ministry of Education and Research and the Latvian Ministry of Education and Science signed the memorandum on cooperation in VET in Europe. Other stakeholders that play an active part and launch their own initiatives are the German Embassy and the German-Baltic Chamber of Commerce in Estonia, Latvia and Lithuania (AHK).

Second, legal reforms are expected to promote the implementation of work-based learning:

- (a) work-based learning is set as one of the forms of acquisition of vocational education (amendments in Vocational Education Law);
- (b) till 1 May 2015 ⁽⁷¹⁾, new Cabinet regulations have to be developed which will regulate the organisation and implementation of work-based learning;
- (c) the normative acts that regulate the State vocational secondary education standards and the State vocational education standards, the examination procedures and the development of curricula will be improved to support the implementation of work-based learning in the following years. New modular curricula are developed and can be implemented in work-based learning.

⁽⁷¹⁾ At the time of finalising this study (in summer 2015), the date was extended to November 2015.

The third driver is the greater responsibility and involvement of sector social partners in VET. The establishment and updating of occupational standards, curricula, qualification exams, and involvement in VET quality assessment, evaluation of enrolment plans of vocational education, vocational secondary education (upper secondary) and short-cycle post-secondary education and training of unemployed will be continued with ESF support in the period 2015-20. The functions of sector expert councils will be strengthened by the amendments to Vocational Education Law. Moreover, a new advisory body will be established within public vocational schools to support the implementation of work-based learning ⁽⁷²⁾.

Fourth, the negative demographic tendencies, emigration and the aging of the workforce already affect the demand for a medium-level qualified workforce. The interest of enterprises to attract more young people to VET is rising.

Fifth, work-based learning is seen as a chance for employers to prepare the workers according to the enterprise's needs and increase productivity of employees, which in turn will attract and engage more enterprises to offer work-based learning as one of the forms of formal VET.

Sixth, investments in the infrastructure of vocational schools and financial support for students will lead to a greater attractiveness of VET, including work-based learning, so that more students would envisage following such a pathway.

Seventh, all good examples and experiences from work-based learning pilot projects will support this development.

4.3.2. Vision 1: radical development of (piloted) work-based learning (towards apprenticeship according to the conceptual framework of this study)

Work-based learning (piloted at the time of this study) is one of the main political priorities in VET. Policy planning documents predict a radical expansion of work-based learning. The education development guidelines for 2014-20 support the implementation of work-based learning and practical training in vocational education, vocational secondary education (upper secondary) and short-cycle (post-secondary level) programmes. They specify benchmarks for the proportion of students who participate in work-based learning programmes and undergo practical training in a company during the first and second year of training. Whereas the share in 2012 was 5% of all VET students, the benchmark is 20% for 2017 and 50% for 2020.

⁽⁷²⁾ By the amendments to the Vocational Education Law dated 15 May 2015 the role of sector expert councils and role of the new advisory bodies (Konvents) within public vocational schools has now been defined.

It is expected that political priorities in VET will remain the same until 2020. Work-based learning will become more popular and prestigious for vocational schools and VET students.

Cooperation between vocational schools and social partner organisations at the various levels, especially at the sectoral level, will improve. Vocational schools will continue to act as main coordinators and organisers of work-based learning.

The strong political commitment of all stakeholders will promote improvement of legislation providing common understanding of work-based learning, defining responsibilities and competences of all stakeholders and improving possibilities for vocational schools to organise work-based learning together with employers. A new legislation will set new regulations which will result in increased administrative workload for employers and also for vocational schools. However, excessive bureaucracy and centralisation will be avoided.

There will be an effective use of ESF finances for the period of 2016-22 supporting enterprises which participate in work-based learning. ESF financing for the period 2014-18 along with State financing will help to reduce the taxation burden and motivate employers to take part in work-based learning.

Further, differences in the level of financial support between ESF funded short-cycle VET programmes (one year and one and a half years, post-secondary level) and State-funded longer VET programmes (three and four years) will not exist.

These measures can radically improve the development of work-based learning in the coming 5 to 10 years in Latvia. In addition to this, an obligation of employers to pay remunerations to learners will motivate young people to take part in work-based learning.

Drivers

Political commitment of stakeholders and high benchmarks for participation rates in work-based learning set by policy planning documents will encourage the government to provide fiscal incentives for enterprises such as tax reduction for remuneration of the student to take part in work-based learning.

Mandatory financial support for students in time of in-company training can attract new people to VET, including work-based learning, to complete their studies or to acquire a qualification.

The fiscal incentives supporting enterprises for work-based learning in Latvia and the fiscal effects on the economy need to be investigated by the Ministry of Economics by April 2015 ⁽⁷³⁾.

Table 12. **Strategy for vision 1**

Main criteria	Recommended policy measures
Consistent legal framework	<p>Work-based learning (in a Latvian context) is recognised as one of the forms of acquiring a qualification in VET. New regulations of the Cabinet of Ministers will guide the organisation and implementation of work-based learning, specifying the following points:</p> <ul style="list-style-type: none"> definition and status of apprentice; definition of (new) contract type between employer, apprentice, school; duties and responsibilities of all stakeholders; wage levels for apprentices (specific for each occupational sector and depending on the period of training); <p>Improved related normative acts for greater autonomy of vocational schools and employers in work-based learning supply and organisation of curriculum.</p> <p>The status of apprentices and the remuneration level for apprentices have to be stipulated by legal acts. Agreement among all stakeholders (social partners, ministries and government) about financial arrangements and minimum remuneration levels of apprentice has to be reached while setting legal framework for organisation and implementation of work-based learning.</p>
Allocation of strategic and operational functions	<p>No major re-allocation of strategic and operational functions.</p> <p>Improved normative acts for greater autonomy of vocational schools and employers will increase supply of work-based learning and will facilitate the organisation of curricula.</p> <p>Enterprises participating in work-based learning need to be registered to allow for supervision of the organisation of work-based learning</p> <p>The content of curricula will be improved according to the needs of employers in a more flexible way, e.g. by allowing adjustments to local and regional needs by 10-15%.</p>
Involvement/integration of the various bodies	<p>The involvement of social partners at national and local level in VET, including work-based learning, should be improved by strengthening the functions of bodies such as sector expert councils in the Vocational Education Law. In addition, the cooperation of sector expert councils and vocational schools should be strengthened to widen work-based learning.</p> <p>The sector expert councils and the State should play a stronger role in the preparation of agreements concerning the minimum wage level for apprentices.</p>
Quality assurance	<p>There should be a quality assessment of learning outcomes of different learning venues.</p> <p>Qualification requirements for in-company trainers in terms of education and work experience have to be specified. The training of in-company trainers has to be regulated.</p>
Development strategies	<p>Room for innovations between companies and training bodies.</p>

⁽⁷³⁾ At the time of finalising this report (summer 2015), the fiscal incentives supporting enterprises in work-based learning in Latvia and the fiscal effects on the economy were investigated and submitted on 30 June 2015 to the Cabinet of Ministers for decision.

Main criteria	Recommended policy measures
Outcome orientation and input orientation	<p>The VET system will be predominantly outcome oriented.</p> <p>Occupational standards serve to define learning outcomes, and thereby design training curricula. Assessment (final examination) focuses on learning outcomes. Assessment of learning outcomes in each learning venue should be considered.</p> <p>Information about employment of graduates will be gathered.</p>
Financing arrangements	<p>The State pays school-based VET, companies provide and support in-company training and pay remuneration for apprentices.</p> <p>Normative regulations will be improved to cover living and transportation costs, accidental and general liability insurance, and payment for in-company trainers in time of work-based learning.</p> <p>Enterprises will have to pay remuneration and expenditure for work and safety tools required for work-based learning.</p> <p>Remuneration levels should be agreed with all stakeholders and have to take into account differences between sectors and training periods. The wage level should be specified according to cost-benefit analysis.</p> <p>The tax burden of enterprises will be reduced to cover extra expenditure of enterprises.</p>

Source: Stakeholder workshop, 27 November 2014, Riga.

4.3.3. Vision 2: gradual development of (piloted) work-based learning

In the next five to seven years, the development of work-based learning (piloted at the time of this study) is going to be gradual, i.e. no major changes will occur.

Improvement of legislation of work-based learning will provide a common understanding of the implementation of work-based learning and define the responsibilities and competences of all stakeholders.

No fiscal incentives for enterprises can be expected within the following three to five years because of the fiscal discipline of the State. No agreement between stakeholders (social partners, ministries, government) about minimum level of remuneration of apprentice will be made because of a lack of commitment of all stakeholders. Employers will continue to have the opportunity to pay or not remuneration – an allowance or wage – as they choose. The advantage of not having to pay a mandatory remuneration for apprentices may motivate employers to engage in work-based learning more actively. More employers will use unpaid learners as a way to integrate young people into the company at low cost.

In the next 5 to 10 years it will become more difficult to attract young people to work-based learning because of the low prestige of VET and lack of mandatory remuneration/wage. Therefore, more focus will be given to the motivation of young people to take part in work-based learning. With no incentives given in due

course, more young people might leave the country without acquiring any qualification ⁽⁷⁴⁾.

The ESF project from 2014 to 2018 will be used to provide financial support for organising work-based learning for short-cycle VET programmes, the expectation being that this type of training will become more attractive for students and employers.

Differences in the level of financial support between ESF funded short-cycle programmes and State-funded three- and four-year VET programmes will continue to exist for the next two to five years. More employers and vocational schools will be interested in organising work-based learning in short-cycle programmes (supported by the ESF) and less in longer VET programmes, including a work-based programme.

After two to five years, with the ESF's support, the State could provide the same financial support for currently State-financed longer VET programmes.

Drivers

The fiscal discipline of the State in the current unstable economic situation is limiting the options with regard to financing. The government is not supporting any tax relief for remunerations of apprentices as this would have a negative effect on the State budget.

The main focus on motivating the employers to participate in work-based learning remains. While motivating learners to participate in work-based learning programme might not be taken fully into consideration by the State, strong trade union interest in coming to an agreement for establishing the minimum remuneration level of apprentices will continue in the discussions.

Financial support within the ESF is provided for short-cycle VET programmes. For 2014-18 the total budget is EUR 26 371 641 to ensure that 6 500 young people aged 17 to 29 can acquire a professional qualification. All students are provided with accident and general liability insurance, compensation of transportation and living costs during the training period, scholarships during training, paid work and safety tools required for their work. These programmes can be organised as work-based learning.

After two years (or more), financial support within the ESF will be provided for longer work-based learning programmes. For the 2016-22 the budget is EUR 10 968 576 (total project budget EUR 21 937 153) to ensure that 3 150 young people participate. All students are provided with accident and general

⁽⁷⁴⁾ The current dropout rate in VET is 25%. Students lack motivation. There is significant emigration flow of youth. According to the Eurostat, total emigration from Latvia in 2013 was 22,561 people; 8,453 or 37.5% aged 15 to 29.

liability insurance, compensation for transportation and living costs during the time of practical in-company training, paid work and safety tools required for their work.

Table 13. **Strategy for vision 2**

Main criteria	Recommended policy measures
Consistent legal framework	<p>Work-based learning is recognised as one of the forms of acquiring a qualification in VET.</p> <p>New regulations of the Cabinet of Ministers concerning the organisation and implementation of work-based learning will be introduced, regulating the status of apprentices, the responsibilities of stakeholders of different learning venues.</p> <p>Improved normative acts allow for greater autonomy of vocational schools and employers in work-based learning with regard to the delivery and organisation of training programmes.</p> <p>Work-based learning retains the legal form of a training contract. The form of employment contract is possible but not mandatory.</p>
Allocation of strategic and operational functions	<p>No major re-allocation of strategic and operational functions.</p> <p>Improved normative acts for greater autonomy of vocational schools and employers will increase the supply of work-based learning and will facilitate the organisation of curricula.</p> <p>The contents of curricula should be improved according to the needs of employers in a more flexible way. At least 10% of the curriculum should be made up of contents defined according to local, regional or the individual company's needs.</p>
Involvement/integration of the various bodies	<p>The involvement of social partners at national and local level in VET, including work-based learning, should be improved by strengthening the functions of bodies such as sector expert councils in the Vocational Education Law.</p> <p>Increase of informal networks for promoting work-based learning and for exchanging experience (e.g. through the German-Baltic Chamber of Industry and Commerce or employers' networks).</p>
Quality assurance	<p>There should be a quality assessment of learning outcomes of different learning venues.</p> <p>Qualification requirements for in-company trainers in terms of education and work experience have to be specified. The training of in-company trainers has to be regulated.</p>
Development strategies	<p>Work-based learning should be used as tool for innovations in vocational curricula. More flexibility should be given at the VET school and local level.</p>
Outcome orientation and input orientation	<p>The VET system will be predominantly outcome oriented.</p> <p>One common guiding principle for all VET providers should be implemented. The principle 'money follows a student' supports the idea of inputs (in State-financed programmes); the principle 'money follows a qualification' supports the idea of outcomes (in ESF financed programmes).</p> <p>Occupational standards serve to define learning outcomes, and thereby help design training curricula. The assessment (final examinations) focuses on learning outcomes.</p> <p>More focus should be given to inputs in work based learning.</p> <p>A new modular curriculum should support the certification of modules.</p> <p>Information about employment of graduates should be gathered.</p>

Main criteria	Recommended policy measures
Financing arrangements	<p>The State pays school-based VET companies provide and support in-company training (work based learning). There is no mandatory level for apprenticeship wages or remuneration.</p> <p>ESF will support implementation of short-cycle VET programmes.</p> <p>Differences between State-financed and European Social Fund-financed VET programmes should be removed within 2-5 years to supply work-based learning in State financed programmes.</p> <p>The regulations of the Cabinet of Ministers on the minimum per capita expenditure for trainees in VET have to be amended to include additional expenditure for the organisation of work-based learning (provided that ESF financing is available).</p>

Source: Stakeholder workshop, 27 November 2014, Riga.

4.3.4. Vision 1: workshop discussions

According to the results of the workshop discussions, more support was given to vision 1 by the participants. However, there were considerable concerns about feasibility of implementing this vision within the time frame of five years. The most critical issues identified were slow procedures for legislative changes, high bureaucracy of ESF financed programmes (which hampers involvement of companies in work-based learning projects, especially SMEs), lack of fiscal incentives to encourage employers to engage in work-based learning, no common vision among stakeholders as to how to organise and support work-based learning and even lack of understanding of the concept of work-based learning among some of the actors.

While it was acknowledged that ESF financial resources might support implementation of work-based learning in the first years, some participants argued that more focus should be given to sustainable changes and long-term measures to support employers, learners and vocational education institutions. The need for new legislation (to clarify actors' responsibilities and rights) and financial incentives was emphasised.

There was an agreement among the stakeholders that the status of the learners and the remuneration level would have to be stipulated by legal acts. There was as well consensus on that an agreement on the financial arrangements would have to be achieved between all stakeholders (social partners and government representatives) while setting a legal framework for organisation and implementation of work-based learning.

It must be stressed, however, that there was no agreement about the scope and level of remuneration at this stage: allowance or wage? Which minimum amount? Many expressed the opinion that work-based learning should remain as a training contract (rather than employment contract). Some argued that it might be risky to force employers to pay wages, as this could discourage them from engaging in work-based learning. To this end, it was pointed out that the wages paid to learners would be below the level of minimum wage. The majority of

stakeholders also supported the idea that there could be no remuneration at all in the first months of work-based learning. Some proposed that remuneration would not be taxed with income tax.

While legislation and remuneration were most intensively debated, the stakeholders identified some other areas which need to be addressed to support implementation of work-based learning. These are: quality assurance at the workplace, updating occupational standards, renewing curricula to adopt it more to the sector and regional needs, cooperation between VET schools and sector employers' associations (e.g. in creating databases on companies willing to provide training places), SMEs capacity to provide training allowing apprentices to acquire all skills and competences required by curriculum/qualification and guidance services.

CHAPTER 5.

Country analysis: Portugal

The findings presented in Sections 5.1 to 5.3 are based on the research activities implemented between January and November 2014 and the subsequent analysis and interpretation of the information collected during that time.

5.1. Dual VET schemes in Portugal

In Portugal, vocational education and training (VET) programmes that fall under the working definition of dual VET exist at the levels of upper secondary and post-secondary education. Notwithstanding the national terminology used, apprenticeship in the strict sense (according to the conceptual framework of this study) is not available in Portugal ⁽⁷⁵⁾.

At the level of upper secondary education (ISCED 3B) three types of VET programmes can be distinguished.

The first type is termed ‘vocational courses’/‘professional courses’ (*cursos profissionais*). The main purpose of these is to provide access to the labour market. However, these programmes lead not only to a vocational qualification but also to a diploma of upper secondary education, which enables students to enter higher education. The courses are organised by public schools from the Ministry of Education network. Courses last three academic years and consist of modules covering three components, namely ‘social and cultural’, ‘scientific’ and ‘technical training’. The technical component aims to develop practical competences and may involve practical exercises and simulations in a training workshop, or work-based learning in a real workplace. Although the technical component as a whole accounts for about 52% of total training time, the proportion of time spent in a real work environment is only about 13%. Accordingly, vocational courses should be classified as school-based vocational

⁽⁷⁵⁾ In addition, the concept of dual vocational education and training in the sense of the alternation between a workplace and an educational or training institution is not common in Portugal. The experience of the present study is that many of the stakeholders understand the term ‘dual VET’ in a different way, namely as an alternative term for ‘double certification’ (*dupla certificação*), which is a mechanism that allows learners to acquire both an educational and an occupational qualification in the same programme (Cedefop ReferNet Portugal, 2012, p. 26). This misconception should be taken into consideration when the outcomes of the Portuguese stakeholder workshops are interpreted.

studies with internships in the typology used in this study. The same applies to the following three types of programmes.

The second case of school-based vocational studies in Portugal is ‘apprenticeship courses’ (*cursos de aprendizagem*) which target young people aged 15 to 25. In spite of their official denomination these programmes do not fall under the definition of apprenticeship in the strict sense as the learner does not have the status of an employee even though there is a contractual relationship with the training provider. These apprenticeship courses lead to a qualification for the labour market as well as to a completion certificate of upper secondary education. The courses also provide access to tertiary education. The programmes are organised by training centres of the Institute for Employment and Vocational Training (Instituto do Emprego e Formação Profissional, IEFP) under the Ministry of Labour and Social Solidarity, i.e. by public education providers rather than by enterprises. The curriculum, which includes sociocultural, scientific, technological and practical training and comprises between 2 800 and 3 700 hours, is organised as an alternating learning process of classroom teaching and work placements. The latter account for at least 40% of the course duration. Given the relatively large amount of work-based learning and the emphasis on alternation, this type of training programme can be regarded as particularly representative of the dual VET model. It may also be termed a ‘simulated apprenticeship’ as the main difference from apprenticeship as defined in this study consists only in the fact that the learners have no employee status.

The third type at the level of upper secondary education is the category of ‘education and training courses’ (*cursos de educação e formação*, CEF). These programmes last one or two years and in particular target young people who have abandoned or are at risk of dropping out of education. The courses are intended to provide flexible training pathways in which learners may take successive courses to attain higher qualification levels in several steps. The courses comprise the following components: social and cultural, scientific, technological and practical. The practical component is organised on the basis of an individual training plan and takes place as an internship. The duration of the courses varies between 1 020 and 2 276 hours. The duration of the practical component varies depending on the course. Strictly speaking education and training courses have to be considered as a type of prevocational education rather than proper VET due to their relatively short duration, and they fall into the scope of this study only to the extent that they contribute to the attainment of a complete vocational qualification. In this regard they are similar to some of the publicly funded training measures in the German ‘transition system’. CEF are

provided by public and private schools, as well as professional training centres from IEFP and other accredited training entities.

Finally, there is one type of dual VET at the post-secondary level, which is termed ‘technological specialisation courses’ (CET). These programmes target learners who have successfully completed upper secondary education or legally equivalent qualification. They aim at a vocational specialisation rather than a broad and comprehensive occupation, and build upon a relatively high entry qualification of the learners. Accordingly, the CET courses are shorter, lasting about one year and comprising between 1 200 and 1 560 hours. The workplace training component takes a minimum of 360 and a maximum of 720 hours and is developed in partnership between training provider and company. Upon successful completion, learners are awarded a diploma of technological specialisation and have the opportunity to continue their studies at tertiary level. In terms of the typology applied in this study, CET courses can be classified as school-based specialist courses as the proportion of workplace learning typically does not exceed 50% of the entire curriculum. The CET are provided by public and private schools, public and private higher education institutions, professional training centres from IEFP, technological schools and other accredited training entities.

An overview of the existing dual VET schemes in Portugal and their position within the typology is given in Table 14.

Table 14. **Classification of dual VET schemes in Portugal**

	Apprenticeship (in the strict sense)		Other dual VET schemes	
	Mainly company- based (>50%)	Mainly school-based	Mainly company- based (>50%)	Mainly school-based
Upper secondary education (ISCED 3B)				Vocational courses (<i>cursos profissionais</i>) Apprenticeship courses (<i>cursos de aprendizagem</i>) Education and training courses (CEF)
Post-secondary education (ISCED 4)				Technological specialisation courses (CET)
Tertiary education (ISCED 5B)				

Source: Cedefop.

The exogenous criterion that collective agreements with standardised wages should be in place to support labour market conditions under which the apprenticeship could be sustainable does not seem to be relevant, as apprenticeship in the strict sense does not exist in Portugal. In general, the available data suggest that collective bargaining does not play an important role in the employment system (and hence in the management of the VET system) as the collective bargaining coverage is less than 8.0% (Eurofound, 2014c), (Eurofound, 2015). On the whole the legal environment of the Portuguese VET system exhibits the characteristics of a State-centred skill formation system rather than a collective one that could build on strong self-regulation on the part of the business community. Accordingly, the 'other' dual VET schemes in line with the typology used in this study can be viewed as a more promising approach than apprenticeship in the strict sense with regard to promoting dual VET in Portugal.

The same impression is given concerning the question of whether there is a balanced relationship between social partners, based on a strong position of each of the two parties. Data on this particular aspect are scarce. The trade union density is estimated at 20% on the basis of membership data of trade unions representing about 30 to 40% of all trade union members (Eurofound, 2014c), (Eurofound, 2015). There are no data at all on the employer association density.

5.2. Assessment of governance and financing

5.2.1. Dimensions of the governance model

5.2.1.1. *Consistent legal framework*

The legal framework for dual VET in Portugal is characterised by the fact that to a large extent vocational education is an issue of welfare and labour market policy rather than educational policy. In the context of a social and economic crisis it has become clear that the levels of youth unemployment and the long-term unemployment rates have been increasing. The main causes relate to the low levels of qualification, and the low participation/investment in lifelong learning activities.

Another factor that aggravates youth unemployment, as well as long-term unemployment, relates to the persistent gap that exists between the needs of the labour market and the education system. Moreover, the high rates of early school dropout, high levels of school underachievement and the small number of higher education graduates, are obstacles to increased competitiveness in Portugal.

Through the establishment of the national system of qualifications (SNQ) (Decree Law 396/2007), and the subsequent creation of its tools (national framework of qualifications – QNQ and national qualifications catalogue – CNQ), it became possible to implement the restructuring of vocational training, trying to link what now exists within the education system and the demands of the labour market, having as reference the European qualifications framework principles. It can be said that the legislation concerning the establishment of the national system of qualifications provides the foundations for an integrated structure within which dual VET may evolve in the future.

As regards the relationship of learning venues, there is currently no cooperation between educational institutions and enterprises that would require specific legal provisions. The delivery of dual VET is predominantly the responsibility of public institutions such as technical and professional schools, training centres, training professional centres, universities and other tertiary institutions providing CETs.

This lack of cooperation between educational institutions and enterprises, suggested by the relevant research literature is confirmed in the discussions at the first Portuguese stakeholder workshop. The participants hold the overall view that a consistent legal framework is either lacking or not easily identifiable. It is argued, for instance, that different rules and norms apply to the different types of dual VET, and that each institution has different objectives with regard to training. Therefore a single framework could be impossible. The above-mentioned national system of qualifications is regarded by some participants as a step towards a more integrated framework, but an overarching ‘umbrella law’ for all types of dual VET is still under discussion.

5.2.1.2. *Balanced allocation of strategic and operational functions*

Strategic functions in the Portuguese VET system are centralised at national level, reflecting the general characteristics of the political system. According to the literature review, the overall structure of the system combines the centralisation of regulatory functions with an adequate degree of local autonomy in the actual provision of training. The education and training system in Portugal is centrally administered, which means that it is the government, which defines policies and curricula, teaching methods and financing. The major actors in dual VET (Section 5.1) are:

- (a) Ministry of Solidarity, Employment and Social Security, particularly the Institute for Employment and Vocational Training, IEFP, which is responsible (among others) for apprenticeship courses;
- (b) Ministry of Education and of Science;

- (c) National Agency for Qualifications and VET (ANQEP) for which the two Ministries share responsibilities;
- (d) Technology and Higher Education (Directorate-General for Employment and Industrial Relations, Directorate-General for Innovation and Curricular Development and Directorate-General for Higher Education).

Non-higher education regional authorities and VET regional authorities play an important part, especially with regard to the policies at local level.

Additionally, the Comprehensive Law on the Education System institutionalises the social partners' participation in VET. These partners are involved in the general definition of policies and in their pursuance within advisory and social coordination bodies, i.e. the Economic and Social Council, the National Vocational Training Council and the National Education Council in the form of consultation.

The next aspect to consider is the development of occupational profiles, curricula and training standards as well as the question whether there is a national standardisation of occupations that allows for a flexible and localised implementation. This question is difficult to answer as formal VET in Portugal was virtually non-existent for a long period and started to develop only after the late 1980s. The early 2000s were a turning point as VET was embedded in the education and training system. Important developments took place in 2007, when VET became a priority, especially due to rising unemployment rates.

During the last national strategic reference framework (from 2007 to 2013), the qualification of Portuguese population was identified as the main strategic aim. Seeking to meet this objective, the *Programa Operacional Potencial Humano* (POPH) was developed ⁽⁷⁶⁾.

It is also important to note that the latest reform of the VET system had to take into account the recommendations delivered by the three-year adjustment programme agreed in 2011 with the European Union, the European Central Bank and the International Monetary Fund – seeking to improve the degree to which the provision of VET meets market labour needs. To meet these recommendations, a series of diagnostic studies were conducted to identify the main characteristics of the Portuguese economy in an environment characterised by globalisation and the enlargement of the European Union. Research confirmed that the existing training supply was not sufficient to meet the labour market demands, the main reason being that training was characterised by

⁽⁷⁶⁾ POPH focused on three interventions: promoting school and professional qualifications, fostering employment and social inclusion; and enhancing gender equality and full citizenship.

courses leading to certificates for medium-skilled technicians. These qualifications are only in low demand in the labour market. Courses leading to qualifications strongly demanded by employers, on the other hand, were provided only on a small scale.

Aiming to develop an appropriate strategy to counteract the identified problems, the first version of the national qualifications catalogue (CNQ) was adapted in 2008, which was intended to act as a management instrument for qualifications for education and training, as a tool to regulate dual VET provision, and as a qualification reference framework oriented to dual VET and process of recognition, validation and certification of competences (RVCC).

In 2005, through a Decree-Law 256/2005, the update of the national classification of the different education and training areas (*Classificação Nacional de Areas de Formação*) was approved. For each area of training, the IEFP provides a reference document which consists of a basic training component and a technological training component, organised by short duration training units (UFCDs) that are certifiable in an independent manner within the same area of education and training.

These policies and instruments indicate that major achievements have been made with regard to the definition of standardised occupational profiles at national level. The fact that the IEFP reference documents also specify training units seems to suggest that the standardisation is detailed, leaving relatively little room for local adaptations – though the information available does not allow for a definitive judgment on this. However, the conclusion formulated by the stakeholders at the assessment workshop is that local agents such as VET providers do indeed have some degree of autonomy with regard to the definition of training plans. Notwithstanding the existence of a common reference for a given curriculum, the VET schools have some room to make adaptations according to local needs. On the other hand, the autonomy of the learning venues is limited to some extent by the terms and conditions under which they can receive financial support. According to the workshop discussions, the roles and responsibilities at local level and the opportunities for making adaptations in the training plans can be characterised as follows:

- (a) a company in which work placements may occur can be chosen by the school (most common), by the student (needs to be validated by the school) or the company can contact the school and propose itself as a learning venue;
- (b) training plans are developed by the school (represented by the course director) and by the company. This plan will describe the tasks to be performed by the learner as well as the factors to be taken in consideration during the evaluation of the student and of the training process;

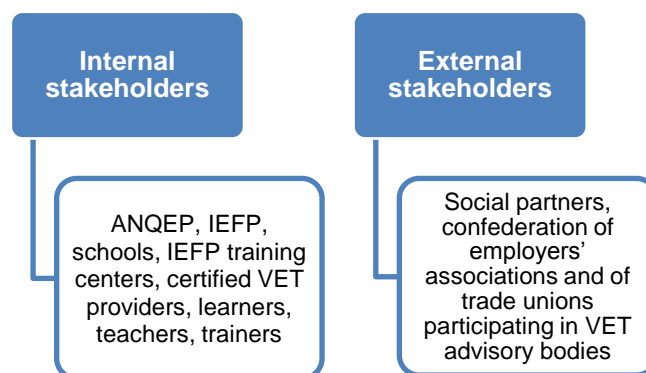
- (c) hours spent in the company vary depending on the type and level of vocational training, but schools always have some freedom to adapt this time to local needs.

5.2.1.3. *Involvement/integration of the various bodies*

The actors participating in the organisation and delivery of dual VET represent all required types of institutions (Section 5.2.1.2). There is a particularly strong role of the public sector as indicated by the involvement of two ministries at national level as well as a number of government agencies such as ANQEP and IEFP. The participation of employers' associations and trade unions in advisory bodies also means that social partner organisations are represented. It can also be concluded that the institutions involved have an adequate and officially recognised status as shown by the fact that the educational institutions responsible for the delivery of VET are typically autonomous public institutions. This also guarantees the participation of institutions empowered to award and recognise qualifications.

The most relevant stakeholders can be classified into two different categories: internal stakeholders and external stakeholders (Cedefop ReferNet Portugal, 2012, p. 21; Figure 1). Internal stakeholders are organisations and groups that are part of the education system and are directly involved in the organisation and delivery of VET. The external stakeholders, by contrast, do not belong to the education system and play no active role in education and training processes. Instead, their function may be characterised as predominantly supportive and advisory.

Figure 1. **Internal and external stakeholders in Portuguese dual VET**



Source: Based on Cedefop ReferNet Portugal, 2012.

Concerning the arrangements and procedures that are in place to coordinate the activities of the various bodies involved, the available information suggests the view that the institutional framework is relatively fragmented and that a

stronger coordination could be beneficial. In particular, the fact that the responsibilities for VET are dispersed between two government departments (Ministry of Solidarity, Employment and Social Security, and Ministry of Education and Science) indicates that effective coordination of the VET system could be difficult as the institutions may be exposed to inconsistent or contradictory influences from the specific policy agendas of the different ministries. However, this problem can be mitigated by the coordinating function assigned to the National Agency for Qualifications and VET (ANQEP), which performs its functions under the joint responsibility of the two Ministries, serving as a 'clearing house' for the flow of information between the government and the various institutions concerned with the implementation of dual VET.

ANQEP is responsible for coordinating the implementation of education and training policies for young people as well as adult learners and for ensuring the development and management of the national system of recognition, validation and certification of competences. This broad mission of the agency justifies the view that it serves as a coordinating institution for the system as a whole. This was confirmed by the assessment workshop in which the stakeholders agreed that ANQEP is the institution that fulfils such a coordinating function. However, there is some disagreement as to whether the institution is sufficiently competent and whether the coordination is effective, especially considering the lack of a single framework.

As regards the presence of a 'VET dialogue', i.e. a permanent structure for deliberation and decision-making in which the various stakeholder groups are represented, social partner organisations and other relevant actors are participating in policy-making through advisory bodies (Section 5.2.1.2). There are 16 sector councils set up by ANQEP, which are composed of representatives of the ministries responsible for the sector in question, social partner organisations, enterprises, VET providers such as schools, IFEP training centres and private training providers, regulating authorities and researchers. The function of the sector councils is to monitor continuously the need for updates of the national catalogue of qualifications (CNQ), and to cooperate with ANQEP in the implementation of the necessary changes. This includes activities such as the identification of qualifications and competences that become necessary due to changes in the sector, the preparation of proposals for updates of the CNQ, the review of proposals made by other stakeholders, the provision of support for the design of qualifications, and networking with relevant authorities in each sector with the aim to facilitate innovation in the area of qualifications and competences. Other stakeholders (i.e. those not already participating in a sector council) can take part in this consultative procedure by submitting an application to the respective council via the ANQEP website. Accordingly, it can be concluded that

in principle appropriate institutional arrangements for a VET dialogue are in place at national level.

However, the assessment by the stakeholders reveals that the effective implementation of the VET dialogue is problematic. According to the view expressed by participants, results of the dialogue are not necessarily reflected in policy-making. In particular, the participation of VET schools is regarded as ineffective as there seems to be no 'follow-up' on their proposals, and a general observation is that actors play a consultative role but are not involved in decision-making.

Finally, the cooperation of learning venues at local level is considered. Given that the dual VET programmes in Portugal are largely school-based, this topic is currently of little practical relevance. Apart from the cooperation between schools and enterprises in organising work placements and on the corresponding formulation of training plans (Section 5.2.1.2), no specific institutional arrangements seem to exist.

5.2.1.4. *Quality assurance and development strategies*

Quality assurance and development strategies primarily refer to the practices and arrangements that are in place to carry out a continuous monitoring and evaluation of VET programmes. In the case of the Portuguese VET system, such structures for quality assurance exist but are relatively complex, which entails a certain risk that their effectiveness is compromised. Due to its complexity, many different entities are involved in the quality assurance process of the VET system. Some of these entities report to the Ministry of Solidarity, Employment and Social Security, others to the Ministry of Education, and others are subordinate to both. The most relevant institutions involved in quality assurance and their responsibilities are presented in Annex 3.

As with other programmes, the achievements, results and impacts of dual VET programmes are evaluated. Their evaluation results are available in the annual execution reports elaborated by the above-mentioned POPH, a programme that implements the thematic agenda for the human potential within the national strategic reference framework for 2007-13. The activity of the POPH is structured around 10 priority areas, with the first one on initial qualification (IVET) courses (including vocational/professional courses, CEF and CET). Figure 2 provides an overview of the criteria analysed within the annual execution reports of POPH, as well as the criteria analysed in the final benchmark that compares all types of IVET courses.

Figure 2. **Criteria applied in the annual POPH reports**

Criteria analysed within the annual execution reports of POPH	Criteria analysed in the final benchmark comparing all types of VET courses
<ul style="list-style-type: none"> • execution of the course (having the total number of trainees as indicators); • trainees flow (total number of trainees that enter the course, that leave the course); • trainees in terms of their employment situation, age group and region; • training volume (in terms of hours); • total number of trainees by training area; • distribution of trainees and hours of training by district. 	<ul style="list-style-type: none"> • the number and type of establishments supported (basic schools, secondary schools, private secondary schools, other establishments); and • financial execution of priority axis 1, allowing to compare the financial execution level of all typologies of IVET courses.

Source: Based on POPH annual execution reports:
<http://www.poph.qren.pt/content.asp?startAt=2&categoryID=378>

Considering that an external evaluation is mandatory, IVET programmes are often evaluated through studies conducted by private institutions, frequently at the request of public entities. Evaluation of the impact of employment and training policies on participants' employability, evaluation of young people and adults' enrolment, and the analysis of public expenditure on education and training, are examples of the topics of evaluation studies that are conducted.

On the whole, there is a structure of regular evaluation. However, the question remains as to whether this evaluation occurs with sufficient frequency and at the right intervals, and whether the information generated by the evaluation is actually 'fed back' into the system so that a continuous development and improvement of VET programmes is enabled. The outcomes of the stakeholder workshop on this issue suggest that this is not the case yet. The view held by most of the participants is that the evaluation of curricula or programmes does not take place on a regular basis but only sporadically, and that the evaluation does not seem to have any impact

The situation with regard to the qualification standards for training practitioners and their continuing professional development is as follows. First, the familiar distinction between teachers on the one hand and trainers on the other is not explicitly used in the literature on the Portuguese VET system even though there are clearly different types of training practitioners. Instead, the ReferNet country report uses 'VET trainers' as the umbrella term, defining a trainer as 'someone who performs in many different contexts, modalities and levels of learning by using different strategies, methods, techniques and instruments of assessment/evaluation'. Moreover, VET trainers as per the

aforementioned characterisation are expected to 'establish a diversified and effective pedagogical relationship with various groups or individuals to facilitate their acquisition of knowledge and competences as well as the attitudes and behaviours adequate to their professional performance' (ibid.). Despite this terminology, Portuguese 'VET trainers' should be considered teachers as indicated by the complex tasks at academic level that make up their professional profile.

Accordingly, the qualification standards for this professional group are characterised to a large extent by contents at the level of higher education rather than at the level of skilled work. There are regulations in two areas:

- (a) the basic requirements are regulated in the domain of the Ministry of Economics and Employment through the Ordinance 214/2011 of 30 May 2011, which stipulates that access to the 'profession' of VET trainer requires either a higher education degree or, in the event that candidates aim to deliver predominantly practical training, a minimum of five years of professional work experience in combination with a pedagogical certificate. The latter requires a completed course of initial pedagogical training, a recognition of pedagogical competence acquired through work experience, or a recognition of pedagogical competence certified by another diploma or certificate of higher education;
- (b) the Ministry of Education defines the legal requirements for entrance to the teaching profession in general, i.e. the rules for acquiring a higher education degree in teaching.

On the whole, training practitioners are included as a professional group which is characterised by qualification standards that are equivalent and/or identical with those of the teaching profession in general. This corresponds to the fact that Portugal has a State-centred system in which VET is largely delivered by educational institutions that operate like other public schools.

While the qualification standards for VET teachers and trainers show a satisfactory and even high level of professionalism, the question remains whether there is also an appropriate system of continuing professional development. According to the results of the assessment workshop, this is not the case. The stakeholders confirm that training practitioners are not systematically encouraged or required to participate in continuing training or otherwise develop their competences.

5.2.1.5. *Balanced outcome and input orientation*

The outcome orientation of Portuguese dual VET programmes can be highlighted through the above-mentioned national catalogue of qualifications (CNQ). This

instrument defines the position of each vocational qualification in terms of qualification level ('vertical axis') and in terms of the occupational domain ('horizontal axis'). Qualifications are described in three descriptors, namely:

- (a) professional profile, which includes characteristic professional activities as well as the knowledge and skills required to carry out these activities;
- (b) training framework, i.e. the outline of the curriculum that serves as the basis for training programmes that lead to the qualification in question;
- (c) framework for the recognition of prior learning (where applicable), i.e. the description of units of competence that can be demonstrated and validated with the aim to acquire a vocational certificate.

In principle, this structure indicates that mandatory objectives and standards for dual VET programmes are enshrined in the relevant legal documents. This is also the view expressed by the participants of the assessment workshop.

This outcome orientation also needs to be reflected in the assessment and examination procedures. According to the results of the desk research, the certification of professional competences achieved through the SNQ is demonstrated by the award of a qualification certificate or a diploma which recognises and certifies the gained adequate knowledge, capabilities and competences required to exercise a profession or professional activity. The examinations include the practical demonstration of professional skills and competences and, therefore, can be regarded as outcome oriented according to the characteristics identified in Section 2.3.1 (assessment procedures for selected dual VET schemes are presented in Annex 3).

In a similar vein, the participants in the assessment workshop confirm that examinations are designed to evaluate the competences that the learners are expected to acquire during their training. It is uncertain, however, to what extent the competence concepts underpinning the curricula and the examinations also reflect the notion of holistic professional competence or professional aptitude in the sense that instead of performing a finite set of specific tasks, learners should be able to act independently within a professional work context and to develop their own solutions to new problems.

The RVCC (*Reconhecimento, validação, certificação de competências*) is a validation system that enables the acquisition of vocational qualifications and other educational certificates on the basis of prior learning, especially work experience. Learners have the opportunity to acquire a complete qualification or to have single parts or units of a certified qualification. Accordingly, opportunities for the recognition of individual learning trajectories are in place. There is no information concerning the equivalence criteria.

Evidence of input orientation is provided by the regulations that are in place with regard to the certification of training providers ⁽⁷⁷⁾. The certification of the training provider is recognition of its capacity to execute training. The provider's resources are required to be sufficient for the activities it will offer. This means that there is a technical assessment of the adequacy of the objectives and contents of the training, the professional competences of trainers and the minimum requirements for physical facilities and equipment in relation to the training. On the whole it can be concluded that the system encourages providers to comply with specific standards in their operations so that their activities are indeed determined in part by certain norms and rules.

The certification system for training providers (managed by the Directorate General for Quality and Accreditation Services, DSQA) aims at elevating the capacity, quality and credibility of the training services provided, allowing better compliance with the labour market demands as well as better correspondence to clients' expectations. The present certification system not only enables recognition (in the training providers) of pedagogical practices in the development of training activities, but is also capable of ensuring regular follow-up of the training providers' activities through auditing actions. These two characteristics make the certification system for training providers (along with other mechanisms) a strong guarantee of the quality of the SNQ in Portugal.

There is also some degree of input orientation in the sense that typically a specific curriculum has to be completed before a vocational qualification can be awarded. According to the relevant legislation, a qualification included in the national qualifications framework can be accessed either by the successful completion of the related training programme outlined in the CNQ or by the above-mentioned RVCC procedure. This indicates that the principle of formal training as a route to vocational qualifications is in place, but only as one of two options which basically have equal standing. In practice, however, formal training programmes attract a much higher number of participants than the RVCC scheme (Cedefop ReferNet Portugal, 2012) and may accordingly be regarded as the standard pathway towards a vocational qualification, albeit on a small scale in terms of numbers of participants. The perception that the completion of a specific curriculum is generally a prerequisite for awarding a qualification is shared by the participants at the assessment workshop, who observe that this principle is enforced by the rules on financial support for VET students. According to these rules, a student must attend the entire programme to be eligible for a grant even

⁽⁷⁷⁾ The legal basis for the certification of training providers can be found in the Ordinance 851/2010.

if he or she has already acquired some of the knowledge and skills to be imparted.

5.2.1.6. *Adequate financing arrangements*

The skill formation system in Portugal is State-centred and apprenticeship in the strict sense does not exist. Accordingly it cannot be expected that the costs of training are covered by the government, the companies and the learners according to the normative model adopted for this study. Instead, a dominance of public financing can be observed. More specifically, the largest proportion of the financial resources in the VET system comes from government expenditure – and also from the families' own income – while EU funding has only started playing a supportive role in recent years. Apart from the coverage of direct costs related to the operation of public VET institutions, another important part of the government's financial undertaking is the provision of incentives to learners and companies.

While attending a dual VET course, developed among the network of IEFP centres, learners may be granted a set of social support initiatives as a way of covering the incurred costs by the course attendance. However, the attribution of this financial support depends on several factors that are analysed on a case-by-case basis depending on each candidate's personal situation, and is subject to compliance with predefined legal requirements and the presentation of valid supporting documents. In general, the financial support available covers the following factors: study materials; professionalisation; training; food allowance; transport allowance; and care allowance.

The incentives for companies are focused on reducing unemployment rates, which especially affect young people. Different initiatives have been developed aimed at promoting youth integration into the labour market and raising companies' provision of training.

The participants at the assessment workshop also emphasise that the public sector is the most important actor in financing dual VET in Portugal.

With regard to the specific criterion that learners should contribute by accepting moderate (and progressively increasing) wages reflecting their productivity, the outcome of the workshop is that such a scheme is ruled out by the existing regulations on minimum wages.

5.2.2. **Priorities for policy development**

In addition to the results of the evaluation according to the conceptual framework, the desk research suggests that even though various reforms were implemented in recent years starting with the setting up of the national system of qualifications, the overall impact in terms of raising the relevance and attractiveness of dual

VET is still limited. Safeguarding an adequate supply of skills is still crucial for the Portuguese economy since the qualification levels of the Portuguese population are still low, including among young people.

There is significant mismatch between the training supply and the labour market demands (Pedroso et al., 2011, quoted in Cedefop ReferNet Portugal, 2012) (Section 5.2.1.2). It appears that there is an over-supply of training areas relating to medium-skilled jobs (but only with low demand in the labour market), while there are not enough providers of qualified workers in the areas of food, construction and industry, which are in high demand in the labour market. As such, actions recommended by the authors (Pedroso et al., 2011, quoted in Cedefop ReferNet Portugal, 2012) include the 'development of strategies to support VET providers in redirecting/updating their supply towards the areas in greater demand in the labour market, and to analyse those sectors further where there are discrepancies between individuals' competences and the jobs they are performing' (Cedefop ReferNet Portugal, 2012, p. 39).

With regard to future developments, Portugal 2020, the current programming framework, and the *Programa Operacional do Capital Humano* (operational programme of human capital – POCH) seek higher diversity in the possible learning pathways, a reinforcement of the dual VET options, particularly better oriented to the needs of the national and regional markets, and so promoting equal access to education and training systems as well as its quality levels. In this sense, it can be anticipated that the ESF will contribute (among other things) to developing improved ways of evaluating and guiding students. It will also contribute to monitoring the system and its evaluation and to instruments promoting better alignment between the supply and demand of qualifications.

5.3. Visions and strategy options for developing dual VET

The two visions developed portrayed a mid-term perspective and respective strategies that would enable the achievement of specific policy goals. The two visions, although focused on desirable outcomes, aimed at being realistic and attempted to correspond to some of the government's objectives. Vision 1 is highly oriented towards a more educational perspective, while Vision 2 gives more support to companies and to competitiveness objectives. Further, both visions aimed at improving the general public opinion about VET, and for that reason, both advocate the dual VET pathways as equally prestigious as other modalities towards labour market integration.

5.3.1. Vision 1: systematisation and anchoring in educational goals

In 2020, (dual) VET will emerge as an articulated and integrated modality among the diversity of primary and secondary education and training opportunities in Portugal. The harmonisation and stabilisation of the training system will translate into a stronger recognition of these pathways embedded with specific characteristics rather than being acknowledged as an alternative and less prestigious educational pathway.

Within this time framework, (dual) VET will play a leading role in bringing Portugal a step closer to meeting the goals established by European agreements in the field of education, in particular to those related to priority objectives such as reducing early school leaving and increasing the number of youth attending secondary vocational training.

By 2020, referral mechanisms for (dual) VET will have been developed based on quality practices that will result in the creation of reference vocational schools within the public school network. Consequently, this type of education and training will enjoy greater recognition among different socioeconomic actors.

In addition, (dual) VET evaluation mechanisms will have been established allowing the measurement of the impact of advocated changes and facilitating improvements to optimise the system as a whole.

Table 15. Drivers for vision 1

Endogenous drivers	Exogenous drivers
<ul style="list-style-type: none"> • Change of the legal framework with the approval of the dual VET system • Significant know-how of actors that have been promoting VET in Portugal • Progressive increase in the number of students choosing VET pathways 	<ul style="list-style-type: none"> • Socioeconomic implications of a high rate of early school leaving and of an increasing number of people not in employment, education or training (NEETs) • Political priorities in the field of education, goals and measures created to approach the established goals

Source: Stakeholder workshop, Porto, 6 November 2014.

5.3.2. Vision 2: articulation and anchoring in competitiveness objectives

In 2020, dual VET will emerge as a key element for promoting youth employment and entrepreneurship, while contributing to the achievement of educational and competitiveness goals.

Establishing itself as an articulated and integrated modality within the diversity of primary and secondary education and training opportunities in Portugal, dual VET will be built on a strong network of cooperation between the various actors involved, in particular, schools and companies that will be committed to improving the matching of the training opportunity to the qualifications required by the job market and to increasing the employability of young people.

In 2020, funding mechanisms that will encourage business participation in dual VET and that will empower youth will have been established keeping the parties committed to the education/training process and facilitating the integration into the labour market of young people who follow VET pathways. Being part of the process and contributing to the quality of the courses and to their matching to the priority needs of the country, companies (involved in various stages of the process, but playing a key role in workplace training) will recognise as an asset the skills and qualifications acquired by young people. They will also contribute to the progressive adjustment of the curriculum to the needs of the companies and will promote the dissemination of VET pathways as prestigious as other modalities towards labour market integration.

Table 16. **Drivers for vision 2**

Endogenous drivers	Exogenous drivers
<ul style="list-style-type: none"> • Change of the legal framework with the approval of the dual VET system • Significant know-how of actors that have been promoting VET in Portugal, especially of corporate reference entities in dual education; • Progressive increase in the number of students choosing (dual) VET 	<ul style="list-style-type: none"> • Socioeconomic implications of a high rate of early school leaving and of an increasing number of NEETs • Political priorities in the field of education, goals and measures created to approach the established goals • Growing concern over the increase of the employability of young people through ensuring better matching between the skills of the human capital and the needs of the labour market

Source: Stakeholder workshop, Porto, 6 November 2014.

5.3.3. Strategy options

5.3.3.1. Cross-cutting measures

Stakeholders participating in the workshop considered both visions as highly relevant for dual VET. Recognising the importance of both education and employment aspects/objectives, participants opted for combining the visions rather than choosing one.

The implementation of the proposed visions involves the design and implementation of a cross-cutting strategy that requires the existence of a consistent legal framework that values dual VET as an integral part of the education and training offer, which legally sets the responsibilities of different agents, facilitating not only the definition and optimisation of resources, but also open dialogue among stakeholders, thus setting evaluation and quality control mechanisms for VET.

This strategy will imply:

- (a) standardisation and clarification of different levels of qualification, ensuring permeability between offers and education and training systems, i.e. ensuring the existence of an integrated matrix for aggregating different modalities and clarifying their specific differences (e.g. those which relate to the post-secondary vocational and education training);
- (b) recognition of stakeholder complementarities (including educational/training entities, companies, research organisations and social partners) and their different responsibilities and forms of organisation, ensuring proper definition and participation in dual VET, as well as working in partnerships within their respective components (sociocultural, scientific, technical, practical, and workplace training);
- (c) establishment of an independent system of monitoring, evaluation and certification, meeting the specific requirements of dual VET, with the rigour of similar systems implemented in other education systems, and which allows the evaluation of the quality of the system and of its components and agents;
- (d) definition of requirements and conditions that underlie the continuation of studies, ensuring balance among students who choose different pathways, appraising them equally;
- (e) guarantee of the autonomy and flexibility in management of schools and in the direct and ongoing involvement of companies and corporate reference entities in dual VET, to ensure that it responds effectively to a quality education, matching the expectations of students and the emerging needs of companies and of the economic sectors.

5.3.3.2. *Specific measures*

Additionally, each vision entails the existence of a set of measures that should also be included in the strategy. These specific measures are presented in Table 17.

Table 17. **Specific measures for visions 1 and 2**

Vision 1	Vision 2
<ul style="list-style-type: none"> • Ensuring the pedagogical autonomy of schools in defining an adequate curriculum with the relevant partners • Ensuring that the sociocultural and scientific training components fall under the responsibility of the public schools, the private and cooperative, and the vocational schools allowing the involvement of all social partners 	<ul style="list-style-type: none"> • The creation of mechanisms to mitigate both the effect that the fragility of the business environment generates in terms of the absorption capacity of the business sector and the relationship difficulties between the education system and the labour market in terms of the potential match between supply and needs. These mechanisms should include financing instruments for companies that stimulate their participation in (dual) VET and encourage the integration of young people into companies. • Ensuring the specialised training of trainers in companies, assuring not only the quality of workplace training, but also the companies' commitment to the education/ training process.

Source: Stakeholder workshop, Porto, 6 November 2014.

CHAPTER 6.

Country analysis: Spain

The findings presented in Sections 6.1 to 6.3 are based on the research activities implemented between January and October/November 2014 and the subsequent analysis and interpretation of the information collected during that time.

6.1. Apprenticeship and other dual VET schemes in Spain

In Spain, an integrated vocational education and training (VET) system was regulated by the Organic Law on Qualifications and Vocational Education and Training (Law 5/2002 of 19 June). However, in fact, two different VET subsystems can be distinguished: the initial VET (IVET, leading to diploma) and the vocational training of employment (CVET, leading to professional certificate), which are regulated by separate royal decrees.

The national system for qualifications and VET forms an umbrella for VET programmes leading to formal qualifications awarded by education or employment authorities. The system takes the occupational standards national catalogue (*Catálogo Nacional de Cualificaciones Profesionales*, CNCP) as the reference point.

Historically, IVET has been poorly connected with the labour market, mainly school-based with only a marginal apprenticeship approach. It was modernised in the 1990s, with the implementation of the Organic Law on the General Organisation of the Education System ⁽⁷⁸⁾, known as LOGSE (LOGSE, 1990). This law increased by two years compulsory education (from 14 to 16 years) by creating a mandatory secondary education cycle of four courses ⁽⁷⁹⁾ (ISCED 2), from 12 to 16 years. For learners who failed to achieve the compulsory education degree, the so-called social guaranty programmes (PGS) were created. These programmes provided some professional qualification at lower level, but were not connected to the education system.

⁽⁷⁸⁾ An 'organic law' is a law under the Spanish Constitution which requires the affirmative vote of a majority of members of the House of Representatives to be approved. See list of legislations at the end of this publication.

⁽⁷⁹⁾ *Educación Secundaria Obligatoria* (ESO).

With a view to increasing the social value of IVET, the LOGSE removed the option of gaining admittance to an intermediate level of IVET cycle ⁽⁸⁰⁾ (ISCED 3) without the secondary compulsory education degree. In addition, a higher IVET cycle ⁽⁸¹⁾ was created (ISCED 5). For enrolling in programmes at this level, a successful completion of general upper secondary education (*Bachillerato*, equivalent to ISCED 3) was required, as with other higher education programmes (e.g. universities) ⁽⁸²⁾. Additionally, for both IVET cycles – the intermediate and the higher level VET – the so-called ‘training on-the-job’ module (*formación en el centro de trabajo*, FCT) was introduced. This module accounts for 400h and must be followed at the end of the programmes. It is organised in cooperation with companies and adds a company-based training element to what remains a mainly school-based model.

The Spanish IVET model can therefore be summarised as a mainly school-based dual VET scheme (Table 18), or alternating duality model (in line with the conceptual framework of this study, Box 1) in which a relatively long phase of full-time school-based vocational education is followed by a short phase of on-the-job learning allowing learners to practise in the company what they have learned in the training centre. The module FCT is an essential feature of the system, and all students of initial vocational training courses benefit from a stay in the business environment allowing them to have a first contact with the professional workplace before graduation.

Since the implementation of LOGSE the structure of the education and vocational training system has remained stable. However, successive reforms tried to address some of the problems that the LOGSE has left unsolved, such as the difficulties to reintegrate those young people who left school before completing mandatory secondary education, due to the rigidity of the system for providing a bridge back to formal education (Homs, 2008) ⁽⁸³⁾.

⁽⁸⁰⁾ *Ciclo formativo de grado medio.*

⁽⁸¹⁾ *Ciclo formativo de grado superi.*

⁽⁸²⁾ Currently there are 133 intermediate and higher IVET cycles recognised across the 26 professional families established in the national catalogue of professional qualifications.

⁽⁸³⁾ In this sense, it is worth noting that the statistical approach followed by Eurostat to define early school dropout (around 30% of young people aged 18-24 since the 2000s) hides the high percentage of pupils in Spain that fail to achieve the mandatory secondary education degree (García et al., 2013). In 2011 the gross graduation rate for the mandatory secondary education (ESO) was 74.3% (Ministry of Education, 2014).

One of the instruments introduced to combat school failure relates to the regulation of the initial vocational qualification programmes (PCPI) ⁽⁸⁴⁾ in 2006. These programmes provide young people over 15 with an academic certificate of completion. This can be used for participation in training courses to gain a professional skills certificate or to obtain a secondary compulsory education degree. The initial vocational qualification programmes will be progressively replaced by the 'basic VET courses', which will start during 2015-16. Basic VET will be a transitional course addressed to young people aged 15 to 17 that have ended the third course or exceptionally the second course of the secondary mandatory education. The courses will combine teaching in maths, literacy and other academic subjects with teaching in a vocational field, including training at the workplace. Pupils that pass the course will gain a basic technical professional diploma (ISCED 3).

More recent initiatives aim at strengthening work-based elements and allowing for more apprenticeship-like models to evolve. In 2012, the government regulated a dual integrated training model (in line with the conceptual framework of this study through the Royal Decree (RD) 1529/2012. This decree aims to develop a model based on greater cooperation and involvement of the company in the IVET system. It aims to favour active participation of the company in the training process of the learners and to strengthen the links between the company and the training centre. It is required that a minimum of 33% of the vocational training takes place in the company. Regulation of the relationship between the learners and the company is not prescribed and can take different forms. RD 1529/2012 stipulates two paths: a scholarships path and an employment path. With the scholarship path, which involves a training contract, pupils can receive a grant, the amount of which is not prescribed, from the company, from institutions, foundations or public administrations. The employment path is regulated with a training and apprenticeship contract and is addressed to young people aged 16 to 30. The apprentices receive wages.

In the vocational training of employment subsystem the effective working time cannot be higher than 75% during the first year and 85% during the second and third year of the working time established in collective bargaining. Wages for the contract are set up in collective bargaining and cannot be lower than the minimum wage. The training content (at least 25% during the first year and 15% during the second and third year) of the contract must be followed in a training centre or an educative centre.

⁽⁸⁴⁾ *Programas de Cualificación Profesional Inicial.*

One of the positive elements in introducing the above described experimental models of dual integrated training in Spain is that they are based on the same existing qualifications as in the school system. The dual integrated training model is only a different teaching model or a different route to acquire the same qualification, so that the permeability in the training system is guaranteed. Further, dual training is not confined to certain programmes or specialties, but is open to all existing programmes using the occupational standards national catalogue.

At the time of research, the programmes based on the new model of integrated dual training were still in a very early stage, only being implemented on a pilot basis ⁽⁸⁵⁾.

Box 16. **Dual VET – examples of pilot projects**

Dual VET pilot in Madrid

In Madrid, dual vocational training was implemented in nine training centres with 15 higher vocational training specialties in 2013/14. The community of Madrid has chosen the path of scholarships to regulate the relationship of the pupils with the company. The pupils receive a grant of EUR 300 per month from the company and are listed as interns in the general system of social security during their stay at the company. The experience is only available in higher IVET cycles and for a period of two years. In this model the student remains in the company for 12 consecutive months, even in period of annual leave, and 9 months at school. The company and the VET centre designate their tutors to monitor the programme during the two academic years. Due to the absence of a labour contract between the company and the student this pilot project cannot be regarded as an apprenticeship in the strict sense. Due to the educational focus on higher education and its work-based component the pilot experience can be regarded as tertiary education (ISCED 5B) within mainly school-based other dual VET schemes (Table 14).

Dual VET pilot in the Basque Country

In the Basque country the dual vocational training is based on a training and apprenticeship contract. A call for project proposals addressing vocational training centres was launched by decree in January 2014. The dual programme is addressed to public and private schools in the Basque Country educating young people aged 16-30 years who are enrolled in a vocational training cycle. The dual system of alternating vocational training will be developed through the sharing of training responsibilities between training centres and enterprises. The duration of training in the centre must comply at least with those assigned with each module in the official regulation of the IVET system. Students participating in a training and apprenticeship contract will be fully or partly exempt from taking the module FCT. For the full

⁽⁸⁵⁾ The data that became later available revealed that 14 regions implemented dual projects in 2013 and 17 regions in 2014.

exemption, the duration of the contract shall be at least one year. The project module of the curricula, if any, may take place in the context of working in the company.

In general, the dual projects will include a first course of the vocational training cycle in the training centre and a second vocational training course alternating between the centre and the company. Projects may also be submitted that include a longer duration of the period of alternation, which may involve the inclusion of formative aspects of specialisation required by individual companies or sectors of production. The projects exceeding one year in duration of the alternating period must be approved by the Deputy Ministry of Vocational Training. In the year 2013/14 the implementation of dual vocational training has affected 228 students, 198 from cycles of higher IVET and 30 from the intermediate level, 111 centres from the public sector and 117 from the private sector. 181 companies have cooperated in the programme that has covered 16 specialties.

The Basque experience can be regarded as mainly school-based apprenticeship (in the strict sense) available for students at ISCED levels 3B (upper secondary education and ISCED level 5b (tertiary education) and is therefore, within the scope of the study.

Dual VET pilot in Catalonia

Catalonia has regulated dual integrated training under Resolution ENS/1204/2012 of 25 of May. The Catalan case is interesting as it provides two different dual VET models: a contractual and a non-contractual one. The relationship of the trainees with the company can be based on an ordinary labour contract (employee), an apprenticeship contract, a grant holder (*becario*) or voluntary relationship. Cooperation between companies and training centres is done by agreements, the bases of which are regulated by the Employment Department of the regional government. Training at the company can only be followed in the second course of the IVET cycle (technical or higher). The maximum time for both kinds of training is 40 hours per week, respectively eight hours per day. The stay in the company is divided into two phases: In the first phase students initiate the adaptation to the work of the company. At the end of this period, the paid stay begins with a labour contract or a grant according to the criteria previously agreed between the company and the training centre. For each student the training activities in the company to complete their qualification as well as the schedule for the training at the company are agreed. At the time of writing this report, for the year 2013/14 ⁽⁸⁶⁾ it was expected that more than 2 000 students would participate in dual vocational training courses in 50 training centres with the cooperation of some 270 companies.

The contract version of the pilot project can be regarded as mainly school-based apprenticeship (in the strict sense) on upper secondary level while the non-contract version of the pilot is a mainly school-based other dual VET scheme.

Source: Cedefop.

The classification of the dual VET schemes/pilot projects in Spain according to the conceptual framework of this study is summarised in the Table 18.

⁽⁸⁶⁾ Figures for 2014-15 were not available yet at the time of writing in July 2015.

Table 18. **Classification of dual VET schemes in Spain**

	Apprenticeship (in the strict sense)		Other dual VET schemes	
	Mainly company- based (>50%)	Mainly school-based	Mainly company- based (>50%)	Mainly school-based
Upper secondary education (ISCED 3B)		Dual vocational training (pilot project, Basque Country) – intermediate level Dual vocational training (pilot project, Catalonia) – labour contract version		Intermediate-level VET(<i>ciclo formativo de grado medio</i>) Dual vocational training (pilot project, Catalonia) – non- labour contract version
Post-secondary education (ISCED 4)				
Tertiary education (ISCED 5B)		Dual vocational training (pilot project, Basque Country) – higher level	Dual higher level vocational training (pilot project, Madrid)	Higher-level VET (<i>ciclo formativo de grado superior</i>)

Source: Cedefop.

With regard to the participation in and relevance of IVET programmes, the Statistics of the Ministry of Education (2014, latest figures available for 2011/12) show that in 2011-12 there were 312 016 pupils enrolled in intermediate or technical IVET cycles (55% men and 45% women). In the same period, 303 063 pupils (50% men and 50% women) were enrolled in higher IVET cycles⁽⁸⁷⁾ (compared to 1 595 159 enrolled in university studies). The proportion of IVET learners among all learners participating in formal education was 6%. In the same period there were 84 271 pupils (69% men and 31% women) enrolled in initial vocational qualification programmes (PCPI).

As regards the country context, Spain represents a distinctive ‘Mediterranean’ style of capitalism (Rhodes, 1998) or ‘mixed market economy/MME’ (Hall and Gingerich, 2004). Although it has developed institutional capacities for strategic coordination in labour relations and corporate governance (Royo, 2007) a lack of effectiveness of the trade unions at the level of the workplace limits the capacity for strategic coordination (Banyuls et al., 2009). Overall, the Spanish employment model is difficult to classify and

⁽⁸⁷⁾ To gain access to this level the same requirements as for accessing the tertiary education system have to be met, namely the general upper secondary education (*Bachillerato*, equivalent to ISCED 3).

combines characteristics of different productive and welfare regimes (ibid., p. 2) with both conducive and impeding factors concerning the development of apprenticeships. For example, trade unions are weak in terms of in-company presence, but they are strong at institutional level. In addition, they have high legitimacy in the public sphere. Also, the educational polarisation (both a high proportion of low skilled poorly prepared for employment and a high proportion of young people in the university system) could be both interpreted as an obstacle (in terms of a stable pattern) or as a chance (in terms of a need) for an apprenticeship system to develop. From this context, the idea and expansion of an apprenticeships system in Spain may face few difficulties at the institutional level, but some resistance for the implementation at company level and as regards the interests and preferences from individuals and families can be expected. Finally, coordination among economic actors strongly differs from region to region, so that it cannot be taken for granted that what works in one autonomous community will also work in other autonomous communities.

6.2. Assessment of governance and financing

6.2.1. Dimensions of the governance model

In the following subsections the governance and financing mechanisms of the Spanish dual VET schemes and the pilots of new dual integrated training model are assessed based on desk research and stakeholder workshops. It has to be noted that when the different criteria were assessed by the Spanish stakeholders, most assessed the new schemes piloted in Catalonia, Madrid and the Basque Country (based on the integrated dual training model), while the rest assessed the existing traditional model of mainly school-based IVET. Therefore, in the analysis below, where relevant, the statements of the experts are presented in relation to different assumptions.

6.2.1.1. *Consistent legal framework*

The legal basis for the current VET system, including the dual VET, is the Organic Law 2/2006 and the RD 1147/2011 that established VET in the education system and the RD 1529/2012. The Organic Law 5/2002 on Qualifications and Vocational Education and Training aimed to integrate all different kinds of training systemically and improve the match between the demand for and supply of training. To meet these goals, Law 5/2002 established the occupational standards national catalogue (CNCP).

The occupational standards national catalogue is regulated by the Royal Decree 1128/2003, of 5 September. This catalogue is the reference point to

design the qualifications and training provision of the VET diplomas (provided by the Ministry of Education) and of the professional certificates (provided by the State Employment Public Service and the competence administrations of the autonomous communities). Its goals are to improve the match between demand and vocational training provision; to promote the integration and quality of all different kinds of training programmes offered within the VET system; to make lifelong learning easier with the accreditation of skills and competences acquired in different training fields (formal education, workplace training, work experience, etc.); and to contribute to the transparency and unity of the labour market and to the mobility of workers.

Although Law 5/2002 regulated an integrated VET system, the IVET and the CVET subsystems are regulated by two different royal decrees (Section 6.1). As regards IVET, Royal Decree 1147/2011 states that its mission is to train learners in a professional field and make their adaptation to the changing conditions of the labour market easier. The IVET subsystem also aims to contribute to personal development, lifelong learning and active democratic citizenship.

The Royal Decree 1529/2012 (Section 6.1) gave new impetus to the development of the apprenticeship system in Spain. However, before that decree was enacted, three autonomous communities had already regulated a dual integrated training model: Catalonia, the Basque Country and Madrid (see Box 16). The decree provided a general framework, which fitted in with experiences already promoted by some communities. The decree also broadened the concept of dual vocational training to cover the learning experiences and curriculum/training programme definition that education departments of some regions had begun to negotiate with local companies.

Finally, attention should be drawn to the Organic Law 8/2013, of 9 December, for the improvement of the quality of education (LOMCE). The main changes introduced in the IVET system concern regulating the basic VET courses, improving the permeability within the IVET system and regulating the conditions and basic requirements for the implementation of the dual integrated training model in the education system.

In Spain, there is no consistent regulatory framework in place for the emerging model of integrated duality training regulated in 2012 as only a very general framework is provided by the State which can be adapted to regional circumstances by the authorities of the autonomous regions. This was also confirmed by the experts participating in the stakeholder workshop who stated that a unique and coherent regulatory framework is missing and that different autonomous communities are developing and piloting different dual models, using different approaches. In this respect, most of the experts pointed out that the emerging process requires more coordination at national level. Some experts

criticised the lack of consistency while others pointed out that, in the current phase of introduction of the new model, it is a good idea to provide the autonomous communities some freedom to experiment with different governance and regulatory mechanisms.

While evaluating the traditional, mainly school-based dual model, experts agreed that the legal framework is relatively consistent. Although the degree of decentralisation is high at the level of implementation, there is a national regulatory framework that clearly establishes the distribution of competences among the central government and autonomous communities. However, some experts argued that the regulatory framework is also complicated due to the existence of two different royal decrees regulating the training system.

Regarding the cooperation of the different learning venues, Royal Decree 1529/2012 indicates that within the new system of integrated dual training responsibilities should be shared between the training centre and the company and that at least 33% of the overall training has to take place in the company. However, experts of the second stakeholder workshop pointed out that the national government has not set up precise procedures regulating the relationship between the training centre and the learner. Furthermore, the RD specifies contractual and educational aspects of the apprenticeship contract; however the relationship between the learner and the company is not regulated by the RD and may take different forms (Section 6.1).

6.2.1.2. *Balanced allocation of strategic and operational functions*

Spain has a complex VET governance system with a high degree of power decentralisation to autonomous communities regulated by the Organic Law 9/1992 of December 23. The Education Administration is organised according to a decentralised structure and competences are shared between the State general administration and the autonomous communities.

At national level, the Ministry of Education, Culture and Sport is the most important institution of the State general administration. According to the Royal Decree 257/2012, of 27 January, the Ministry is in charge of developing proposals and implementing the government policies on education, vocational training and universities. The highest executive body through which the Ministry performs its duties is the Secretariat of State for Education, Vocational Education and Training and Universities.

As far as IVET training is concerned, the principal executive body within the Ministry is the Directorate General for Vocational Training. Its main functions are:

- (a) to establish the basic standards of the IVET system within the education system and to set up the diplomas of the IVET cycles;
- (b) to elaborate the legal regime of the public IVET teachers;

- (c) to establish the guidelines for establishing the official diplomas of IVET cycles;
- (d) to establish the training offer of the IVET system and the training offer of PCPI programmes;
- (e) to elaborate and update the CNCP and the modular catalogue of the vocational training;
- (f) to elaborate the tools to support and evaluate the mechanism that acknowledges professional competences.

The autonomous communities are responsible for the implementation of basic State standards and the regulation of non-basic aspects of the education system, as well as for the administration of the education system in their territories. In addition, there are functions that are shared between the Ministry of Education and the regional education authorities: for example decisions on educational policies that affect the system as a whole and educational planning in general, specific aspects regarding the exchange of information for educational statistics, the implementation of educational research, the general regulation and continuing education for teaching staff and the register of educational institutions.

The above described governance structure and arrangements indicate that the requirement that the national level is responsible for strategic functions and the local level performs operational functions is met.

A specific aspect to consider is the question whether there is a national standardisation of occupations that allows for a flexible and localised implementation. This requirement is met as the above-mentioned occupational standards national catalogue ensures national standardisation of occupational profiles. In relation to developing curricula, 45%-55% is set at national level while the remaining curricula contents are adapted by autonomous communities to their socioeconomic conditions. The government approves the VET diplomas and programmes (with 45%-55% of national curricula) which ensures validity and consistency of qualifications across the country. The education providers are given some pedagogical, organisational and administrative autonomy.

The stakeholder workshop confirmed that although vocational qualifications, occupational profiles and curricula for both the existing IVET and for the experimental models of dual integrated training are defined and established at national level, training and education centres have autonomy to adapt the training contents, methodologies and learning activities to their specific local contexts. Thus, discretionarily the principle was relatively well defined in the legal framework as well as in practice. Some experts even mentioned particular examples of companies that have created training centres adapted to their needs that provide official VET diplomas following the national agreed standards.

6.2.1.3. *Involvement/integration of the various bodies*

The results of desk research and stakeholder workshops suggest that the representatives of all relevant institutions are involved in organising and delivering dual VET. The Ministry of Education and the autonomous communities play a major role (Section 6.2.1.2), while the sectoral conference for education is in place to coordinate their activities. It is chaired by the Minister for Education and consists of those responsible for education in the different autonomous communities. Its main aim is to achieve the maximum cohesion and integration when implementing the decisions on educational policy made by the State administration and the autonomous communities. It is also the institution that allows the regional and national administrations to exchange points of view and discuss problems which may arise in the education system.

Social partners are involved in developing the standards. Together with national and regional public administrations and VET providers associations, employers and trade unions are a part of the General Council on Vocational Education and Training (CGFP), which is the government's advisory body, the responsibilities of which include designing and renewing professional qualifications in VET. The qualifications are designed by working groups, comprising experts from the professional field and vocational training. There are 26 working groups, one working group for each professional family.

When assessing the traditional mainly school-based IVET system, the experts generally agreed that the legal framework adequately defined the responsibilities of the various bodies. They also tended to agree that social partners were adequately integrated in the system, especially in the phase of defining and establishing vocational qualifications or occupational profiles. However, they claim that in the experimental model of integrated dual training the participation of social partners is not well defined. It is also not specified how different actors (social partners, IVET centres, and companies) should coordinate their activities.

Regarding the piloted integrated dual training model, some experts also criticised the lack of intermediary bodies or institutions in charge of coordinating the relationship between the training centres and the companies. In this sense, they argued that local chambers of commerce should be more involved. However, this viewpoint varied in the discussion: some experts pointed out that the situation differs according to the autonomous community since in some regions (e.g. Basque Country) chambers of commerce are actively involved in the VET system, providing support to training centres in the process of involving companies. Whereas other experts argued that in other regions (e.g. Catalonia) the regional administration is taking an active role in searching companies for participating in the VET system. Bearing that in mind, it can be concluded that

there is no institution in place that is recognised at national level to coordinate the process of selecting companies to offer experimental dual VET programmes.

Some experts suggested that researchers should be more involved. Some also noted that researchers are involved in the phase of defining and establishing vocational qualifications or occupational profiles since every qualification is defined by working groups made up by experts.

6.2.1.4. *Quality assurance and development strategies*

Initial VET is modularised according to the occupational standards national catalogue, with descriptions of competence requirements, evaluation criteria and learning outcomes. The responsibility for assessing educational outcomes and providing tests lies with the educational training centres under the supervision of the educational inspection. Practice in enterprises is assessed by the teacher-tutor responsible for follow-up with the help of the company's contact person who has overseen the practice at the company. In the pilot projects of integrated dual training a variety of models are used, but in general the assessment of educational outcomes and certification is the responsibility of the training centre.

As regards regular evaluation of occupational profiles, it is the responsibility of INCUAL. The INCUAL monitors qualitative and quantitative changes in the labour market with a network that includes sectoral and regional observatories. In addition, it consults the working groups of the CGFP on modifications of professional standards. The INCUAL and CGFP follow a demand-driven approach that aims to identify the most significant tasks demanded in the productive system.

During the stakeholder workshop, some experts criticised the lack of flexibility of the occupational standards national catalogue. According to them, the catalogue does not respond in a timely manner to labour market demands. It was claimed that the standards should be updated faster to meet the changes in the labour market (currently the catalogue must be updated at least every five years).

Another aspect to consider in relation to quality assurance is the qualification requirements for VET teachers and trainers and the system for their continuous professional development. In Spain, IVET teachers are required to have a university degree and a postgraduate degree in pedagogic studies ⁽⁸⁸⁾. Training

⁽⁸⁸⁾ With regard to the public teachers, they are civil servants. In order to qualify for a teaching position in the public teaching sector, candidates have to pass a competitive examination established for each of the various teaching bodies of the civil service. In the private sector a teacher's status is regulated by private labour law. They are hired by the owners of the training centres. In some cases,

or working experience in a particular professional field is not required. Regarding the continuous training of teachers, it is worth noting that the Organic Law of Education defined lifelong training for teachers as a right and as a duty. Training for public teachers is the obligation of autonomous communities. Thus, training programmes can differ among regions. All autonomous communities have a network of institutions which provide teacher training activities.

In addition to teacher training centres, university departments, institutes of educational sciences, professional associations and unions may also offer activities to foster teacher training. The Ministry of Education has also signed agreements with most employers' organisations, trade unions and the Council of the Chambers of Commerce. These agreements enable them to train teachers in companies of each sector. At the same time, employers' organisations are preparing teaching materials for VET.

There is neither a comprehensive system for the development of in-company trainers/tutors nor qualifications standards. Overall the quality assurance of the company-based part of training remains weak. However, given the school-based dominance of the IVET system, in which quality assurance naturally focuses on teaching processes and school quality, this does not come as a surprise.

With respect to the evaluation measures, most of the experts concluded that the system lacks proper evaluation mechanisms. Experts also pointed out that, if such evaluations are conducted, outcomes are usually taken into consideration only marginally for improving or reforming the system. Most of the participants agreed that evaluation mechanisms should be extended and improved. In this sense, some experts stressed that a field that should be looked at relates to the training at the workplace. It was observed that knowledge about how the companies train apprentices is very limited and should be improved before further implementing the new model of integrated dual training. Other aspects mentioned that should be evaluated related to the dropout of the learners of VET programmes and to the professional trajectories of the VET learners.

6.2.1.5. *Balanced outcome and input orientation*

Those experts who perceived the system as outcome-oriented in the workshop were mostly evaluating the way qualifications are defined. Since every qualification is defined in terms of learning outcomes expected, they understood that the model is output-oriented. However, the Spanish IVET system obviously fulfils other output criteria, for example examinations are oriented towards

educational institutions may also hire specialised teachers for certain professional modules. These teachers do not need to have any formal qualification.

learning outcomes and there are possibilities of recognising learning outcomes outside regular training programmes.

In respect of the question whether the system is input-oriented or output-oriented, experts mostly agreed that the traditional model of mainly school-based dual VET was more an input-oriented or bureaucratic governance model.

As regards pilot model of integrated duality, there are no mandatory objectives and benchmarks defined in law. The Royal Decree 1529/2012 only provides a very general framework which is further developed by each autonomous community and adapted to local circumstances in pilot projects (Section 6.1).

6.2.1.6. *Adequate financing arrangements*

The traditional dual mainly school-based VET system in Spain is a State-centred financed VET system whereby the government has the primary responsibility of financing training. Main bodies financing VET are the Ministry of Education and the autonomous communities by its education departments. For the learner, technical or intermediate IVET cycles in some autonomous communities, as well as non-university education, are free. In higher IVET cycles learners have to pay to enrol (the amount varies from region to region rising up to EUR 400 for the whole course). However, the government offers grants and discounts in high IVET cycles to some groups.

In the pilot projects of the integrated duality different financing models are found, as the national regulation does not prescribe the relationship between the learner and the company, the responsibility of the company and its involvement in financing. In the Basque Country for example the relationship between the learner and the company must be regulated by a training and apprenticeship contract. The payment of an apprentice cannot be lower than the minimum wage established by collective bargaining for a specific profession. In Madrid the companies must pay the learner a grant of EUR 300 per month. Hence, within this new, piloted dual model the companies finance part of the training system.

Apprentices also contribute by accepting moderate wage/remuneration. In Catalonia, companies can choose different options, including a voluntary relationship path, in which apprentices assume an important share of the costs.

Regarding the role of the government, companies can receive a subsidy from the autonomous community for providing on-the-job placements. Further, the Spanish government offers discounts on the contributions to social security to companies that hire young unemployed under any contract with a training content

available under Spanish legislation (for both the traditional and experimental dual training models) ⁽⁸⁹⁾.

Due to different implementation strategies in the regions, it is not yet clear what kind of financing model will evolve from the experiments with the integrated dual model. Some experts pointed out that although the State traditionally plays the most important role, the company can start to assume some of the costs in the form of labour contracts, if the new model progresses. Other experts argued that the fact that in some autonomous communities learners receive a very small income while they work in the company implying that pupils are also assuming part of the costs. Due to the fact that Spain lacks a national model of integrated duality, experts could not achieve a general conclusion on the different payment schemes in place.

With regards to the criterion of cost-effectiveness of work-based learning, it cannot be assessed as research on the cost-benefit of dual VET in Spain has not been developed (at the time of this research).

6.2.2. Priorities for policy development

Stakeholders participating in the workshops raised several priorities for policy development in Spain. In summary they agreed that the VET system has gained social value and a positive reputation among young people and families in recent years. Moreover, the increase in unemployment favoured an increase and demand for VET. However, public budget restrictions, a low level of trust between social partners and the government, an inconsistent legal framework, the small size of Spanish companies and great territorial diversity are obstacles for further developing the apprenticeship system in Spain. Therefore, research and evaluations are needed on a national level regarding IVET reforms implemented in the last years, but also on regional levels with regard to experiences gained with the new integrated dual training model, including apprenticeship-like pilot projects, before initiating a final regulation of the apprenticeship system. However, the new system should not totally replace the traditional system of school-based VET followed by a shorter period of practice in the workplace.

With regard to the experimental integrated dual training system/emerging apprenticeship, the stakeholder workshops revealed that there is still no

⁽⁸⁹⁾ The relevant contract types are: part-time contract with training content for unemployed under 30, registered in the Public Employment Service for at least 12 months with no or little work experience; internship contracts for workers under 35 who obtained an intermediate or higher IVET diploma or university degree lasting between six months and two years; and training and apprenticeship contract for young people aged between 16 and 30 who have not completed the education level necessary for an internship contract.

consistent legal framework in place and that the process of implementation requires more coordination at national level. This concerns especially the role and coordination of actors (social partners, IVET centres, and companies) that should be involved in the new integrated dual training system/emergent apprenticeship system as well as the nomination or implementation of an institution responsible for the coordination of the emergent model and the selection of companies providing company training. The lack of flexibility of the occupational standards national catalogue and the integration of labour market demands in a timely manner was another challenge discussed. Finally, the financing of the new system is not yet clear: though the State plays the most important role with regard to financing of the system, possible contributions by autonomous communities or the companies have not yet been determined.

As experts agreed that both the traditional mainly school-based VET and the new integrated dual training system should be kept, reflections below refer to both systems.

6.2.2.1. *The new dual integrated training/apprenticeship system should not totally replace the traditional system*

Most of the participants stressed that the traditional mainly school-based VET system has proved to be relatively successful, as it shows the positive perception of learners and companies. In a period featured by an important increase in the demand for IVET courses, to focus all the resources in the new integrated dual training system/emergent apprenticeship system could imply a lack of training places for the traditional system. Bearing that in mind, most of the participants stated that both models should coexist. In this sense, analysis of which sectors should be given priority within the integrated dual training/apprenticeship system needs to be explored.

6.2.2.2. *Research and evaluations need to be reinforced*

Most of the stakeholders highlighted that previous reforms in the education and IVET system were not followed by research and evaluations. Accordingly, they proposed to conduct an evaluation of the projects that are currently undertaken before initiating a final regulation of the system.

6.2.2.3. *Great territorial diversity*

The stakeholder workshops demonstrated that different autonomous communities but also territorial departments differ greatly in terms of the development of the new integrated dual training/emergent apprenticeship system and the potentialities to develop the system in the short-term. Some of the differences may be explained due to societal differences (social partner

traditions, paths of productive specialisation, etc.), but differences also concern governance structures. For instance, in the Basque Country and in some areas of Catalonia there are training centre associations that play an important role in promoting and developing the apprenticeship system. In this sense, most of the participants positively assessed the Basque Country experience, where employer organisations and training centre organisations play a crucial role in the diffusion and management of the new apprenticeship system, taking advantage of their previous institutional background.

6.2.2.4. *Small-scale businesses*

The development of the integrated duality model/apprenticeship system will have to consider the small size of the Spanish companies. SMEs may have particular problems in getting involved as they have fewer resources available for training and dedicating time to students.

6.2.2.5. *Role of the social partners*

Employer organisation representatives claimed that to involve companies, employer organisations should take part in the design of the system. They also agreed on the need to support, especially at sectoral level, the SMEs. Trade unions stressed that employees' representatives at the workplace must play a role within the system. They are essential to monitor if the companies are respecting the working and training conditions of the learners. Besides, it was agreed that sectoral collective bargaining should play a prominent role in developing the system.

6.2.2.6. *Necessity of a more consistent legal framework*

A clear regulation must be formulated as several aspects such as the relationship of the learner with the company must be homogenous in all the Spanish territory. A more consistent legal framework approved at national level should coexist with governance structures that permit certain autonomy for local actors to implement the system.

6.2.2.7. *Financing of the system*

Some doubts were raised by the experts with regard to the financing of the new model of integrated dual training/emergent apprenticeship system. Though the State plays the most important role with regard to financing of the system, possible contributions by autonomous communities or the companies have not yet been adequately determined.

6.2.2.8. *Quality of training*

Some participants of the stakeholder workshop involved in the implementation of the pilot models highlighted some problems related to the implementation of the training at the workplace. They mentioned difficulties related to the issue of how to achieve that all apprentices receive a relatively similar training content irrespective of the company where they are taking the workplace training. How the equality within the new system will be ensured remains an open question according to the experts.

6.3. **Vision and strategy for developing apprenticeship**

In this section a vision that is desirable and likely to happen in Spain as well as related measures are discussed, aiming to respond to the question ‘What should potential governance structures and financing arrangements look like to develop and expand apprenticeship’. The scenario was developed by taking into account some features of the current situation and future prospects of the context of vocational training as well as the results of the first stakeholder workshops.

In Spain, a new model of dual integrated training/apprenticeship is currently gaining increased social value and reputation among families and young people. Also social partners accept the social value of this system and accept taking part in its development and dissemination. Activities in some sectors (metalwork’s, car manufacturing, etc.) that have developed pilot experiences prove that the system is useful for both companies and learners. Some autonomous communities are currently developing, or have already developed, successful pilot experiences which are progressively gaining recognition (Section 6.1, Box 16).

In this vision, IVET and the new model of dual integrated training/apprenticeship will continue to be positively assessed by society due to their potential contribution to reduce youth unemployment. Accordingly, demand for IVET and dual integrated training/apprenticeship will increase. Within the framework of those changes, both employer organisations and trade unions will accept the need to foster the system to meet new social demands.

After a few years of ongoing experiences, it will be proven that not all sectors have developed dual integrated training/apprenticeship projects. There will be some sectors that continue with the traditional system, while in others, companies, trainers and learners will increase their demand for apprenticeship (in the strict sense). The same trend will be detected at regional level. Some autonomous communities will have developed good governance structures to extend the dual integrated training/apprenticeship system while in other autonomous communities such a system will be residual.

Bearing these trends in mind, the national government needs to carry out comprehensive research and evaluation to pinpoint the most successful experiences. That evaluation would allow the government to identify those governance and financing structures that prove to be more efficient. Furthermore, it should shed light on which sectors should be prioritised. In a further step, the outcomes of the evaluation should be discussed within the national parliament and with the social partners and, based on that debate, a new regulation should be approved.

The new regulation should provide a more consistent legal framework, regulating at national level, issues such as the relationship of the learner and the company (with a labour contract) and the training courses that can be provided with the dual integrated training/apprenticeship system. Besides this, functions and responsibilities should be allocated following the subsidiary principle thus allowing regional actors to implement the system with some degree of autonomy. In addition, some provision should be made for sectoral collective bargaining to negotiate certain issues such as the working conditions of the learners, skills development of trainers in the companies or coordination between the training centre and the company. Employees' representatives at the workplace should be strengthened and monitor if the companies are respecting the working and training conditions.

Furthermore, a national plan of dual integrated training/apprenticeship should be agreed with the social partners. This plan should pinpoint strategic sectors to develop dual integrated training/apprenticeship and goals to be achieved that could be monitored with indicators.

At the same time, the traditional IVET system has to be reinforced to increase the quality of training in companies and fostering relations between training centres and companies.

The feasibility of this vision depends essentially on a cultural change in the management of human resources in companies, in the involvement of economic and social agents as well as the national and regional political will to promote its implementation and development.

To foster change, the following key measures, which were discussed and agreed on among the stakeholders during the second workshop, could be implemented:

- (a) measure 1: evaluation and achieving a comprehensive agreement for the promotion of dual integrated training/apprenticeship.

In 2015, after three years of piloting the new model for dual integrated training, an assessment of the situation should be carried out. This should include the objectives achieved and the difficulties encountered. The results of the evaluation should initiate a review of the current regulation with the

participation of the main actors: State, regional communities and economic and social partners, with the intention of reaching a global agreement around reforms to make and achieve goals, to be implemented in 2016. This measure would both meet the need to reinforce research and evaluation (previously not considered) and to ensure that the most promising features of the traditional system and the pilots of dual integrated training model are further elaborated.

- (b) measure 2: fiscal incentives for companies participating in the dual integrated training/apprenticeship

As an incentive measure to encourage companies, especially medium and small-sized enterprises, to participate in dual integrated training/apprenticeship and promote cultural change in the management of skilled human resources, it would be appropriate to provide tax incentives for companies to increase investment in training for those companies that take part in such an initiative. This measure addresses both the challenge of financing the system beyond the existing resources and the challenges related to the small business structure in Spain.

- (c) measure 3: reform RD 1529/2012

In view of the results of the assessment it would be advisable to introduce some reforms in the RD 1529/2012. Some of the areas for improvement could include: relate better the apprenticeship and training contract with training programmes to ensure the achievement of qualifications and diplomas; regulate through sectoral collective agreements the working conditions for the training period in the company; issue a regulation for the training of company tutors. This measure would support the consistency of the legal framework.

- (d) measure 4: campaign to promote dual vocational training

In addition to the other proposed measures it would be appropriate to conduct a campaign for dual integrated training/apprenticeship, with the involvement of economic and social partners and autonomous communities to raise awareness of the dual pathway and its positive impact on the inclusion of young people in employment. This campaign should target both the general population and companies to highlight the business benefits of cooperation with vocational training. The social partners have a special role to play in such a campaign.

CHAPTER 7.

Country analysis: Sweden

The findings presented in Sections 7.1 to 7.3 are based on the research activities implemented between January 2014 and May 2015 and the subsequent analysis and interpretation of the information collected during that time.

7.1. Dual VET schemes in Sweden

Sweden is an example of a State-centred skill formation system in which public institutions play a strong part as providers of vocational education and training (VET) (Busemeyer and Trampusch, 2012, pp. 13-14). The VET system in Sweden comprises initial and continuing vocational education and training. VET at upper secondary level (ISCED 3B) are vocational programmes (*yrkesprogram i gymnasieskolan*) and ‘apprenticeship’ programmes (*gymnasial lärlingsutbildning*). Recently, the government commissioned the National Agency for Education to initiate a programme of apprenticeship education for adults. Vocational programmes at higher education level (*Yrkehögskolan*) contain, in addition to professional education programmes (e.g. physicians, dentists, civil engineers, psychologist, social workers, etc.), vocational programmes at advanced level and programmes certified by the Swedish National Agency for Higher Vocational Education. As will be discussed below, all of these schemes belong to the category of ‘other’ dual VET schemes as the learners do not have a contract with the training enterprise and receive no apprenticeship wages ⁽⁹⁰⁾.

Vocational programmes at upper secondary education last three academic years. The guaranteed time of teaching is 2 430 teaching hours. The programmes provide a broad basic education in a particular vocational field. Vocational programmes are about 85% school-based and include a minimum of 15 weeks of workplace training (*APL – Arbetsplatsförlagd lärande*). The responsibility for organising work placements is with the educational institutions such as municipalities and independent schools. Upon successful completion of a vocational programme, students receive a vocational diploma (*yrkesexamen*). Under certain circumstances, a student in municipal adult education can also receive a vocational diploma. The requirements for a vocational diploma in upper

⁽⁹⁰⁾ In practice, however, students could have both a learning contract and wages under certain conditions.

secondary school and municipal adult education at upper secondary level are essentially the same, with some exceptions ⁽⁹¹⁾. Due to the reform of Swedish upper secondary education in 2011, vocational programmes are supposed to provide the necessary skills for students to be able to work in several occupations, engage in self employment or pursue further studies ⁽⁹²⁾. On the whole, the vocational programmes can be classified as school-based vocational studies according to the typology of this study.

Apprenticeship programmes (*gymnasial lärlingsutbildning*) at the level of upper secondary education were introduced on a permanent basis in 2011 following a pilot phase and constitute an alternative to the traditional school-based VET programmes. The educational objectives are the same as in the vocational programmes, but at least 50% of the curriculum consists of workplace training. The schools decide if a vocational programme should be provided as apprenticeship education, and when the apprenticeship starts. It can start on the first, second or third year, and from that moment, half of the learning time should be at a workplace. The alternance pattern between school and workplace varies; a common model is two days in school and three days at work on a weekly basis. Accordingly, the programmes are relatively close to the definition of apprenticeship used in this study. However, there is also an important difference as the learners do not necessarily have the status of employees. Instead, a remuneration of learners is an option but not an obligation. Therefore, the programmes have to be classified as company-based vocational studies.

Another example of company-based vocational studies is 'apprenticeship for adults'. Adults who do not have an upper secondary education or who wish to change career paths can also acquire a certificate of upper secondary vocational education by studying vocational courses in municipal adult education (*kommunal vuxenutbildning*). According to the relevant rules on government grants for this type of VET, such programmes comprise a minimum of 400 and a maximum of 1 600 high school credits with at least 70% of the training implemented in the workplace over a period of two years.

A fourth type of VET within the system of formal education and training is higher vocational education at tertiary level. These programmes typically last one

⁽⁹¹⁾ A student in upper secondary school should have grades from an education programme covering 2 500 credits. For a student in municipal adult education, the education should cover 2 400 credits. In both these education forms, 2 250 of these credits must be approved and specifically, students must obtain a 'pass' in Swedish or Swedish as a second language, English, mathematics, and in a diploma project.

⁽⁹²⁾ https://cumulus.cedefop.europa.eu/files/vetelib/2014/2014_CR_SE.pdf and Swedish National Agency for Education (2011) upper secondary school 2011.

or two years. They are offered mostly in the field of business finance and administration, sales, manufacturing technology, IT, tourism, health care and agriculture. The programmes are delivered by education institutions in cooperation with the companies from relevant industry/sector. Employers/industry representatives play a significant role in planning the programmes and shaping their content. All programmes in higher vocational education combine school-based learning with work-based learning (*Lärande i arbetslivet – LIA*). In advanced higher vocational education, at least a quarter of the education period must be carried out as LIA. With LIA, students are given the opportunity of obtaining solid working life experience, and making contacts which can lead to work after the education. The relatively low minimum of work-based learning suggests that higher vocational education fits best into the category of ‘higher vocational studies’ within the typology of this study.

Finally, a scheme similar to apprenticeship in the strict sense exists outside the formal education system. This ‘supplementary’ apprenticeship is a response to the problem of formal VET programmes often failing to deliver the full range of skills actually required by employers. The ‘supplementary’ apprenticeship applies to certain occupations such as electrician and plumber, for which the social partners have set up a sector-specific certification system on the basis of workplace training. Under these arrangements, learners work as apprentices and complete a specific training programme that is organised by joint training boards at sectoral level and complements the preceding school-based education, thereby exemplifying the model of two-phase duality (Section 2.1.1, Box 1). This form of apprenticeship is characterised by supervised learning in real occupational tasks’ contexts; it has a long tradition in Sweden and has usually been regulated by trade unions or employers organisations. Upon successful completion of the apprenticeship training one can take a trade or journeyman's exam and receive a trade certificate (*yrkesbevis*). This certificate is recognised in the labour market but does not have any official status in the education system. Accordingly, this type of apprenticeship belongs to the category of ‘unclassified (no ISCED level)’ programmes.

In addition, a new scheme of vocational education that has some features of apprenticeship has been introduced as part of the government's labour market policy and has been given priority in the Spring Fiscal Budget Bill for 2015 (Swedish Ministry of Employment, 2015). The introductory support scheme targets young people between 15 and 24 years who lack experience for a particular job, and individuals under 25 who have been unemployed for at least three months. The scheme is called vocational introduction employment agreement (*VIEA, yrkesintroduktionsanställningar*) and is an initiative of the Ministry of Labour. The VIEA combines education, workplace learning and

introductory work. The programme should last for at least six months and mainly takes place at a workplace (i.e. it is provided by employer). The salary equals to at least 75% of the wage in the employer's collective bargaining agreement, depending on the share between work and training. At least 15% of the time should consist of training or work under supervision. In spite of strong economic support from the government, the response of vocational introduction employment agreements has, so far, been quite weak except for a larger project at Volvo. The plan from the former government was 30 000 agreements, a goal that is far beyond what happened in reality. The core issue for youth employment, and also the controversy between social partners, is wage setting for young persons in introductory and vocational learning context.

Evidently the VIEA scheme shares certain characteristics with apprenticeship in the strict sense as learners are contractually linked to enterprises, have the status of employees and acquire some kind of occupational qualification. At the same time the exact role of educational institutions and the overall connection with the system of formal education is unclear. Accordingly, the VIEA scheme can only be assigned to the category of 'unclassified' programmes within the typology.

An overview of the existing dual VET schemes in Sweden is given in Table 19.

Available statistics for dual VET in Sweden are as follows. In autumn 2011 and 2012, the number of students in upper secondary apprenticeship in the first year was about 1 200-1 300 students. In autumn 2013, the corresponding number was 1 600. Considering the student in first, second and third year, altogether, 5 600 students were reported to the Swedish National Agency for Education in 2013 and around 7 000 in 2014. In autumn 2013, there were 295 800 students in national programmes at upper secondary level of usually three years, of which 107 000 were enrolled in vocational programmes. Thus, the share of student participating in apprenticeship in relation to the total number of students at upper secondary level was 5.6% in 2013. So far, apprenticeship as part of initial VET in Sweden is still very small in comparison with some other European countries ⁽⁹³⁾. Also, in recent years, the general interest in upper secondary vocational programmes has fallen significantly: the share of new entrants decreased from 35% in 2007 to 26% in 2014.

⁽⁹³⁾ National Agency for Education. *Elever i gymnasieskolan läsåret 2013/14*. PM 2014-03-06.

Table 19. Classification of dual VET schemes in Sweden

	Apprenticeship (in the strict sense)		Other dual VET schemes	
	Mainly company-based (>50%)	Mainly school-based	Mainly company-based (>50%)	Mainly school-based
Upper secondary education (ISCED 3B)			'Apprenticeship' programmes (<i>gymnasial lärlingsutbildning</i>) Apprenticeship for adults (within municipal adult education, <i>kommunal vuxenutbildning</i>)	Vocational programmes (<i>yrkesprogram i gymnasieskolan</i>)
Post-secondary education (ISCED 4)				
Tertiary education (ISCED 5B)				Higher vocational education
Unclassified (no ISCED level assigned)	Supplementary 'apprenticeship' organised by social partners for occupational certification (<i>yrkesbevis</i>) vocational introduction employment agreement (VIEA, <i>yrkesintroduktionsanställningar</i>)			

Source: Cedefop.

As regards the framework conditions for apprenticeship in the strict sense, the general patterns of industrial relations are such that a favourable systemic environment is available in principle. According to current EurWORK data (Eurofound, 2014c), (Eurofound, 2015), collective agreements play a strong role in the Swedish national economy, the collective bargaining coverage being 88% in 2011. Collective bargaining is strongly centralised at the sectoral level, however there is also some degree of decentralisation as negotiations on certain matters such as wages and working time were increasingly delegated to the company level in recent years. Other issues such as pensions or work environments continue to be settled at the sectoral level. On the whole, collective agreements thus play an important part while a standardisation of wages is in place only to a limited extent due to the decentralisation trend.

There is also a strong membership in trade unions and employer associations, a situation that would in principle be beneficial for a system of apprenticeship in the strict sense. In 2011, trade union density was 70% for the

entire economy and 65% for the private sector. The employer association density was 86% in the total economy and 79% in the private sector. There has been a decline of membership rates in trade unions since the beginning of the 21st century but also a stabilisation since 2009. As regards the organisation of employers, it must be taken into account that the voluntary extension of collective agreements to non-members remains common (Eurofound, 2014c), (Eurofound, 2015). Even though these indicators should not be overrated, as far as a strong position of the social partners is concerned, the potential for a more collective skill formation regime and thus for apprenticeship established at a larger scale is in place. In fact, the sectoral organisation of supplementary apprenticeship for occupational certification as described above already exemplifies the strong involvement of the social partners in the organisation and delivery of apprenticeship, albeit for a limited range of occupations. This arrangement approximates the model that is desirable from a theoretical point of view. It falls short of this model mainly due to the missing connection to the formal education system.

7.2. Assessment of governance and financing

The analysis in Sections 7.2 and 7.3 focuses on apprenticeship and vocational mainly school-based programmes at upper secondary level, ISCED 3 (see Table 19). Both learning pathways have the same educational objectives, subject syllabuses and admission and diploma requirements. Similarly, governance and regulations (with a few exceptions) relevant for those programmes are the same. The analysis includes also apprenticeship for adults at upper secondary level (within municipal adult education).

7.2.1. Dimensions of the governance model

7.2.1.1. Consistent legal framework ⁽⁹⁴⁾

Upper secondary school and municipal adult education is regulated through the Education Act (*skollagen* – SFS 2010:800), the Upper Secondary School Ordinance (*gymnasieförordningen* – SFS 2010:2039) and the Ordinance on Adult Education (*förordningen om vuxenutbildningen* – SFS 2011:1108). The Education Act contains the general provisions for all school forms in formal education and the basic provisions for the specific school forms within the same

⁽⁹⁴⁾ This and the following section focus mainly on formal VET at upper secondary level. Higher vocational education apprenticeship and VIEA are covered to a lesser extent.

system. These provisions were made more specific in their respective ordinances. Similarly, higher vocational education is regulated through the Act on Higher Vocational Education (*lagen om yrkeshögskolan* – SFS 2009:128) and the Ordinance on Higher Vocational Education (*förordningen om yrkeshögskolan* – SFS 2009:130). The legal acts for the different types of formal dual VET cover the entire range of training activities and thus constitute a consistent framework of several laws complementing each other.

Steering documents in the form of curricula, diploma goals and syllabuses are drawn up by the Swedish government and by the Swedish National Agency for Education (*Skolverket*). The curricula describe the fundamental values and tasks, as well as goals and guidelines for upper secondary school and municipal adult education. Diploma goals steer education and teaching in the different vocational programmes. The syllabuses describe the aim and long-term goals of the subject, and the core contents and knowledge requirements of each of the courses. Drawing up the steering documents takes place in close cooperation with different players and stakeholders, such as teachers and researchers, industry representatives and labour market partners. Consultation rounds and open consultation through meetings and websites are examples of methods used to collect views and proposals. This arrangement shows that there is a considerable centralisation of legislative competences at national level.

These findings are confirmed by the outcomes of the assessment workshop. The participants' view with regard to the above-mentioned aspects of the legal framework is that the mainly school-based VET courses as well as the apprenticeship programmes in upper secondary education including apprenticeship for adults are covered by a coherent framework, and that the legislation is centralised ⁽⁹⁵⁾.

The aspect of regulating the cooperation of learning venues appears to be less relevant in the Swedish case as the current versions of VET are mainly school-centred, i.e. the primary responsibility for implementing the programmes rests with the educational institutions involved, which are also in charge of the relations with enterprises and the organisation of work placements for their students. Due to this 'unilateralism' entailed by the primary responsibility of schools, mandatory regulations that specifically relate to the cooperation with enterprises seem to be unnecessary. According to the desk research, the legal provisions concerning the cooperation at local level are relatively general. More

⁽⁹⁵⁾ It has to be recognised that previously, the steering of the Swedish school was decentralised and deregulated in the direction of a goal- and results-oriented steering model.

specifically, it is stipulated that for vocational programmes in upper secondary schools, there should be one or several local programme councils (*lokala programråd*) for cooperation between school and working life. However, how these councils are organised and what their tasks should be is not regulated ⁽⁹⁶⁾. Possible tasks are, for instance, assisting the school provider in arranging places for work-based learning, and participating in organising and assessing diploma projects.

The outcomes of the assessment workshop also suggest the conclusion that although a certain level of regulation for the cooperation of learning venues exists, this cooperation is rather voluntary and relatively informal. According to a contribution by one of the participants ⁽⁹⁷⁾, there is no possibility to enforce cooperation, especially in terms of the alignment of work-based learning activities with the school-based part. This means that the work placement may fail to complement the school lessons the way it is supposed to. However, the overall estimation of the stakeholders is that interinstitutional agreements are a better way of implementing the cooperation of learning venues than a 'top-down' regulation by the government.

The rights of the students are regulated in the Education Act. In upper secondary apprenticeship, a written agreement (training contracts) needs to be prepared for each student and workplace and has to be signed by the student, the school principal and the legal or natural person providing the work experience part. The school principal shall ensure that the training contract is drawn up. The training contract shall specify: parts of the training to be implemented at the workplace and the extent of these parts, and part of the training to be distributed between the school principal and the legal or natural person providing the work experience. Further, attention should be given to the terms of the agreement and the grounds for the contract to be terminated before the contract expires, the teachers in the school unit and the supervisor at workplace which should be correspondents for the workplace-based part of the training (SFS 2011: 877).

7.2.1.2. *Allocation of strategic and operational functions*

The above description of the legal framework already indicates that important strategic functions in terms of the definition of long-term objectives and fundamental values of education and training as well as the definition of occupational profiles and curricula are assigned at the national level. The

⁽⁹⁶⁾ The National Agency for Education provided some recommendations.

⁽⁹⁷⁾ Personal observation at the assessment workshop by a member of the research team.

national government as well as the National Agency for Education, whose role will be discussed in greater detail in the following section, have the main responsibility for drawing up the curricula in cooperation with the social partners. Regarding the arrangements that are in place at local level, more specifically the tasks of the above-mentioned local programme councils with regard to specifying and organising learning activities such as work placements and diploma projects indicate that operational functions are decentralised and assigned to the local level.

The overall responsibility for operating educational institutions is allocated to entities at local or regional levels. Education in the Swedish school system is arranged by municipalities, county councils and the State. In addition to these public organisers, private players may also be approved as organisers of education and run independent upper secondary schools (*fristående gymnasieskolor*). It is the Swedish Schools Inspectorate (*Skolinspektionen*) that approves independent schools. Independent schools are regulated by the same steering documents as municipal schools.

This distribution of functions across the different levels of government is largely considered adequate by the stakeholders at the assessment workshop, however some concerns are expressed as to whether the municipalities are the 'most competent level'. There are parallel and sometimes contradictory policy discussions on the future of formal education in Sweden. One position is that the system should be organised and implemented at State level and not by the municipalities. Another discussion concerns the role of local and regional influence and forms of exchange between schools and the labour market. Thus, there are both vertical and horizontal organisational tensions in the system.

A particular aspect is the definition of training standards, occupational profiles and curricula on the one hand and the implementation of training programmes on the other. National bodies such as the National Agency for Education are responsible for specifying the main contents of the VET programmes. According to the desk research, there is a considerable autonomy of the local actors (i.e. training providers) when it comes to decisions about the details of the delivery of programmes. Despite State steering of the upper secondary school, organisers have the opportunity of deviating from the national vocational programmes by applying to run special variants (*särskilda varianter*) or education open to nationwide admission (*riksrekryterande utbildningar*). Special variants mean that the courses that can be included in the programme differ somewhat from the nationally determined programme structures to enable local or regional labour market needs to be satisfied. Programmes open to nationwide admission may be relevant where there is a national interest in admitting

students from all parts of the country. These deviations, however, should always be quality assured and approved by the National Agency for Education.

The assessment workshop also supports the view that the development of training plans is reserved for the actors at local level and that the learning venues have autonomy with regard to the implementation of programmes. There is room for the adaptation of curricula to local needs.

7.2.1.3. *Involvement/integration of the various bodies*

The responsibilities of the various bodies involved in the regulation and delivery of dual VET can be described as follows. The National Agency for Education is the central administrative authority for the public school system and for adult education. Thus, the agency has a national responsibility for development of curriculum and quality in upper secondary education; both for vocational programmes and for apprenticeship education. The Swedish Schools Inspectorate has supervisory responsibility for schooling and adult education including the VET-oriented programmes and apprenticeship education.

On the whole, the government bodies concerned with the organisation of VET have a clearly defined mission according to the results of the desk research. In addition, there are institutional arrangements that allow for an adequate participation of other types of stakeholders, especially the social partners. At national level there are 12 national programme councils (*nationella programråd*), one for each of the national vocational programmes in the upper secondary school, and also one for the dancing programme, and one for the fourth year of the technology programme. These councils are advisory bodies and have the task of supporting the National Agency for Education in questions concerning upper secondary vocational education. The councils are permanent forums for the dialogue between the National Agency for Education, social partners and other stakeholders concerning the quality, content and organisation of VET. The members are 6 to 10 representatives from industry, employer and employee organisations, and some authorities. The National Agency for Education prepares and leads the meetings which are held about six times a year.

The work of the programme councils should make the education more flexible and sensitive to the needs of stakeholders and improve the matching between the contents of VET and demand on the labour market. Current issues cover contents of syllabuses and courses, information material to students, in-service training for vocational teachers, education contracts for apprenticeship education, assessment of the national need for nationally open admission to vocational education, vocational education for adults, and also different analyses of needs on the labour market. There is also a participation of the social partners at local or institutional level through the local programme councils (Section

7.2.1.1). The above description also indicates that there is room for the participation of employer associations and trade unions in the development of occupational profiles and curricula.

The above description also shows that there is an institutional framework for a VET dialogue in which the relevant stakeholder groups are represented. It should be noted, however, that researchers are not explicitly mentioned as participants of the dialogue with the exception of the process of curriculum development (Section 7.2.1.1). Accordingly, a representation of the research community can be expected only to the extent that the institutions participating in the various councils have research capacities of their own. This is likely especially in the case of government agencies such as Skolverket. Similarly, learners do not participate in the dialogue as a distinct stakeholder group ⁽⁹⁸⁾. Nevertheless, given that learners in VET are prospective employees, it can be expected that their perspective is in principle covered by the trade unions.

When it comes to the issue as to whether there is one single institution that fulfils a coordinating and moderating function, the National Agency for Education clearly serves as a coordinating institution for dual VET at upper secondary level, especially with regard to fulfilment of the curriculum goals. Accordingly, the participants of the assessment workshop confirm that in principle the national agency can be viewed as a coordinating body, but they also point out that there are difficulties in engaging representatives of the social partners in the various consultation procedures.

However, with regard to coordinating and moderating the entire dual VET, Skolverket responsibilities do not cover the whole dual system. For example higher vocational education is the mission of a different agency (Swedish National Agency for Higher Vocational Education). As this allocation of functions seems to reflect the distinction between the existing sectors of VET, it can be assumed that the activities of the agencies do not interfere with each other. This is to say that even though there is not one single coordinating institution for dual VET as a whole, the coordinating functions are shared between the different bodies to complement each other. The risk of fragmentation is also reduced by the fact that both agencies are subordinate to the Ministry of Education.

A more serious risk for the integrity of the institutional framework for the whole dual VET consists in the fact that significant parts of the training system are disconnected from the public education system altogether and supervised by

⁽⁹⁸⁾ However, the situation is different in higher vocational education where there is some participation of learners at least at the institutional level. An important element in higher vocational education is students' involvement and their opportunities to influence the structure and delivery of the education.

different authorities. This applies for example to the newly introduced VIEA scheme, which falls into the responsibility of the Ministry of Labour (Section 7.1) and to the system of apprenticeship for occupational certification operated by the social partners.

The final aspect to consider is the cooperation of learning venues. The rules concerning the cooperation between educational institutions and the world of work are relatively open and the contacts are often informal. Accordingly, the degree of institutionalisation is relatively low. Nevertheless some observations can be made with regard to the quality of cooperation related to the organisation of opportunities for workplace learning within school-based VET programmes. The supervision and monitoring by the National School Inspectorate has shown that one of the school's biggest challenges is to ensure the quality of workplace learning – according to the central policy documents. This overview shows in large parts similar results to the previous National School Inspectorate quality audit of workplace education. The ongoing quality assessment in upper secondary apprenticeship also points in this direction.

The National Schools Inspectorate's analysis of supervision results is that schools do not take full responsibility for the workplace learning and the subject requirements that apply to education in general. The workplace learning is a challenge for schools and principals. The inherent problem seems to be the problem to bridge the gap between the two cultures; the school culture with formal goals and rules, norms and expectations and the working life culture focusing on work tasks, work organisation, production system and corporate values. When schools describe how they plan and implement workplace learning their starting point is based on the school culture.

7.2.1.4. *Quality assurance and development strategies*

With regards to quality assuring in the apprenticeship and dual vocational programmes at upper secondary level it is the organiser or education provider that bears the main responsibility for carrying out systematic quality monitoring. To ensure equivalence and good quality in the education, the State regularly inspects and monitors the quality. Other forms of education also funded through State grants are regularly followed up.

Responsibility for supervision and quality auditing of both upper secondary school and municipal adult education, including apprenticeship, rests with the Swedish Schools Inspectorate (*Skolinspektionen*). The Inspectorate checks that the municipalities or the independent schools comply with the legislation and other provisions applicable to their activities. Regular supervision of schools is carried out on the basis of a number of assessment areas and points. Since the assessment areas and points do not always take into account the special

conditions of vocational education, the Swedish Schools Inspectorate has been commissioned to further develop methods for both ongoing supervision and quality auditing of upper secondary vocational education.

Accordingly, the implementation of dual VET is monitored on a regular basis. There is substantial information on the evaluation of the underpinning occupational profiles and curricula (through evaluations of the National School Inspectorate and the National Agency for Education). One of the responsibilities of the various programme councils and the Labour Market Council consists in assessing the appropriateness of curricula against the backdrop of the needs of the employment system. The stakeholder workshop has come to the conclusion that evaluation takes place at different levels, namely at the levels of institutions, municipalities and the Swedish Schools Inspectorate, but that the criteria are not always clear.

The improvement of the training quality on the basis of VET research is another important aspect of quality assurance and development. According to the normative model, this should preferably involve academic research on the fundamentals as well as the aims and contents of vocational education. While topics like these play a role in the Swedish research community, the approach taken by the Swedish government is a more practice-oriented one. Initiatives to strengthen dual VET are building on the expertise of practitioners, whose efforts are supported by targeted advice and training activities. During the past years, the government has launched several initiatives to increase the quality of workplace learning and increase the attractiveness of IVET programmes in general. To further support VET providers, employers and social partners in developing apprenticeship education and the quality of workplace learning the Swedish government has decided on the creation of an apprenticeship centre. The centre is run by the Swedish National Agency for Education and will among others have the task to:

- (a) stimulate the provision of apprenticeship education in upper secondary school;
- (b) promote young people's interest in apprenticeship education;
- (c) support and give advice to VET providers, employers and social partners in for example the organisation of apprenticeship education and training for supervisors at workplaces;
- (d) stimulate cooperation at regional level between schools and the world of work.

There are also more than 20 national ‘work-based learning developers’ ⁽⁹⁹⁾ to support the schools in their strategic work on development of work-based learning, e.g. cooperation between the school and companies or quality of work-based learning. The support takes place at the school in the form of a dialogue during a meeting with a small working group. The working group consists of principals, teachers, national work-based learning developers and possibly other school staff.

Finally, the qualification requirements and conditions for competence of VET teachers and trainers need to be considered. To teach in vocational education in the upper secondary school and municipal adult education at upper secondary level, a higher education degree in vocational education (*yrkeslärarexamen*) is required. Further, to teach in a Swedish school a teacher registration is required, demonstrating that the teacher is qualified to teach in the subjects. However, due to the lack of qualified teachers, teachers in vocational subjects are exempted from the registration requirement. Nevertheless application for teacher registration may be made if one has a vocational teacher's degree. Even though there may be no requirement for registration, schools should give priority to qualified teachers when employing.

A supervisor must be appointed when training is provided at a workplace. The supervisor is the contact person for the school and provides support for the student at the workplace. The National Agency for Education provides web-based training for supervisors composed of an introduction for the supervisor, and a recess to instruct apprentices.

A higher education degree in vocational education can be obtained by studying 1.5 years in vocational teacher training at a university college or university. However, to teach it is necessary to have advanced and relevant vocational knowledge or post-upper secondary education in the subject to be taught. In addition, basic eligibility for studies in higher education is a requirement. A person who is already working as a vocational teacher but lacks a degree in vocational education only needs to study for one year at a university college or university. Vocational teacher education comprises the core of education methodology, namely general teaching knowledge and skills, and also practical supervised training in a school (*verksamhetsförlagd utbildning, VFU*).

These qualification standards are adequate to the extent that a strong vocational background (‘advanced and relevant vocational knowledge’) is

⁽⁹⁹⁾ The National Agency for Education provides training for VET teachers to become ‘developer of work-based learning’. Upon completion of the training, VET teachers may be offered a position of national work-based developer to support VET providers.

required; however it is uncertain whether the overall level of formal qualification is equivalent to a master's degree as recommended in the normative model. These concerns are reinforced by the results of the assessment workshop, according to which the qualification level of VET teachers is lower than the one of other groups of teachers due to the relatively short period of formal education. Another problem identified by the stakeholders is that in spite of a strong demand there is no infrastructure for the continuing professional development of VET teachers. Further training of vocational teachers is provided on a general level and the National School Agency also offers courses for work-based learning developers. As part of supporting the schools' development of workplace learning, the National Agency for Education provides continuing training for VET teachers or persons responsible for workplace learning. This suggests the conclusion that notwithstanding the problems described above the criteria in the dimension of quality assurance are realised at an acceptable level.

7.2.1.5. *Balanced outcome and input orientation*

The legal instruments for public VET define the overall objectives and guidelines for the different types of education, and curriculum documents specify the aims and long-term goals of each programme (Section 7.2.1.1). Accordingly, the basic conditions of an outcome orientation are in place. A significant degree of outcome orientation can also be identified in the assessment methods both in the supply of basic and relatively general information as well as in-depth studies of quality outcome of apprenticeship programme, quality of supervision and learning context. The upper secondary school's vocational programmes are intended to lead to a vocational diploma (*yrkesexamen*). As mentioned in Section 7.1, a student in municipal adult education can also receive a vocational diploma under certain circumstances. Both for students in the upper secondary school and municipal adult education, there are further demands stating what courses must be passed to obtain a vocational diploma. Obviously the diploma project requires students to work independently on some complex assignment and thus gives them the opportunity to demonstrate a certain level of proficiency.

There is also evidence that opportunities for the recognition of learning outcomes acquired outside regular training programmes are available as well. Within municipal adult education at upper secondary level, validation is possible within all courses and shall be based on the student's preconditions and needs. Validation is defined in the Education Act (*skollagen*) as a process that involves a structured assessment, evaluation and documentation as well as the recognition of an individual's knowledge and skills regardless of how they were acquired. A student who has validated part of a course does not have to attend classes in that part of the course. The student's knowledge may also be documented in a

certificate. There is no information on the equivalence criteria that apply in this validation scheme. In addition, no information is available on any possible validation schemes in educational areas other than municipal adult education.

On criteria related to input orientation, norms in place determine the activities of the institutions involved in the delivery of training national curricula specify the contents to be taught at the VET schools. The legal framework also includes provisions on the entry requirements for the different educational programmes. As confirmed by the stakeholders in the assessment workshop, institutions are considerably free to make local adaptations of the curricula, therefore, the control exerted by the legal norms is not very tight.

According to the results of the stakeholder workshop, it is also the case that the completion of a specific curriculum is in principle a mandatory prerequisite for the awarding of a vocational qualification. More specifically, there is the requirement that a specific number of credits has to be acquired for the vocational certificate. It is possible to compensate certain parts of the course with other contents, but the number of credits must be completed in any case. In addition, in many occupations (e.g. electrician) the certification itself is obligatory to be allowed to exercise the occupation at all ⁽¹⁰⁰⁾.

7.2.1.6. *Adequate financing arrangements*

For a VET programme predominantly school-based, the public sector is the main source of funding. More specifically, the school-based learning component of IVET at upper secondary level is over 99% financed by public funds. The fiscal responsibility is with the municipalities, which use State grants as well as municipal taxes. State grants are calculated on the basis of various socioeconomic characteristics of the municipalities.

In 2014, the government put forward financial incentives to stimulate provision of and participation in apprenticeship. To encourage more employers to offer apprenticeship places the government suggested an increase in the grants available for VET providers. Even though it is the upper secondary schools that apply for support, the greater part of the grant (83%) is earmarked for the employer or the employers receiving the apprentice. There are no studies available assessing the effects of these incentives.

Apart from funding VET providers, the public sector also makes substantial financial undertakings when it comes to the support of students. Studies in the

⁽¹⁰⁰⁾ Personal observation by a member of the research team at the assessment workshop.

formal education system are with few exceptions free of fees. In addition, students in Sweden have the right to different forms of financial support.

This includes giving apprentices an extra allowance. This allowance should be seen as an additional supplement to the ordinary study allowance that all upper secondary school students are entitled to.

Grants are available to the students who study full time and participate in education. A student who is frequently absent runs the risk of losing study support and may be liable for repayment. A boarding supplement is granted to students who wish to live and study in a place other than their home municipality. Student aid (*studiemedel*) can be granted to students in post upper secondary education, such as higher vocational education, supplementary education, and vocational education in folk high schools. However, students studying at upper secondary level who have reached the age of 20 are also entitled to student aid. Students can apply for grants and loans combined and also certain supplementary allowances. Parents with children under the age of legal majority, for instance, can receive a supplementary allowance. In addition, students in apprenticeship education receive an extra allowance of 1 000 SEK per month as compensation for expenses for the time that the apprentice has a training contract.

Many different players can become involved in and receive State or municipal support to run vocational education. The system with independent schools makes it possible for companies, industries and other organisations to run their own upper secondary schools. One example that can be mentioned concerns the two company groups Peab AB and SKF, which provide education in the building and construction programmes and the industrial technological programmes in the upper secondary school.

Since there is no large-scale system of apprenticeship in the strict sense in Sweden, the criterion of apprenticeship wages that reflect the level of professional competence and increase progressively is not relevant in the present case. There is no information about the salary structure in the existing supplementary apprenticeship scheme.

However it was mentioned during the workshop that since second half 2014, it would be possible to employ upper secondary learners while still in education and training. Although they would have an employment relation with companies, they would keep the status of a student ⁽¹⁰¹⁾.

⁽¹⁰¹⁾ This reform was introduced indeed in 2014, after the first stakeholder workshop in Sweden.

7.2.2. Priorities for policy development

At present, there is an active debate in Sweden on the role of VET and apprenticeship for the young generation. One of the driving forces in the debate is high youth unemployment and the need to bridge education and work. A second motive is to increase social inclusion of school leavers, dropouts, youth from socially segregated suburban areas or boys and girls with functional impairments or low school achievement. A third argument concerns the supply of qualified labour to the industry and the public sector to meet new demands from international competition and to increase innovation and growth in the economy. On a more strategic level, the debate also focuses on the need to promote the value, respect and prestige for vocational programmes.

The National Agency for Education recently published a report on the future of initial vocational education in Sweden (Skolverket, 2015) in which it summarises the challenges for VET in general and apprenticeship in particular. According to the report 'in recent years, the proportion of new enrolments in upper secondary vocational programmes has declined, from 35% in 2007 to 26% in 2014. In combination with shrinking cohorts, this means that the number of students in vocational programmes diminishes substantially, particularly in certain occupational fields. Among students in vocational programmes there is an overrepresentation of men, students with parents with low education and students with lower qualifications from primary school. In several vocational programmes, gender distribution is very uneven and follows traditional gender patterns' (Skolverket, 2015). In the same report, the agency underlines that apprenticeship 'should not be perceived as a less demanding way through upper secondary education'. In other words, it should not be regarded as a second chance programme for school leavers, low achievers or other young persons not meeting the requirement to enrol in other upper secondary education programmes. The report also stresses that apprenticeship (on a larger scale) is a relatively new phenomenon in a Swedish context and that further work on it requires taking a long-term perspective and reflecting on the sustainability of the system.

The former government increased investment in apprenticeship and gave the National Agency for Education a formal mission to support the development of apprenticeship programmes through national courses, guidelines and support material as well as a National Apprenticeship Centre. Nevertheless, both employers and unions underline the importance of further investment in and development of VET. The chairperson of the Swedish Metal Federation, Anders Ferbe claims that '(...) the goal should be to change the role and popularity of vocational education and training and turn it into a competitive advantage of Swedish industry within five years' time' (Isaksson, 2015).

However, employers and unions express partly different views on how to achieve that. For instance, the industrialist Carl Bennet recently proposed a significant increase in the volume of apprenticeship students from 7 000 to 60 000, a proposal that led to an open debate on whether it was possible to implant a German apprenticeship model in Sweden, where VET is so rooted in a school-based system of VET programmes ⁽¹⁰²⁾. Whereas Anders Ferbe, quoted above, is in favour of a broader view of VET and promotes the idea of vocational colleges (colleges of technology, colleges of care and cure, etc.). The idea of technical colleges is an alternative to a genuine apprenticeship model (Thunqvist and Hallqvist, n.d.). In this model the employers and social partners take a stronger responsibility and ownership over VET. The model can also be seen as a form of learning and developing partnership over VET programmes and a deepened cooperation between schools, regional actors and platforms and various firms or organisations in the public sector. Moreover, it is a broader perspective on skill development and competence provision that considers not only upper secondary vocational education but also other forms and levels of vocational training ⁽¹⁰³⁾.

Early 2015, the government gave the task to a special committee to investigate how to increase quality and attractiveness of the upper secondary vocational education, ease young people's transition from school to work and strengthen the national human resource management. ⁽¹⁰⁴⁾ The commissioner

⁽¹⁰²⁾ His proposal led to a public debate in leading Swedish newspaper. It was argued that it is not possible to 'import' the German model to Sweden, but it is highly relevant to promote vocational learning and expand VET within a Swedish context.

⁽¹⁰³⁾ The idea of the technical colleges is described by the Swedish Industrial Council in conjunction with employers and unions in the field of technology as follows: 'To increase the percentage of applicants to technical and industrial focused educations at various levels, industry parties jointly committed themselves to developing the vision of the Technical College (*Teknikcollege*). Within *Teknikcollege* municipalities, education providers and enterprises interact to enhance the attractiveness and quality of technically oriented training courses for industry. The goal is to equip companies' future employees with the skills needed in a global market. For students *Teknikcollege* means attractive technical training that can directly lead to jobs or prepare for further studies.'

⁽¹⁰⁴⁾ The commissioner shall according to the renewed directives, among other things: promote the collaboration between upper secondary vocational education and working life, in the form of so-called vocational colleges or similar collaborative models may emerge in areas where such cooperation is necessary; analyse the conditions for strengthening the role of the national programme councils for vocational programmes in upper secondary schools and propose how the local interaction between school and work can be strengthened; explore whether there is interest and conditions for experimental activities in upper secondary schools with sector or trade apprentices (*branschlärningar*), i.e an apprenticeship in upper

should present the final report in the end of September 2015. However, at a seminar organised recently by the Swedish Trade Union Confederation, the committee presented some of the findings, including the identified major problems in VET. One concerns young persons' lack of interest in VET at upper secondary school level; many young individuals at school age have insufficient knowledge about the variety of occupations. A reason could be parents' attitudes and public value of occupations and VET. Quality problems as well as a high level of dropout, which could have an impact on choices and preferences, were also mentioned.

Despite both institutional and financial incentives, apprenticeship programme have moved slowly ahead and many students drop out or change programmes during their upper secondary education career. Another issue is that it is possible to change orientation from a vocational programme to a general education programme, but it is not possible the other way round. Another challenge is the balance between school based and work-based forms of learning. Finally, the question of eligibility and continuing studies at higher education is an important component.

The work of the committee can also be viewed as a work on the visions for the future development of initial vocational education in Sweden. The visions for the development of vocational education in Sweden and apprenticeship learning in particular presented hereafter need to be read in the context of this ongoing debate. These visions are based on the stakeholder workshop, ongoing consultations with stakeholders and researchers as well as national conferences on VET as well as apprenticeship education taking place in 2014/15.

7.3. Visions and strategy options for developing apprenticeship

7.3.1. Vision 1: strengthening the capacity and attractiveness of IVET

The first vision anticipates a gradual renewal of the Swedish IVET system within the next five years. It foresees making VET more attractive, closing the gap

secondary schools with more responsibility for the industries and employers; investigate and suggest how the match between the youth selections of upper secondary vocational education and demand in the labour market can be improved; propose the adjustments of the national supply of specialisations in upper secondary vocational deemed most urgent; and suggest how a pilot project could be set up where the technology programme in secondary schools completed with one or more industrial engineering specialisations; and provide the necessary legislative proposals.

between school and work as well as strengthening the regional and local cooperation between education and training institutions, employers and labour market institutions. In this vision, apprenticeship learning is a small but flexible option alongside the vocational programmes and can be chosen in the first, second or third year of upper secondary education.

The first scenario starts from the current Swedish model of vocational programmes in upper secondary education. Its point of departure is the current policy development and the governmental commission on programme structure in initial VET. The most likely development is promoting volume, participation and quality in the current upper secondary education system with six general educational programmes and 12 vocational programmes as well as options for apprenticeship education. The system of upper secondary education was reformed in 2011 and it does not seem likely that any major structural changes of the system of dual upper secondary education will happen in the next years.

The vision foresees achieving a better balance between vocational and general education programmes in upper secondary education and more even distribution of various VET programmes over the country. It anticipates renewing the structure and expanding the volume of VET programmes to match the needs and demands of the labour market better. Another goal is to increase quality in school-based and work-based learning. To this end, a proper initial and continuing education and training for VET teachers and supervisors should be ensured. Further goals concern reducing the level of dropouts from VET programmes and counteracting the strong gender bias.

Proposed policy measures:

- (a) promoting VET and influencing negative attitudes towards certain occupations.

Further information and guidance to young students both in compulsory schools and upper secondary education has to be provided. Information campaigns on the social value of various occupations are needed. A way to attract interest for VET is Sweden's participation in the World Skills Competition. These kinds of competitions (which currently enjoy good media coverage and are a subject of television programmes) could be a useful tool to stimulate interest for vocational skills and expertise;

- (b) providing access to higher education.

The upper secondary education reform 2011 did not give eligibility to higher education for students in vocational programmes, which was the case in the former system. It is a common view that students' interest for vocational programmes would increase if they were provided with access to higher

- studies. This argument seems to be shared by many political parties and is a subject of investigation by the government commission;
- (c) increasing flexibility for students' choice and learning pathways.
- Today it is possible to move from a vocational to general educational programme, but not the reverse. The programme structure must be more flexible with regard to the students' choices. To support this, it is necessary to develop an individual educational plan and learning trajectory. This measure also contains increasing flexibility in moving from the vocational programme to the apprenticeship during the education period;
- (d) increasing access to vocational education over the whole country.
- At present, vocational programmes are unevenly distributed from a geographical point of view; a bias that also reflects labour market structure, socioeconomic conditions and modern life styles. Efforts are needed to broaden supply of and access to VET-programmes and also better adapt programme structure to national and regional labour market conditions. Different strategies need to be developed to meet the needs in:
- (i) socially segregated sub-urban areas with a high level of foreign-born citizens and a low level of education and employment both among youth and their parents. In some of these local areas, more than 50% of youth do not complete upper secondary education and the level of youth unemployment is very high;
 - (ii) small cities in various industrial districts with high demand for (and participation in) VET programmes and also apprenticeship programmes;
 - (iii) bigger cities with a more open labour market where young persons prefer to choose general and study oriented programmes;
- The different structural, social and economic conditions in these three tentative areas call for more regionally adapted and locally designed VET programmes to attract students and encourage them to further learning.
- (e) renewing the programme structure.
- The current commission on programme structure in VET suggests introducing the national 'branch schools' (*bransch skolor*) where pupils of vocational programmes could receive school-based education in specific occupational niche areas, where regional disparities exist. In this model, the students would follow the major part of upper secondary education in the home city and a specialised training at a national branch school. This proposed solution aims at establishing a better match between education and the regional labour market in less frequent occupations where it is difficult to provide vocational programmes all over the country;

- (f) strengthening the link between school-based vocational education and work-based training.

Increased cooperation between school and work, and interactive learning exchange between school leaders, teachers and practitioners are necessary in upper secondary VET programmes. The school leaders and employers should take greater responsibility for the workplace learning. Schools should also strengthen efforts to inform and prepare the supervisors for their task. Further, the time at the workplace must always be a learning experience that is included in the assessment of pupils' progress.

As regards the practical examples of cooperation of the actors, two initiatives can be mentioned. First, the above-mentioned idea of vocational colleges (*teknikcollege*, *yrkescollege*) is a tool for a better interaction between school, work, social partners and local public authorities. Second, some larger corporations such as Volvo, Scania, LKAB, SKF, PEAB, etc. have developed their own vocational schools based on and financed as vocational programmes of upper secondary education. These corporate schools (*företagsgymnasier*) usually invest more in training and workplace learning than other employers and students are, in many cases, being employed after finalising their upper secondary education. Local programme councils should also play important role in strengthening cooperation between different actors involved in VET/apprenticeship. These measures are valid for both VET programmes and apprenticeship programmes;

- (g) strengthening national and local programme councils.

More resources and support is needed for the programme councils at national and regional level. They should not only be an information platform but also an efficient tool to intensify a dialogue between schools, work, social partners and labour market agencies and to promote quality, educational design and access to work place learning;

- (h) reducing dropouts from vocational programmes and apprenticeship.

Today there are around 25% of students at upper secondary level who do not finalise their studies within three years. Guidance and supported learning models are important in this context. It is also crucial to follow up and contact students who drop out or who show poor progress in the various parts of the vocational programmes. More in-depth knowledge is needed on students' preferences and learning styles to design and implement a programme of student retention;

- (i) achieving better gender balance and counteracting discrimination and harassment.

The gender bias in vocational programmes is a permanent challenge. Information and development programmes are needed to change the gender

- bias and to open up all programmes, including apprenticeship, independent of sex, ethnic background, functional impairment or sexual orientation. This challenge also contains attitude change and respect at male or female dominated workplaces;
- (j) investing in research and development on IVET in Sweden.
- More investment in research and development on VET in Sweden is needed, especially on institutional/organisational and financial incentives, on the link between school and work as well as on learning environments, teaching methods and quality assessment.

7.3.2. Vision 2: expanding apprenticeship

The second vision concerns the future development of apprenticeship education in Sweden. Today it is a small and fragile part of the Swedish system of upper secondary education. This scenario foresees that apprenticeship will expand in the next few years.

While the first vision took the broader perspective on initial VET as such, the second vision looks primarily at the advancement of apprenticeship in Sweden.

At present, apprenticeship is a small part of upper secondary education (2%-3% of an annual cohort) which is far below the government's anticipations. The vision foresees a slow and gradual increase in participation in apprenticeship, while the interest in school-based vocational programmes decreases. The three goals are identified. The first one is to develop further apprenticeship within the formal school system both for young students and adults. The second one is to develop quality, teaching methods and a learning environment in various small craft occupations. The third goal is to expand volume and quality corporate integrated models of apprenticeship learning, internships and traineeships to facilitate and support workplace learning.

A major policy concern is if it is possible to expand the workplace learning components within the regular, 'mainly school-based' VET programmes in the direction of an apprenticeship programme. This is a complicated challenge as the regular VET programmes have experienced a process of 'schoolification' over the years, meaning that theoretical parts (general and vocational subjects) have increased at the expense of practical experience at workplace. The challenge is how this could be reshaped towards an innovative, dynamic and quality-oriented learning culture, which combines general knowledge with occupational skills and competences.

Another challenge is to ensure the access to workplaces in relation to the demand. The increased responsibility for supervision, mentoring and supporting

young individuals (who are without relevant skills and previous work experience) could be difficult to manage for micro-enterprises and SMEs. The Swedish labour market model in combination with current labour laws and practices of social partners also sets constraints on a genuine apprenticeship model.

Last, the two presented visions dovetail one another, but they also represent two alternatives in the formation and priorities of initial vocational education in Sweden. For this reason, a separate set of measures has been identified for vision 2. However, a few of those naturally overlap with the measures already stated above for vision 1.

Proposed policy measures:

- (a) making apprenticeship more attractive.

Further information and guidance to young students both in compulsory schools and upper secondary education have to be provided. Better knowledge for students on the social value and character of various occupations is needed. Apprenticeship education should not be seen as a second chance for dropouts, students with learning disabilities or social constraints. The apprenticeship model could also be used in other contexts, for example in adult education or as part of recruitment and employment policies;

- (b) increasing access to apprenticeship over the whole country.

At present, vocational programmes and apprenticeship are unevenly distributed from a geographical point of view; a bias that also reflects labour market structure, socioeconomic conditions and modern life styles. Efforts are needed to broaden access to apprenticeship and also better adapt it to national and regional labour market conditions;

- (c) further support from the National Apprenticeship Education Centre: through national conferences and networks and other development tools.

A wide set of initiatives of conferences and supporting networks are part of a future strategy. As apprenticeship provision varies over the country, it is necessary to support it with special initiatives in north Sweden and other regions with low number/level of apprenticeship programmes. Workshops should also be organised to support quality development, models of teaching and supervising as well as quality assessment, in particular at the workplace;

- (d) strengthening the national, regional and local coordination.

The national and regional/local programme councils are also an important tool for the development of apprenticeship. Thus, more resources and support are needed for the programme councils. A special initiative can also

- be taken by the Apprenticeship Education Centre to use regional competence platforms ⁽¹⁰⁵⁾ to get access to work places, to interact with employers, to stimulate further training of vocational teachers and supervisors;
- (e) strengthening the link between apprenticeship workplace learning and vocational education parts of the programme.
Increased cooperation between school and work is necessary. Interactive learning exchange between school leaders, teachers and practitioners is needed. Of special relevance is knowledge transfer through the national work-based learning developers. Further, expanding apprenticeship would require strengthening ownership of apprenticeship among social partners (employers and trade unions);
- (f) using ICT and social media for teacher, student, supervisor interaction.
The use of ICT, digital tools, smartphones and social interaction can be used to facilitate learning and deepen the dialogue between VET-teachers, students and supervisors. Various experiments are taking place and new tools are being developed as the prototype of LoopMe App to communicate between teachers and students, other digital tools are being developed for processing, administrative functions or for evaluation and follow up;
- (g) synergies of apprenticeship, vocational introductory programmes and traineeship models.
Today the government and local authorities are developing a number of different programmes for young citizens aiming at better employability and work career. It would be useful and constructive to try to integrate these different programmes into a system and better use the capabilities of upper secondary vocational education. The vocational introductory programmes ⁽¹⁰⁶⁾ monitored by the National Agency for Education might be integrated in an apprenticeship track. The same goes for the vocational introduction employment agreements, which are monitored by the social partners and subsidised by the government. More integration and learning exchange between various policy measures has to be reached;

⁽¹⁰⁵⁾ In 2012, the government decided to invest SEK 60 million in regional competence platforms in the period 2013-16.

⁽¹⁰⁶⁾ The upper secondary education reform in 2011 introduced a new form of 'individual introductory programmes', replacing the previous 'individual programmes' (*individuella program, IV*). Introductory programmes are primarily intended for students who are not eligible for national upper secondary education programmes. Some could lead to other studies or facilitate transition to the labour market. In 2013, there were over 22 800 students in these programmes of which 5 600 were in the vocational introductory programmes.

(h) reducing dropouts from apprenticeship;

The retention problem is also crucial in apprenticeship education. Guidance and supported learning models are important in this context. It is also crucial to follow up and contact students who drop out or who show poor progress in the various parts of the programme. More in-depth knowledge is needed on students' preferences and learning styles to design and implement a programme of student retention. Further attention has to be paid to the students learning styles and strategies and how they can use knowledge and skills from previous programme components when they switch to another apprenticeship programme or to a vocational education programme to increase learning progression;

(i) achieving better gender balance and counteract discrimination and harassment.

The gender bias in vocational programmes is a permanent challenge and that goes for both vocational programmes as apprenticeship education. Information and development programmes are needed to change the gender bias and to open up all programmes independent of sex, ethnic background, functional impairment or sexual orientation. This challenge also contains attitude change and respect at male or female dominated workplaces.

CHAPTER 8.

Conclusions

8.1. A 'governance equaliser' for apprenticeship

The first objective of the study was to develop a model of governance structures and financing arrangements for apprenticeship. On the basis of theoretical reflection, criteria were formulated which describe the various activities of and coordination among institutions involved in the management of VET systems and specifically apprenticeship. These criteria define the conditions under which apprenticeship can be expected to be sustainable, i.e. they describe an 'ideal' situation from a theoretical point of view. They provide a normative model that serves as a benchmark for the assessment of existing structures with regard to the question as to whether they would support a sustainable establishment of apprenticeship.

For the present study 'dual VET' is defined as a form of learning that involves (a) alternation between the two learning venues (workplace and an educational or training institution), (b) the integration into formal education and training and (c) the acquisition of a qualification attested by an officially recognised certificate. Two additional criteria, namely (d) the status of learners as employees who receive a remuneration and (e) the existence of a contract or formal agreement between the employer and the learner, serve to identify a specific class of dual VET programmes, which are labelled 'apprenticeship in the strict sense'. Accordingly the conceptual framework of the study is based on a binary terminology that draws a distinction between apprenticeship in the strict sense on the one hand and 'other dual VET schemes' on the other ⁽¹⁰⁷⁾.

The normative model describes governance structures and financing arrangements for apprenticeship in terms of six fundamental categories or 'main criteria', namely (a) consistent legal framework, (b) balanced allocation of strategic and operational functions, (c) involvement/integration of the various bodies, (d) quality assurance and development strategies, (e) balanced outcome and input orientation and (f) adequate financing arrangements. The formulation of

⁽¹⁰⁷⁾ This definition of key terms and concepts is a technical one and does not necessarily comply with the countries' different VET traditions and the associated terminological conventions. The analyses of existing dual VET schemes in different countries in terms of governance and financing structures as well as development options presented in this report are ultimately the result of a theory-based interpretation by the researchers and not a reproduction of original statements.

these criteria was itself an iterative process in which the diversity of national VET traditions on the part of the stakeholders as well as the researchers gave rise to a progressive clarification and refinement of the underpinning concepts through several feedback loops. The final proposed model can be applied in other countries as its descriptors are now formulated in a sufficiently 'generic' way and backed by an improved understanding of their relationship with the concept of apprenticeship.

The normative model also has a quality that allows for a condensed description of the overall situation concerning governance and financing of apprenticeship in a given country. For each of the six main criteria one can formulate two contrary distinctions, which would represent the extreme alternatives that are theoretically possible for the criterion in question. Each main criterion can therefore be interpreted as a continuum between two extremes, making it possible to view the state of affairs in a country as a position along this continuum. The extremes or poles of the six criteria are described in Box 17.

Box 17. Extremes of the governance and financing criteria

For the first criterion 'consistent legal framework', one end of the continuum is characterised by a complete realisation of all of the subcriteria. In accordance with the terminology used in Section 2.2.1, it is proposed to characterise this as a situation of coordination. The opposite extreme, i.e. a situation where none of the subcriteria is in place, can be characterised as fragmentation, which dates back to the origins of the governance model.

In the case of the second criterion 'balanced allocation of strategic and operational functions' the extremes would be a complete concentration of all functions at national level, which is termed centralisation, and on the other hand an exclusive responsibility of the actors at local level without any function left for the central government. This extreme could be termed (total) local autonomy.

The third criterion 'involvement/integration of the various bodies' may be realised to the fullest possible extent in the sense that all arrangements mentioned in the subcriteria are in place and that all groups of stakeholders are covered by these arrangements. This situation can be characterised as integration (or 'inclusion') of all relevant bodies. The opposite would be exclusion, i.e. a situation in which important groups of stakeholders, e.g. social partners or learners, are not represented in the VET dialogue and the other institutional arrangements.

The fourth criterion 'quality assurance and development strategies' allows for the following two extremes. The practices described in the subcriteria can be realised to generate a driver for constant change and 'creative destruction', in which case the situation would have to be characterised as dynamic. The opposite extreme would be a situation where the quality standards and other measures in place have a fundamentally conservative orientation and serve to maintain the status quo. This extreme can be labelled continuity.

The extremes of the fifth criterion 'balanced outcome and input orientation' are management by norms and rules only, i.e. a pure input orientation on the one hand

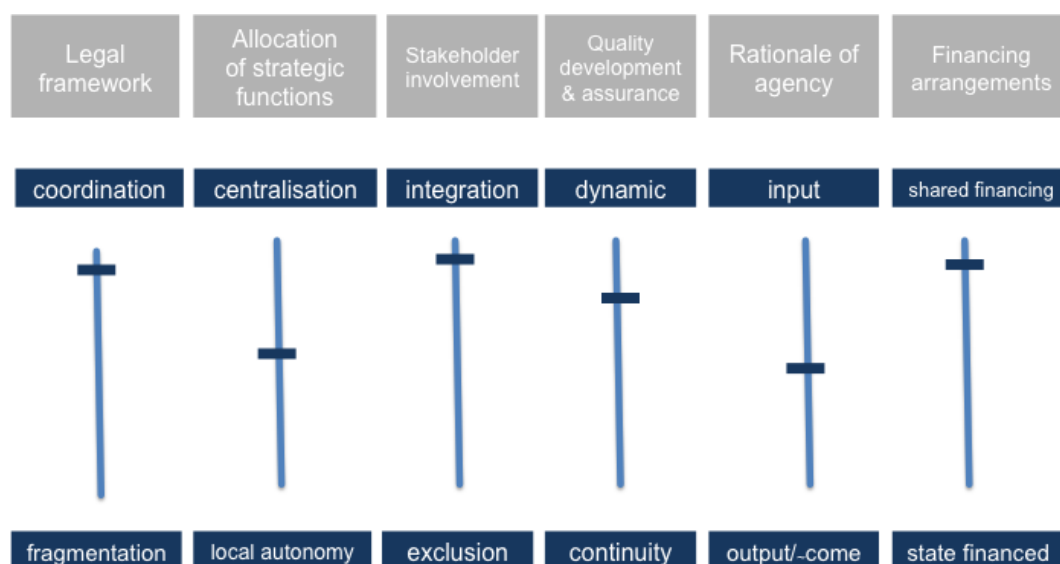
and a management exclusively oriented towards outcomes, i.e. a pure outcome orientation on the other.

The sixth criterion ‘adequate financing arrangements’ has the following poles. On the one hand the situation could arise that all subcriteria specifying the financial undertakings of the different stakeholder groups are realised. This would be a situation of shared financing. The other extreme would be that dual VET, such as any other type of formal education, is financed unilaterally by the government while there are at best marginal contributions from the other two stakeholder groups. This could be called State financing.

Source: Based on Schimank, 2007.

Accordingly, each of the main criteria can be represented by an axis spanning the two extremes. Any point on the axis represents a specific distinction of the criterion in question, which makes it possible to create a simple visualisation of the evaluation results generated on the basis of the model. Building on Schimank’s (2007) concept of the ‘governance equaliser’, the normative model can thus be supplemented by a ‘governance equaliser for apprenticeship’ with six scales that correspond to the six main criteria (Figure 2). With these scales, the situation in a given country can be visualised against the backdrop of the ‘ideal’ configuration of the governance and financing criteria as defined by the normative model, thereby allowing for a preliminary gap analysis.

Figure 2. **Governance equaliser with the ‘ideal’ configuration of the main criteria**



Source: Based on Schimank, 2007, p. 240.

Figure 2 is a visual representation of the ‘optimum’ governance structures and financing arrangements for apprenticeship (Section 2.3.1). To recapitulate, the theoretically desirable state with regard to the first criterion is a high degree of

coordination or consistency, which is why the ‘lever’ in the picture is near the top end of the scale. The second criterion requires a well-balanced distribution of functions between the national and local levels, which is symbolised by a mark that is halfway between the ‘centralisation’ and ‘local autonomy’ positions. In the case of the third criterion the normative expectation is that all subcriteria should be realised to the fullest possible extent and that the arrangements for the VET dialogue should extend to all stakeholder groups. Accordingly, the mark is at the ‘integration’ end of the scale. With regard to the fourth criterion it can be argued that on the one hand the system should be dynamic to allow for continuous development and innovation, but on the other hand it would not be desirable if the pace were too fast (e.g. if occupations or curricula were changing at very short intervals). Therefore the mark indicating the ‘ideal’ situation is placed near the ‘dynamic’ position but still at a distance from the very top. The equilibrium of outcome and input orientation, which is the benchmark for the fifth criterion, is also represented by a position halfway between the two extremes. Finally, the desirable state of affairs in the area of financing arrangements is that all three stakeholder groups are contributing (Section 2.3.1). This is expressed by the ‘lever’ in the ‘shared financing’ position. It has to be emphasised that this ideal configuration of the governance criteria is the one suggested by theoretical considerations. This theoretical ideal does not necessarily define the model that a given country aspires to (Section 8.2).

8.2. Existing governance structures and financing arrangements and development options

The analysis of governance structures and financing arrangements in selected European countries on the basis of the model outlined above has led to a complex and diverse picture as indicated by the preceding chapters. Not only do Spain, Italy, Latvia, Portugal and Sweden differ in the extent to which apprenticeship, as defined for the study, exists, but they also differ on the systemic and institutional prerequisites of this type of training. In addition, the outcomes of the development of visions and strategies reinforce the observation made end of Section 8.1 that the theoretically desirable objective of establishing and expanding apprenticeship in the strict sense is not necessarily among the priorities actually espoused by stakeholders (participating in the project) in the different countries.

It has been argued in the present study that all of the countries (with Italy as a possible exception) exemplify the model of a State-centred skill formation regime rather than a collective one, meaning that the systemic conditions would

not favour apprenticeship in the first place. Accordingly, one aim of the country analyses was to explore the basic development options open to the different countries, i.e. to estimate whether dual VET could be expanded by concentrating on apprenticeship in the strict sense (according to the definition of this study) or whether it would be more promising to focus on other dual VET schemes that might be more consistent with a State-centred model. The result is that in three of the countries, namely Italy, Spain and Sweden, there would be some potential to establish apprenticeship in the strict sense in a medium-term perspective. In particular, Italy and to some extent Sweden can already build on existing apprenticeship structures at least for specific occupational sectors. The framework conditions concerning industrial relations can also be expected to support collective skill formation and apprenticeship. In Latvia and Portugal, on the other hand, apprenticeship in the strict sense is not a feasible perspective (even though Latvia has a small-scale apprenticeship system in the crafts sector). The VET traditions and systemic conditions in these countries suggest that other dual VET schemes would be a more likely option.

When it comes to the issue of policy goals, one key message of the country analysis is that apprenticeship in the strict sense is not always the first choice even if it is theoretically feasible. According to the stakeholder workshops, apprenticeship as defined for the purposes of this study is not the type of training that stakeholders in Latvia, Portugal and Sweden aspire to when the expansion of dual VET is at stake. This is an interesting result particularly in the Swedish case since Sweden is among the countries where apprenticeship would be feasible in principle. In any case, the visions and strategies discussed in these countries focus instead on promoting work-based learning of one sort or another, i.e. the promotion of 'other dual VET schemes' according to the terminology of this study. It may be assumed that the general attitudes in the respective societies towards VET preclude certain options from the outset. In particular, it is remarkable that neither the Latvian nor the Swedish stakeholders even considered the possibility of connecting the existing apprenticeship structures ('apprenticeship in crafts' in Latvia and 'supplementary apprenticeship' in Sweden) to the system of formal education.

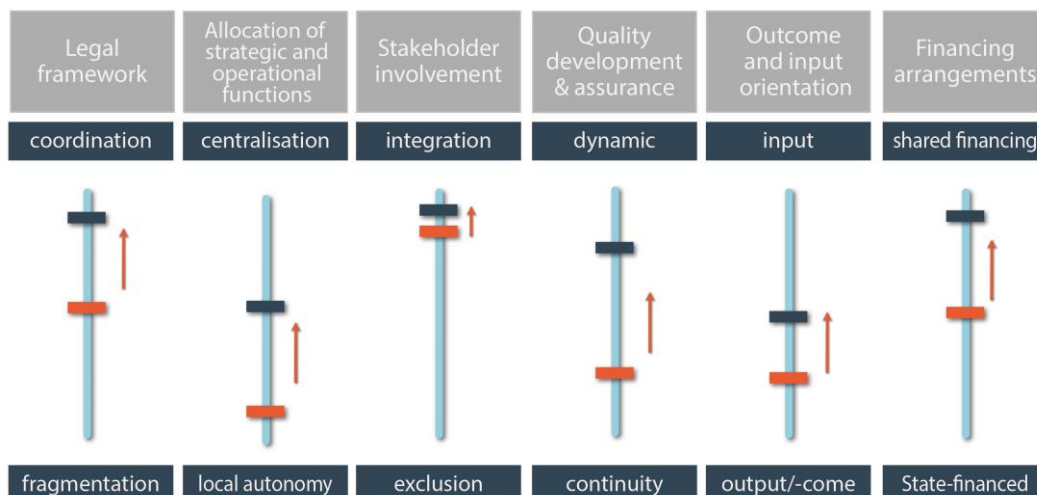
One general result of the country analysis is thus a relatively simple classification of available development options, according to which apprenticeship in the strict sense is neither always suggesting itself as the most promising route nor always the model that countries actually aspire to (according to the stakeholders participating in the project). An overview is given in Table 20.

Table 20. Mapping of the countries' development perspectives

	Apprenticeship in the strict sense is ...	
	... feasible in a medium-term perspective	... not feasible in a medium-term perspective
... aspired to	Italy, Spain	
... not aspired to	Sweden	Latvia, Portugal

Source: Cedefop.

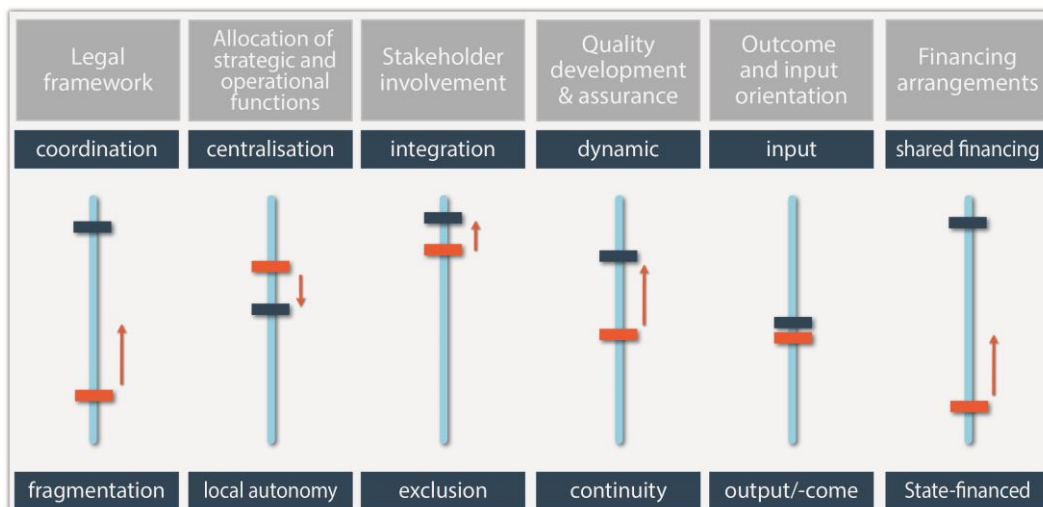
The evaluation results for Italy show that while there is already an established practice of apprenticeship that could be developed further, the existing governance structures and financing arrangements fall short of the 'ideal' configuration in some respects. According to the desk research and the evaluation by stakeholders, the legal framework is relatively fragmented, which can be attributed especially to the fact that there are three distinct types of apprenticeship with separate regulations. The most problematic criterion seems to be the allocation of strategic and operational functions where the degree of centralisation of strategic functions is inadequate as the regions are operating their own certification systems. Accordingly, the system as a whole over-emphasises local autonomy and is in need of a more balanced position. The arrangements for the stakeholder involvement, by contrast, comply with the theoretical benchmark for the most part, a major shortcoming being the absence of a coordinating or moderating institution at national level. Due to the absence of a systematic evaluation of training programmes, which was identified by the stakeholders as an important problem, the quality assurance structures in Italian apprenticeship are static rather than dynamic. The system is also relatively close to an equilibrium of outcome and input orientation, however the input orientation seems to be the weaker part as mandatory curricula exist only for some types of apprenticeship but not for all of them. As regards the financing arrangements, the overall impression is that there are substantial contributions from all stakeholder groups according to the normative model; however the undertakings of companies are backed by several public initiatives such as vouchers or provisions for tax relief. Accordingly, the system is still at some distance from an 'ideal' position of shared financing. Figure 3 summarises the results of the assessment.

Figure 3. **Governance equaliser for Italy**

Source: Based on Schimank, 2007.

The visions and strategies for the further development of dual VET reflect the fact that important prerequisites for apprenticeship in the strict sense are in place in Italy, especially as far as the commitment of the social partners is concerned. The issues of centralisation and quality assurance are adequately addressed by the strategy options identified at the workshop.

The situation in Latvia (Figure 4) is quite different as this country has a predominantly school-based VET system, with pilot projects focused on establishing a stronger work-based component within the existing framework of school based VET, while a similar apprenticeship scheme as defined in the study exists in the crafts sector but is detached from formal education. The separation of formal education (including school-based dual VET) and apprenticeship in the crafts sector is accompanied by separate legislation, which means that the legal framework is fragmented rather than coordinated. The centralisation of functions at national level is relatively strong, which reflects the size of the country to some extent. On the whole the system is close to a balanced allocation of strategic and operational functions. As regards the involvement and integration of the various bodies, the Latvian system is close to the optimum but lacks an effective cooperation of learning venues. The quality assurance and development strategies fall short of the 'ideal' situation as the qualification standards and continuing professional development procedures for VET practitioners are not fully adequate. Given the dominance of mainly school-based dual VET programmes, the system as a whole is predominantly State-financed.

Figure 4. **Governance equaliser for Latvia**

NB: The term 'state financed' refers to all types of public funding including ESF support.

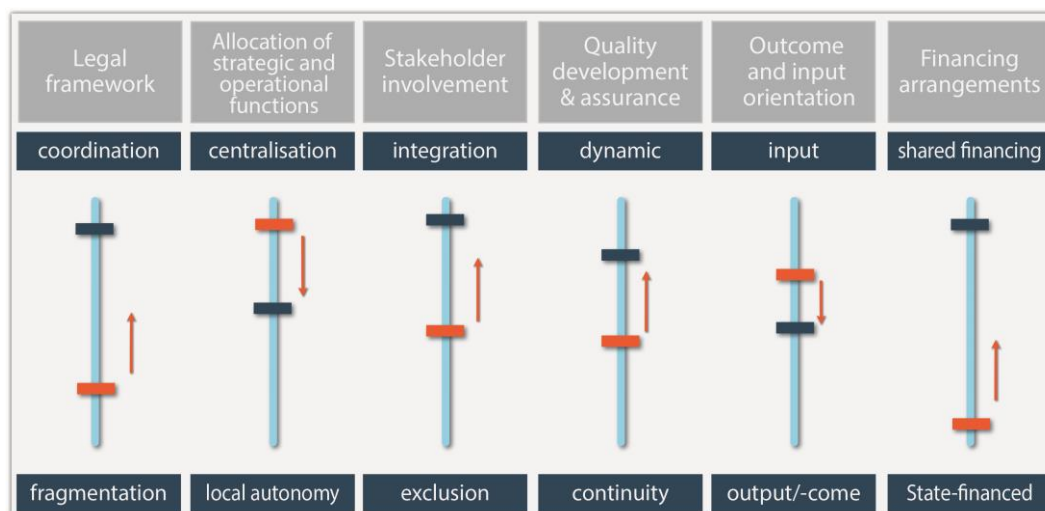
Source: Based on Schimank, 2007.

As regards the future development of dual VET, according to most of the stakeholders that participated in the workshop, there is neither the possibility nor the intention to establish apprenticeship in the strict sense at a larger scale in a medium-term perspective. Instead, the priorities expressed by the stakeholders during workshop discussions are focusing on strengthening the work-based learning component within the existing framework of school-based programmes. The question as to whether the existing apprenticeship model in the crafts sector could be 'upgraded' in any way, especially by giving it a status within formal education, was not considered by the workshop participants.

In Portugal, dual VET exists in the form of mainly school-based, 'other dual VET schemes' as defined in the study. Apprenticeship in the strict sense does not exist and is unlikely according to the framework conditions (Section 2.3). The legal framework for dual VET is relatively fragmented and consists of a variety of acts, many of which relate to employment policy rather than education. As regards the allocation of functions, the autonomy of actors at local level such as learning venues is limited by detailed curriculum documents and regulations for funding support so that the system as a whole is characterised by centralisation. The involvement and integration of the various bodies is weakly developed as the institutional framework shows a strong fragmentation and a lack of arrangements for the cooperation of learning venues. Procedures for the regular evaluation of VET programmes exist but seem to be ineffective, which is why the quality assurance regime is not as dynamic as would be desirable from a theoretical point of view. As regards the rationale of agency, the dual VET programmes in Portugal seem to be close to a balanced input and outcome orientation. Finally,

the public sector is the most important source of funding, which reflects the State-centred character of the skill formation regime.

Figure 5. **Governance equaliser for Portugal**



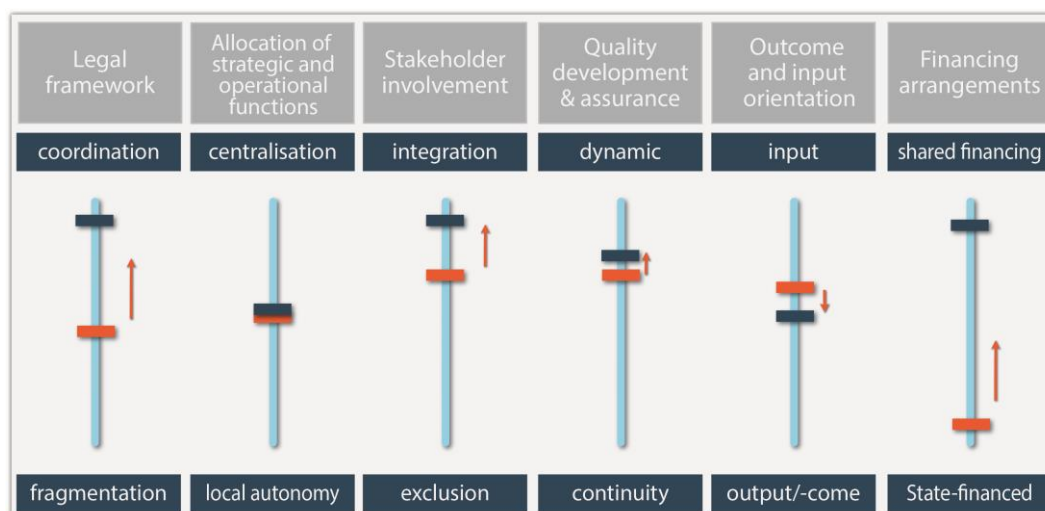
Source: Based on Schimank, 2007.

The development perspectives elaborated in cooperation with Portuguese stakeholders do not involve a shift towards apprenticeship as defined in this study but concentrate on incremental improvements of the existing dual VET structures. In particular, they address the problems related to the consistency of the legal framework, the participation of stakeholders in the VET dialogue and the effectiveness of the quality assurance and development strategies.

Spain is also a country where dual VET is realised for the most part in the context of mainly school-based programmes. Training schemes that are consistent with the apprenticeship definition applied in this study exist, however, in a number of pilot projects (model of integrated dual training). The legal framework is fragmented as the mainly school-based dual VET programmes and pilot projects are covered by different national and regional regulations/arrangements. The distribution of management responsibilities between national and regional bodies is characterised by an appropriate balance of centralisation and local autonomy. Similarly, the situation in the dimensions of quality assurance and balanced input and outcome orientation is quite close to what is recommended by the normative model. With regard to the third main criterion 'involvement of the various bodies', the system is already near the 'integration' pole but a stronger participation of researchers as well as intermediary institutions to coordinate relationship between training centres and companies would be desirable. Finally, the overall result for the category of financing arrangements reflects the fact that the government has the primary responsibility

for financing training and that learners in the traditional mainly school-based dual VET schemes do not receive remuneration from the companies during their work-based learning period. Only in some pilot projects can be found a financing model where the apprentice is paid a wage by company.

Figure 6. **Governance equaliser for Spain**



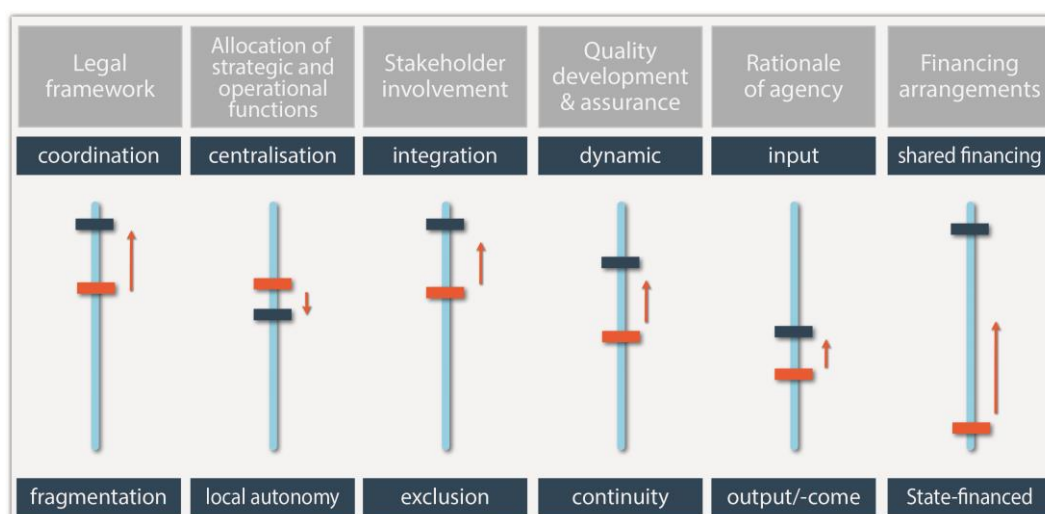
Source: Based on Schimank, 2007.

The expectation with regard to the future development of apprenticeship in Spain is that the positive experience of the existing pilot projects can lead to the establishment of apprenticeship in other parts of the country, the understanding being that this learning opportunity should exist alongside rather than replace the traditional mainly school-based dual VET types. The experience with different pilot projects (implemented at regional level) can also help to develop a high-quality model of apprenticeship. In line with the findings of the assessment, the creation of a more consistent legal framework for the various types of dual VET has been identified as an important milestone for the development of apprenticeship.

Sweden, finally, is a country in which non-apprenticeship dual VET as well as the scheme close to apprenticeship (in the strict sense) organised by social partners exist side by side, though only the former has the status of formal education. The legal framework is relatively close to the 'coordination' end of the scale, its main shortcoming being the fact that the apprenticeship organised by social partners is outside the scope of the laws on education. There is also an adequately balanced allocation of strategic and operational functions. In the case of this criterion as well as in the case of the equilibrium of input and outcome orientation, the Swedish system seems to be in a situation that approximates to the benchmark of the normative model. The involvement and integration of the

various bodies, on the other hand, meets the requirements of the model only to a limited extent. One point of concern is that even though the arrangements for a VET dialogue exist, there seem to be difficulties in safeguarding an adequate involvement of the social partners in the consultation procedures at different levels. With regard to the criterion of quality assurance and development strategies, the effectiveness of the existing evaluation procedures is uncertain and the qualification standards for VET practitioners may not be fully adequate. Due to the dominance of school-based VET programmes, the financing arrangements exemplify the extreme that is labelled 'state financing'.

Figure 7. **Governance equaliser for Sweden**



Source: Based on Schimank, 2007.

Even though the fundamental conditions for an expansion of apprenticeship in the strict sense are fulfilled in Sweden, one outcome of the discussions with stakeholders is that it is by no means certain that such an option would actually be supported by a majority of Swedish enterprises. Consequently, the strategies for the further development of dual VET concentrate instead on strengthening the work-based learning component in dual VET programmes at public VET schools or at *teknikcolleges* with stronger role of social partners.

8.3. Impact and further perspectives

Very generally, it can be said that there is agreement that a high-quality VET system ensures the provision with professionals and makes a significant contribution to securing employment for young people. The benefits of such well-functioning systems have become evident especially in times of economic

breakdowns where countries with an established apprenticeship have coped better. Thus, the decision to invest into measures to secure the Youth Guarantee ⁽¹⁰⁸⁾ has to be linked to the fact that nowadays there is a broad consensus on the interrelation of a country's economic success and its VET if it is shaped in a manner that it contributes to a swift school-to-work transition on the one hand and meets the requirements of the labour market on the other.

However, through the discussions of the prevailing governance and financing structures during the stakeholder workshops in the participating countries it has become quite clear that there are enormous differences in the perceptions of ideal or preferred governance and financing arrangements for developing apprenticeship and in understanding the concepts. This may be due to the differences in the respective traditions of (vocational) education and training in the participating countries but also due to a lack of information or knowledge on possible or feasible alternatives among experts and stakeholders participating at the workshops. When judging on the main criteria and corresponding subcriteria of the dimensions formulated in the normative model as offered in this project, it was always necessary to first generate a common understanding on the characteristics of apprenticeship and dual VET among the discussants to make sure that all judgments were based on a comparable basis. In this regard, the project has already proved successful as it has led to a deeper grounded understanding about the parameters that have to be taken into account when working on improving or establishing governance and financing structures in apprenticeship or other dual VET. Such 'awareness raising' as a major outcome of this project cannot be underestimated because without a sound knowledge on such interrelated aspects that form the preconditions for a successful governance and financing model, initiatives on reforming or restructuring the prevailing structures cannot be based on a solid ground.

⁽¹⁰⁸⁾ In April 2013, EU Member States made a commitment to ensure young people's successful transition into work by establishing Youth Guarantee schemes, i.e. strategies to place young people in education, training and jobs. By far the most important source of EU money to support implementation of the Youth Guarantee and other measures to tackle youth unemployment is the European Social Fund (ESF) worth around EUR 86 billion for the 2014-20 period. To top-up available EU financial support to the regions where individuals struggle most with youth unemployment and inactivity, the Council and the European Parliament agreed to create a dedicated EUR 6.4 billion Youth Employment Initiative (YEI). YEI funding comprises EUR 3.2 billion from a specific new EU budget line dedicated to youth employment matched by at least EUR 3.2 billion from the European Social Fund national allocations. http://europa.eu/rapid/press-release_MEMO-15-4102_en.htm [accessed 15.5.2015].

Most of all, because the problem of youth unemployment in the participating countries of this study was or still is persistently high ranking from 23% (Sweden) to 53% (Spain) ⁽¹⁰⁹⁾, all stakeholder discussions in the two workshop sessions were as well based on the firm belief, that there was a need to consider fundamental reforms in their countries. So, in this concluding section, it has also to be highlighted that all parties concerned in this study (partners, national project team members, experts and stakeholders involved in workshop discussions) highly welcomed the project initiative as it addressed a problem of major (their) concern. Involving key level representatives of the respective groups involved and bringing them together into discussions, evaluating the existing governance structures as well working on visions for future shapes of governance structures of apprenticeship or other types of dual VET was a method widely accepted by the participants, and has also led to a considerable degree of mutual understanding.

The evaluation of the respective prevailing structures but also the discussion of visions and strategies for future apprenticeship or other dual VET have pointed in the direction such reforms might be oriented at in the current situation. Here again, it became clear that in many respects the current status as well as future design options of governance and financing arrangements often differed from what has proved successful and has therefore been defined as an optimal or favourable set of conditions (normative model) in this project. More specifically, there is not only a gap between the existing structures and the elaborated 'ideal' model as documented illustrations of the governance and financing equalisers for the five countries have analysed. This is because if one takes into consideration the declared aims and visions/strategies of how to restructure the current arrangements, this gap is not likely to diminish over the next years since there is not enough political will towards a more radical change in terms of developing apprenticeship in the strict sense. This is particularly relevant, if apprenticeship is regarded as a social project, where – for example – companies receive incentives to engage in the practical part of training and a system of a subsidised apprenticeship is still considered as a valuable option.

In other words, it is not only the question as to whether there is knowledge or understanding as to why the governance and financing structures of countries with a well-established apprenticeship system function well. Equally important is

⁽¹⁰⁹⁾ <http://www.tradingeconomics.com/spain/youth-unemployment-rate>,
<http://www.tradingeconomics.com/sweden/youth-unemployment-rate> [accessed 15.5.2015].

the political will based on a new awareness and understanding without which all necessary reforms cannot be launched.

This project has had the power to bring together a group of people per country that otherwise or might not have met, and such dialogues can always be regarded as an initial step for a change.

List of abbreviations

ANVUR	Agenzia Nazionale di Valutazione del Sistema Universitario e della Ricerca [Italy] National Agency for the Evaluation of the University and Research System
ANQEP	Agência Nacional para a Qualificação e o Ensino Profissional [Portugal] National Agency for Qualifications and VET
APU	Arbetsplatsförlagd utbildning [Sweden]
Cedefop	European Centre for the Development of Vocational Training
CEF	Cursos de educação e formação [Portugal] Education and training courses
CET	technological specialisation courses [Portugal]
CGFP	General Council on Vocational Education and Training [Spain]
CNCP	national catalogue of professional qualifications [Spain]
CNQ	Catálogo Nacional de Qualificações [Portugal] national qualifications catalogue
CSN	Swedish Board for Student Aid
CSR	Conferenza Stato-Regioni (State-regions conference) [Italy]
CVET	continuing vocational education and training
DGERT	Direção-Geral do Emprego e das Relações de Trabalho [Portugal] Directorate General for Employment and Work Relations
DGIDC	Direção-Geral de Inovação e de Desenvolvimento Curricular [Portugal] Directorate General for Innovation and Curricular Development
DSQA	Direção-Geral de Inovação e de Desenvolvimento Curricular [Portugal] Directorate General for Quality and Accreditation Services
EFA	Educação e Formação para Adultos [Portugal] adult education and training
EQAVET	European quality assurance in vocational education and training
EQF	European qualifications framework
EU	European Union
ESF	European Social Fund
ESPECA	Servicios Públicos de Empleo Autonómicos [Spain]
EurWORK	European Observatory of Working Life
FCT	Formación en el centro de trabajo [Spain]
FMC	Formações Modulares Certificadas [Portugal] modular training
FPCT	Formação Prática em Contexto de Trabalho [Portugal] practical training in the work environment
GEP	Gabinete de Estratégia e Planeamento [Portugal] Cabinet for Strategy and Planning
GEPE	Gabinete de Estratégia e Planeamento [Portugal] Cabinet for Education Statistics and Planning
HVE	higher vocational education [Sweden]
IEFP	Istituto do Emprego e Formação Profissional [Portugal] Institute for Employment and Vocational Training
IeFP	<i>Istruzione e formazione professionale iniziale</i> [Italy] initial vocational training
IFTS	<i>Istruzione e formazione tecnica superiore</i> [Italy] higher technical education and training
ILO	International Labour Organisation
IMF	International Monetary Fund

INPS	National Institute for Social Security [Italy]
INAP	International Network on Innovative Apprenticeship
INCUAL	National Institution of Qualifications [Spain]
ISCED	international standard classification of education
ISFOL	Istituto per lo sviluppo della formazione professionale dei lavoratori [Italy] Institute for the Development of Vocational Training for Workers
ITS	<i>Istituti tecnici superiori</i> [Italy] higher technical institutes
IVET	initial vocational education and training
LIA	Lärande i arbetslivet [Sweden]
LOGSE	Organic Law on the General Organisation of the Education System [Spain]
LV	Latvia
MIUR	Ministero dell'Istruzione, dell'Università e della Ricerca [Italy] Ministry of Education, University and Research
NQF	national qualifications framework
OECD	Organisation for Economic Cooperation and Development
OEFP	Observatório do Emprego e da Formação Profissional [Portugal] Observatory for Employment and Vocational Training
PAF	Prova de Avaliação Final [Portugal] final evaluation test
PCPI	Programas de Cualificación Profesional Inicial [Spain]
POCH	Programa Operacional do Capital Humano [Portugal] operational programme human capital
POCI	Programa Operacional Competitividade e Internacionalização [Portugal] operational programme competitiveness and internationalisation
POISE	Programa Operacional Inclusão Social e Emprego [Portugal] operational programme social inclusion and employment
POR	Programas Operacionais Regionais [Portugal] regional operational programmes
QNQ	Quadro Nacional de Qualificações [Portugal] national qualifications framework
RD	royal decree [Spain]
RVCC	Reconhecimento, Validação e Certificação de Competências [Portugal] recognition, validation and certification of competences
SEPE	Servicio Público de Empleo Estatal [Spain]
SFS	Swedish Code of Statutes
SMEs	small and medium-sized enterprises
SNQ	Sistema Nacional de Qualificações [Portugal] national system of qualifications
SOU	Swedish government official report series
ÜBA	Überbetriebliche Ausbildung [Austria]
UFCD	Unidades de Formação de Curta Duração [Portugal] short duration training units
VET	vocational education and training
VFU	Verksamhetsförlagd utbildning [Sweden]
VIEA	vocational introduction employment agreement [Sweden]

Country codes

AT	Austria
DE	Germany
ES	Spain
IT	Italy
PT	Portugal
SE	Sweden

List of national legislation mentioned in this publication

National legislation: Italy

CSR 84/2008. State-regions conference agreement 84/CSR of 20 March 2008: *Definizione degli standard minimi del nuovo sistema di accreditamento delle strutture formative per la qualità dei servizi [definition of the minimum standards of the new system of accreditation of training for the quality of services]*.

http://www.statoregioni.it/Documenti/DOC_018362_84%20CSR.pdf

CSR 36/2010. State-region conference agreement of 29 April 2010: *Accordo tra il Ministro dell'istruzione, dell'università e della ricerca, il Ministro del lavoro e delle politiche sociali, le Regioni e le Province Autonome di Trento e Bolzano riguardante il primo anno di attuazione dei percorsi di istruzione e formazione professionale a norma dell'articolo 27, comma 2, del decreto legislativo 17 ottobre 2005, n. 226.*

CSR 137/2011. State-regions conference agreement 137/CSR of 27 July 2011: *Atti necessari per il passaggio a nuovo ordinamento dei percorsi di istruzione e formazione professionale [Necessary steps for the transition to the new VET system]*.

<http://www.statoregioni.it/dettaglioDoc.asp?idprov=9760&iddoc=33048&tipodoc=2>

CSR 58/2012. State-regions conference agreement 58/2012 of 15 March 2012: *Accordo ai sensi dell'articolo 3, comma 2, del decreto legislativo 14 settembre 2011, n. 167, tra il Governo, le Regioni e le Province autonome di Trento e Bolzano per la regolamentazione dei profili formativi dell'apprendistato per la qualifica e il diploma professionale. (Repertorio atti n. 58).*

CSR 96/2012. State-regions conference agreement of 19 April 2012: *Accordo per la definizione di un sistema nazionale di certificazione delle competenze comunque acquisite in apprendistato a norma dell'art. 6 del decreto legislativo 14 settembre 2011, n. 167.*

CSR 32/2014. State-regions conference agreement 32/CSR of 20 February 2014: *Deliberazione concernente linee guida per l'apprendistato professionalizzante [Resolution on guidelines for the occupation-oriented apprenticeship]*.

<http://www.statoregioni.it/dettaglioDoc.asp?idprov=12738&iddoc=43052&tipodoc=2>

Decree-Law 76/2013. Decreto-Legge 28 giugno 2013, n. 76: *primi interventi urgenti per la promozione dell'occupazione, in particolare giovanile, della coesione sociale, nonché in materia di imposta sul valore aggiunto (IVA) e*

- altre misure finanziarie urgenti [Decree-Law No76 of 28 June 2013: first urgent measures for promoting employment, with particular reference to youth, social cohesion, as well as in the field of VAT and other financial urgent measures]. *Gazzetta Ufficiale*, general series No 150, 28 June 2013, pp. 1-24.
- Decree Law 34/2014. Decreto-Legge 20 marzo 2014, n. 34: Disposizioni urgenti per favorire il rilancio dell'occupazione e per la semplificazione degli adempimenti a carico delle imprese. (14G00046) (*GU* n.66 del 20-3-2014).
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ANNEX 1.

Assessment tool

English version

Name of participant: _____

The following items have to be scored on a scale from 1 (= not true at all) to 10 (= completely true). You are kindly requested to fill in each of the items even if you are uncertain about your ratings in one case or another. The scores will provide a provisional input for the workshop, and there will be the opportunity to discuss and reconsider your ratings.

Main criteria ⁽¹¹⁰⁾	Subcriteria	Judging of subcriteria (1.....10)
1. Consistent legal framework		
	1.1. A single legal framework for apprenticeship and/or dual VET exists.	
	1.2. The legislative competences are centralised/concentrated.	
	1.3. Integrated procedures exist for the development of vocational curricula.	
	1.4. There are binding regulations on the cooperation of learning venues.	
	1.5. The achievements at all learning venues are taken into account in the curricula.	
	1.6. The functioning of the legal framework in practice is coherent.	
2. Allocation of strategic and operational functions		
	2.1. The legal provisions stipulate a clear distinction of law-making and implementation.	
	2.2. The responsibilities are allocated to the different levels according to the principle of subsidiarity.	
	2.3. The development of occupational profiles and curricula takes place at national level while the development of training plans is reserved for the agents at local level.	
	2.4. The learning venues have autonomy with regard to the implementation of vocational education.	
3. Degree of involvement/integration of the various bodies		
	3.1. The responsibilities of the agents are adequately defined by the legal framework.	
	3.2. Social partners, VET schools and researchers are participating in a VET dialogue.	

⁽¹¹⁰⁾ The titles of the main criteria and the formulations of the subcriteria reflect an earlier stage of the governance model.

	3.3. One institution is assigned a coordinating function for the system as a whole.	
	3.4. The procedures for developing curricula stipulate a participation of social partners.	
	3.5. There is an institutionalised cooperation of learning venues.	
4. Quality assurance and innovation strategies		
	4.1. Legal conditions for the further development of apprenticeship and/or dual VET are implemented.	
	4.2. Curricula are evaluated on a regular basis.	
	4.3. The improvement of cooperation between learning venues is a topic of innovation programmes.	
	4.4. The assessment and evaluation of vocational competence (development) is a topic of innovation programmes [quality assurance and development strategies].	
	4.5. TVET research is involved in innovation programmes [quality assurance and innovation strategies].	
	4.6. A comprehensive system of continuing professional development of VET teachers and trainers is in place and applied.	
5. Outcome orientation		
	5.1. The legal framework includes mandatory objectives and benchmarks (standards) for apprenticeship and/or dual VET.	
	5.2. The attainment of policy objectives in apprenticeship and/or dual VET is evaluated systematically.	
	5.3. Research findings on the career development of graduates are considered in decision-making.	
	5.4. Examinations are oriented towards learning outcomes.	
	5.5. Examinations allow for the recognition of individual learning trajectories.	
6. Input orientation		
	6.1. The legal framework is based on the principle of closed curricula.	
	6.2. The agents' room for manoeuvre is tightly defined by the legal framework.	
	6.3. The completion of a specific curriculum is a prerequisite for the award of the vocational qualification.	
7. Financing arrangements/costs, benefits and quality		
	7.1. The company-based part of apprenticeship and/or dual VET is a self-financing [cost-effective] system.	
	7.2. Costs are shared between the relevant stakeholders (employers, State, learners).	
	7.3. Apprenticeship and/or dual VET is attractive for all parties concerned: companies, learners and the economy as a whole.	

ANNEX 2.

Stakeholder workshops participants

30 May 2014, Riga

List of participants

Name	Institution	Position
Aldis Misēvičs	Latvian Printers' Trade Union	President
Anita Līce	Employers' Confederation of Latvia	Education and employment expert
Artūrs Graudiņš	Association of Mechanical Engineering and Metalworking Industries of Latvia	Expert in education and employment issues
Elīna Purmale-Baumane	State Education Development Agency	Head of Vocational Education Development Unit
Guntis Strazds	The Association of Textiles and Clothing Industry	President
Ieva Bečere	Latvian Printers' Association	Vice President
Ieva Freiborne	Free Trade Union Confederation of Latvia	Executive Director
Ilze Buligina	Ministry of Education and Science of the Republic of Latvia	Expert in vocational education issues
Jānis Mārciņš	Association of the Forest Industry in Latvia	President
Jānis Nipers	Vocational Education Competence Centre 'Riga Technical College'	Deputy director in study research activities
Jānis Silarājs	Free Trade Union Confederation of Latvia	Consultant of power industry in education issues
Kristīne Strūberga	State Education Quality Service	Director of Quality Assessment Department
Liene Lieka	Free Trade Union Confederation of Latvia	Head of training centre
Ruta Ančupāne	National Centre for Education	Head of National Examinations Unit
Santa Graikste	Association of Hotels and Restaurants of Latvia	Executive Director
Sarmīte Valaine	National Centre for Education	Deputy director of education curriculum department and head of vocational curriculum unit
Ruta Porniece	Free Trade Union Confederation of Latvia	Junior researcher
Ursel Hauschildt	University of Bremen	Researcher
Wolfgang Wittig	University of Bremen	Researcher
Antje Barabasch	Cedefop	Expert, project manager

19 June 2014, Milan

List of participants and respondents

Name	Institution	Position
Elena Aiazzi (*)	CGIL – FISAC	National Secretary of CGIL-FISAC
Giuditta Alessandrini (*)	University of Rome III	Professor – Expert in VET policies
Gertraud Aschbacher	Autonomous Province of Bolzano	Deputy director of the Apprenticeship Office
Marina Beggio (*)	Confindustria Veneto	Responsible for education
Riccardo Bellocchio	Associazione dei Consulenti del Lavoro	Labour expert/consultant
Alessandra Biancolini (**)	Ministry of Employment and Social Policy – DG Guidance and Training Policies	Official responsible for apprenticeship
Rossella Martino	Formedil	Manager of the national training agency in the construction sector (Formedil)
Manola Cavallini	CGIL – FILLEA	Responsible for collective bargaining
Lucilla Carla Ceruti	Lombardy region – DG Education, Training and Employment)	Official in the Unit responsible for apprenticeship policies
Silvia Ciuffini	Confartigianato e Rete Imprese Italia	Responsible for labour market division
Fulvia Colombini	CGIL Lombardy region	Responsible for training policies
Tommaso Cumbo	Italia Lavoro	Expert in training policies, responsible for the FIXO University programme
Patrizia Dandolo (*)	CGIL – Confederazione Generale Italiana del Lavoro	Coordinator of training policy
Giovanna De Lucia (*)	Fondartigianato	Director
Emanuela Carratù	Federmeccanica	Responsible for education and training
Sabrina Di Giandomenico (**)	GI Group Academy	Responsible for training
Diego Fea	DTM – Torino	Expert in labour market and vocational training policies
Emanuela Felloni (*)	Nuovo Cescot	Expert, department 'Apprenticeship'
Stefano Fontana (*)	CENTROFOR	Responsible for apprenticeship
Eugenio Gotti (*)	Noviter – Milano	Expert in VET policies
Mariagrazia Balducchi	Fondazione Clerici – Training Centre	Expert in training policies
Ivana Loli (*)	Nuovo Cescot	Expert, department 'Apprenticeship'
Beppe Longhi	ENAI Training Centre	Director
Chiara Manfreda	Assolombarda – Territorial association of Confindustria	Expert in training policies
Maurizio Marcelli	CGIL – Fiom	National representative
Andrea Melchiorri	Confindustria	Labour market expert

Name	Institution	Position
Alessandro Mele (**)	Cometa Training Centre, Lombardy region	Expert in training policies
Milena Micheletti (*)	UIL	Takes part, on behalf of UIL, at the table for national professions repository for apprenticeship
Fabio Montanini (*)	Marche region, Department of education, training and employment	Head of Department, expert in training policies
Luigi Pitton	Employment Agency of the Autonomous Province of Trento	Responsible for the area on training initiatives
Federica Platini (*)	ENAIP Varese – Training centre	Employee (provincial level)
Roberto Rinaldi	Unione Industriale Torino	Expert for apprenticeship
Claudio Sciuccati	ELFI – Confartigiano Lombardia	Director
Grazia Strano (*)	Ministry of Employment and Social Policy – DG Employment Policies and Services	Representative of the General Directorate for Employment policies and services
David Trotti (*)	AIDP – Italian Association of Human Resources Managers	Coordinator of the study centre
Pier Angelo Turri (*)	Veneto region – Directorate for Employment	Head of directorate
Pietro Viotti (*)	Piedmont region – Department for education, vocational training and employment	Responsible for apprenticeship training policies
Carlo Barani	ENAIP Lombardia – Training centre	Employee, training development
Giovanni Beachi	Cometa Formazione	Deputy Director
Elena Cervellera	Cometa Formazione	Employee, training development
Mattia Dolci	NOVITER	Expert in active labour policies
Monica Redaelli	Gruppo CLAS	Researcher
Laura Belloni	Gruppo CLAS	Researcher
Lisa Rustico	Gruppo CLAS	Researcher
Claudia Striato	Gruppo CLAS	Researcher
Laura Sala	Gruppo CLAS	Researcher
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Ludger Deitmer	University of Bremen	Researcher
Patrycja Lipinska	Cedefop	Expert, project manager

(*) Completed an evaluation questionnaire but did not participate in the workshop.

(**) Participated in the workshop but did not complete an evaluation questionnaire.

19 June 2014, Porto

List of participants

Name	Institution represented
Elisabete Robalo	SONAE
Etelberto Costa	APG – Portuguese Association of Human Resources Management
Helena Cardoso	Porto School of Hotel Management and Tourism
Horácio Lourenço	National Association of Vocational Schools
João Alves	ATEC – Vocational Training Association for Industry
João Luís de Sousa	Vida Económica
João Rios	Sindep – National and Democratic Teachers' Union
Jorge Almeida Castro	Aveiro's Vocational School
José Manuel Azevedo	FNE – National Federation for the Education
Luísa Pinto	University of Porto
Madalena Fonseca	Assessment and Accreditation Agency for Higher Education
Manuel Santos Carneiro	Share – Association for Knowledge Sharing
Marina Peliz	CNEDU – National Education Council
Paulo Alves	ETAP – Technological and Artistic Vocational School
Rogério Ferreira	ISLA – Polytechnic Institute of Technology and Management
Vítor Dias	CENFIM – Centre for Professional Training of the Metallurgic and Metal Industry
Pedro Moreno da Fonseca	Cedefop
Ursel Hauschildt	University of Bremen
Wolfgang Wittig	University of Bremen
Isabel Morais	SPI
Marília Cunha	SPI
Marisa Rodrigues	SPI

26 June 2014, Barcelona

List of participants

Name	Institution	Position
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Asier Aloria	CONFEBASK (Basque Country Employer Association)	Training director
M ^a Begoña Arenas Romero	SCIENTER	Production director

Name	Institution	Position
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Roser Bertran	Education section, Barcelona Provincial Council	Programme director
Marc Caballero	NOTUS	Manager for international project
Maria Caprile Elola-Olaso	NOTUS	Project manager
Maria Teresa Casanovas	Automotive Center for Vocational Education and Training dependent of the Catalonia public employment service	Principal
Francesc Castellana	UTOPIA foundation	President
Antonio Corral	IKEI Research and consultancy	Director
Ignacio de Gispert	Catalonia Cristian School Foundation	Director
Juan Carlos Díaz Macias	Considera Project Lab Group	Director-Partner
Benito Echevarría	Autonomous University of Barcelona	Professor
Lourdes Estaban	PIMEC – Association for Small and Medium Enterprises in Catalonia	Director for training and employment
Josep Franci	Barcelona Chamber of Commerce	Appointee for territory and professional qualifications
Julia Frias Gómez	NOTUS	Project manager
José Luis García Molina	Complutense University in Madrid	Honorary member
Carlos Gómez Plaza	Unit for quality, security and accountability – Ministry of employment and social insurance	Director
Elvira González	CEET Tomillo foundation	Director
Manuela Hernan	Tripartite Foundation	Director for training planning, validation and evaluation
Oriol Homs Ferret	NOTUS	Project manager
Núria López de Guereñu	CONFEBASK (Basque Country Employer association)	Secretary general
Francisco Lopez Romito		Consultant
Tomás Maguregui	IKASLAN – Public Training Center association	Teacher
José M. Marco	VET, Aragon regional government	General manager
Francisco Miranda Casanovas	Centre for innovation and occupational training in L'Hospitalet	Director
Manuel Moreno	SEAT	Training director
Miquel Muç Vall Soler	INFORM foundation	Director
Carlos Obeso	ESADE – Business and Law School	Lecturer
Emili Palacios		Consultant
Rachel Palmén	NOTUS	Researcher
Francesc Ranchal	Education Department of the Generalitat de Catalunya	Training counsellor

Name	Institution	Position
Francesc Roca	High school for professional training Comte de Rius. Tarragona	Principal
Guillermo Salvans	Bertelsmann Foundation	Senior project manager
Ester Sánchez	ESADE – Business and Law School	Tenured lecturer
Pablo Sanz de Miguel	NOTUS	Researcher
Tomás Segundo	VET integrated centre, La GARROTXA	Director
Nilo Siles González	FEMXA	Director for training plans applications
Pere Soriano	VET school 'La Florida Universitaria'	Academic coordinator
Virginia Tenorio	Barcelona Chamber of Commerce	Appointee for training
Patrycja Lipinska	Cedefop	Expert, project manager

9 September 2014, Gothenburg

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Britt-Marie Johansson	Kunskapsförbundet Väst	Senior advisor
Martin Kvist	Malmö Univ. College	University lecturer
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Torgny Martinsson	Teknikföretagen/Technology employers' association	Competence officer
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Lennart Nilsson	Private consultancy firm	Professor emeritus
Torbjörn Nilsson	Stenungsund's municipality	VET teacher
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Marie Påsse	Kunskapsförbundet Väst/ Knowledge platform West	Education officer
Kristine Persson	Competence for growth/Ratio	Project leader
Fredrik Sandberg	Linköping university	University lecturer
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Name	Institution	Position
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Kerstin Littke	University of Gothenburg	VET teacher
Per-Olof Thång	University of Gothenburg	Professor
Ursel Hauschildt	University of Bremen	Researcher
Wolfgang Wittig	University of Bremen	Researcher
Antje Barabasch	Cedefop	Expert, Project manager

29 October 2014, Madrid

List of participants

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Asier Aloria	CONFEBASK (Basque Country Employer Association)	Training director
Jordi Antiga	VET integrated centre, La GARROTXA	Teacher
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Jaume Barniol	Lacetània Foundation	Director and teacher at the Manresa Lacetània high school
Marc Caballero	NOTUS	Manager for international projects
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Antonio Corral	IKEI Research and consultancy	Director
Andrés de las Alas-Pumariño Sela	Fuenlabrada City Hall	Councilman
Juan Carlos Díaz Macías	Considera	Social-Director
Benito Echevarría	Autonomous University of Barcelona	Lecturer
Lourdes Estaban	PIMEC – Association for Small and Medium Enterprises in Catalonia	Employment and Training Director
Alba Estanyol	IKASLAN Bizkaia	Coordinator Isalan Bizkaia
Cristina Faciabén Lacorte	CCOO (Workers Commission)	Socio-economic appointee at CCOO in Catalonia
Josep Franci	Barcelona Chamber of Commerce	Appointee for territory and professional qualifications
Julia Frias Gómez	NOTUS	Project manager
Luis Garcia Dominguez	High school Puerta Bonita	Principal

Name	Institution	Position
José Luis García Molina	Barcelona Chamber of Commerce	Honorary member
Isabel García Promigo	Tripartite Foundation	Training technician/specialist
Lina Gavira	Seville University	Teacher
Carlos Gómez Plaza	Unit for quality, security and accountability. Ministry of employment and social insurance	Director
Elvira González	CEET Tomillo Foundation	Director
Manuela Hernan	Tripartite Foundation	Director for training planning, validation and evaluation
Michaela Hertel	Bertelsmann Foundation, Centre in Barcelona	Director
Oriol Homs Ferret	NOTUS	Project manager
Soledad Iglesias	Ministry of Education, Culture and Sports	General subdirector for guidance and VET of the Ministry of Education
Núria López de Guereñu	CONFEBASK (Basque Country Employer association)	General Secretary
Francisco Lopez Romito		Consultant
José Luis Lorrio Maroto	Tripartite foundation	Advisor CEOE
Miguel Angel Malo Ocaña	Salamanca University	Economic lecturer
José Manzanares		Consultant
Manuel Moreno	SEAT	Training director
Juan Jesús Moreno González	Social economy entities association. CEPES. Andalusia	President
Carlos Obeso	ESADE – Business and Law School	Lecturer
Rachel Palmén	NOTUS	Researcher
Yolanda Ponce	Technical assistance for CCOO (Workers Commission) in the Tripartite Foundation and representative of the CCOO (workers confederation trade union) in Cedefop.	Technical assistant coordinator
Manuel Redaño	FAMSI – Andalucía Solidaria	Adjunct Director for the Andalusian Fund for International Solidarity
Francesc Roca	High school for Professional Training Comte de Rius. Tarragona	Principal
Ester Sánchez	ESADE – Business and Law School	Tenure Lecturer
Pablo Sanz de Miguel	NOTUS	Researcher
Tomás Segundo	VET integrated centre La GARROTXA	Principal
Pere Soriano	VET school 'La Florida Universitaria'	Academic coordinator
Blanca Tomás Manzanares	Local Development Agency, Getafe initiatives	Director

Name	Institution	Position
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Miquel Muç Vall Soler	INFORM foundation	Director
Jose Antonio Viejo	Construction Confederation	Training director
Beatriz Zafra	Spanish Council of Chambers of Commerce	Training director
Oriol Homs Ferret	NOTUS	Project manager
Jörg Markowitsch	3s Unternehmensberatung GmbH	Senior expert
Antje Barabasch	Cedefop	Expert, project manager

6 November 2014, Porto

List of participants

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António Condé Pinto	CTP – Confederação do Turismo Português Portuguese Tourism Confederation
Ana Ribeiro	Escola Profissional de Aveiro – Aveiros Vocational School
Isabel Ribeiro	Escola Profissional de Aveiro – Aveiros Vocational School
Helena Cardoso	Escola de Hotelaria e Turismo do Porto Porto School of Hotel Management and Tourism
Elisabete Robalo	SONAE – Private company
Ursel Hauschildt	University of Bremen
Wolfgang Wittig	University of Bremen
Isabel Morais	SPI
Marília Cunha	SPI
Marisa Rodrigues	SPI

26 November 2014, Milan

List of participants

Name	Institution	Position
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Alessandrini Giuditta	University Roma III – Department Educational Science	Full professor
Arosio Giorgio	Associazione CNOS FAP, training agency	Director of the Milan Unit
Beachi Giovanni	Cometa, training agency	Deputy director
Bellocchio Riccardo	Consulenti del lavoro (Association of labour consultants)	Owner – Expert in employment contracts legislation
Biancolini Alessandra	Ministry of Employment	Official in the department Guidance and Training for Youth Employability Policies
Bonardo Antonio	Assolavoro (Association of temporary employment agencies) e GiGroup Academy	Director Group Public Affairs – Training policies
Carratù Emanuela	Federmeccanica (employers' national association, engineering industry)	Employee in the education and training department at Federmeccanica
Ceruti Lucilla Carla	Regione Lombardia (Lombardy regional administration, DG Education, Training and Employment)	Official in the Department Employment and Employability, in charge of apprenticeship and internships measures
Cervellera Elena	Cometa formazione	Training development and Tutor
Colombro Mauro	CNOS FAP	Director of the Arese Unit
Costantini Carlo	CISL Lazio (CISL trade union, Lazio)	Regional Secretary – Labour market and employment services; vocational training; employment policies
Cumbo Tommaso	Italia Lavoro (National Agency of the Ministry of Employment)	Expert in training policies, in charge of the FIXO University programme
D'Agostino Sandra (*)	ISFOL (National Agency of the Ministry of Employment)	Head of the department methodologies and tools for skills and transitions
Fea Diego	DTM Torino	Owner – Expert in labour market and VET policies
Ferrulli Pietro	CISL Lazio (CISL trade union, Lazio)	Employee, in charge of labour market policies
Fortuni Giulio	CISL Veneto (CISL trade union, Veneto)	Regional Secretary
Innocenti Valeria	Assolombarda (local employers' association, industry)	Employee in the Labour and social security department

Name	Institution	Position
Lettig Anna	Fondazione Clerici, training agency	Manager of the Life long learning department
Maffezzoli Luigi	CISL Lombardia (CISL trade union, Lombardy)	Official in charge of labour market policies
Marcone Valerio Massimo,	Università Ca' Foscari	PHD Student on Training and Education Sciences
Melchiorri Andrea	Confindustria Nazionale (employers' national association, industry)	Expert in labour law and industrial relations
Perruzza Paolo	Confartigianato (employers' national association, handicraft sector)	Representative for the labour market and professional training sector
Rusciano Michela	Segreteria Nazionale UILM e Segreteria UIL Lombardia (UIL trade union)	Official – Department of Handicraft policies, Industrial and contractual policies, Training, Services
Sassi Antonio	ASF	Director of Research and Development
Stefani Sabina	Regione Toscana (Tuscany regional administration, DG Regional Competitiveness and Skills Development)	Official in charge of the operational programme training and transnational mobility
Trotti David	AIDP	Coordinator of the study centre
Villa Gabriele	Noviter	Expert in VET policies
Viotti Pietro	Regione Piemonte (Piedmont regional administration, DG Education, Training and Employment)	Official in charge of the apprenticeship training policies

(*) Expressed opinion via email/interview but did not participate in the workshop.

NB: The national level representatives of CGIL and UIL explained by letter that they could not take a position concerning the two suggested visions because of the upcoming reforms of the labour market in Italy (including the rules governing the apprenticeship system).

27 November 2014, Riga

List of participants

Name	Institution	Position
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Anita Līce	Employer's Confederation of Latvia	Education and employment expert
Artūrs Graudiņš	Association of Mechanical Engineering and Metalworking Industries of Latvia	Expert in education and employment issues
Elīna Pūrmale-Baumane	State Education Development Agency	Director of Vocational Education project department
Ieva Bečere	Latvian Printers' Association	Executive director
Ieva Freiborne	Free Trade Union Confederation of Latvia	Consultant of agriculture
Ilze Brante	Technical school Ogre	Director
Ilze Bulgina	Ministry of Education and Science of the Republic of Latvia, Education department	Expert in vocational education issues
Jānis Silarājs	Free Trade Union Confederation of Latvia	Consultant of power industry in education issues
Kristīne Strūberga	State Education Quality Service	Director of Quality assessment department
Līvija Marcinkēviča	Free Trade Union Confederation of Latvia	Vice president
Normunds Ozols	Ministry of Economics of Republic of Latvia	Head of the Economic development and labour forecast unit
Ruta Ančupāne	National Centre for Education	Head of National Examinations Unit
Sarmīte Valaine	National Centre for Education	Deputy director of education curriculum department and Head of vocational curriculum unit
Vasilijš Kasjaņenko	Valmiera vocational secondary school	Education methodist
Ruta Porniece	Free Trade Union Confederation of Latvia	Junior researcher
Wolfgang Wittig	University of Bremen	Researcher
Patrycja Lipinska	European Centre for the Development and Vocational training	Expert, project manager

18 May 2015, Stockholm

List of participants

Name	Institution	Position
Kristine Persson	Competence for growth, Ratio	Project leader
Bo Sillén	Företagsam/ Business Partner	Business Entrepreneur
Lena Ohre	Independent firm	Consultant on workplace development
Sven Sundin	National Agency for Education	Statistician

Name	Institution	Position
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Joachim Ramberg	Specped	Consultant
Daniel Persson Thunquist	Linköping University	VET researcher
Lotta Rosén	City of Stockholm	Vocational guidance officer
Sara Lång	University of Uppsala, Human Geography	Doctoral student
Fabian Sjö	National Agency for Youth and Civil Society	Youth expert
Lázaro Moreno Herrera	University of Stockholm	Professor in education
Patrick Ärlemalm	Amleda&Co	Consultant
Stefan Bodén	Kringelkroken – independent firm	Consultant
Fredrik Wikström	Agency for Youth and Civil Society	Head of division
Robert Höghelm	University of Stockholm	Professor in VET
Elisabeth Lagerlöf	Info2you – consultancy	Consultant, former Head of communication, Eurofound
Lars Grönkvist	Info2you – consultancy	Consultant
Torbjörn Nilsson	Stenungssund	VET teacher
Johan Hassel	Global Utmaning/think tank	Head

List of speakers

Name	Institution	Position
Lil Ljunggren Lönnberg	Youth to work delegation	Chair for gov. delegation for youth employment policies
Jan Edling	Flexicurity – independent consultancy firm	Consultant
Kenneth Abrahamsson	Luleå university of technology	Adjunct professor, human work science
Kajsa Åström	Global Utmaning/think tank	Trainee
Kajsa Hansson	Global Utmaning/think tank	Trainee

ANNEX 3.

Quality assurance in Portugal: additional information

Table A1. Institutions involved in quality assurance (Portugal)

Relevant entities	Responsibilities
Directorate General for Employment and Work Relations (DGERT) – MSESS (*)	Supports the conception of the policies related to: employment, training and professional certification and certification of training entities; professional relations, job environment and health in workplace.
Institute for Employment and Vocational Training (IEFP) – MTSS	Promotes the creation and quality of work, fighting unemployment with active policies and vocational training.
Cabinet for Strategy and Planning (GEP) – MTSS	Guarantees technical support to the formulation of policies to sustain the operational planning; Monitors and evaluates the execution by means of the policies, planning instruments and results of the management systems in articulation with other services of the MTSS.
Observatory for Employment and Vocational Training (OEFP) – MTSS	An advisory entity that contributes to the diagnosis, prevention and solution of problems within the scope of employment and vocational training.
Inspectorate-General of Education (IGE) – MEC (**)	Acts directly on the education settings in the services of the ME; Monitors, controls, evaluates and audits technical-pedagogical and administrative-financing activities of the education establishments.
Cabinet for Education Statistics and Planning (GEPE) – MEC	Guarantees the production and analysis of the statistics about education, specially relating to: technical support to the policies formulation; operational planning; the observation and evaluation of the global results obtained in the education system.
Directorate-General for Innovation and Curricular Development (DGIDC)	Assures the concretisation of the policies related with the pedagogical component of the education, and Guarantees the technical support to the formulation of these policies related with curricular innovation and development.
National Qualifications Agency – MTSS/MEC	Coordinates the execution of the educational and vocational training policies related with young people and adults, and Assures the development and management of the RVCC system.

(*) Ministry of Ministry of Solidarity, Employment and Social Security.

(**) Ministry of Education and Science.

Source: Based on information available on the website of each of the presented institutions.

Table A2. **Assessment procedures in Portuguese dual VET programmes**

Programme type	Practical training in the work environment (FPCT)	Evaluation	Certification
CEF	200h of FPCT	Formative assessment (for each course and component) Summative assessment, including the final evaluation test (PAF), which lasts for a minimum of 12h and where the candidate must demonstrate his or her professional skills in practical assignments. To continue studying towards the secondary by means of or higher studies, the candidate will also have to participate in the national exams of Portuguese and Mathematics/scientific component (if for the secondary by means of).	Award of a dual VET qualification certificate depending on the results attained Award of the learning credits regarding the UFCD successfully completed.
Learning courses	Alternating between hours of training in classroom and hours of training in the work environment	Formative assessment Summative assessment, including the final evaluation test (PAF), which lasts for a minimum of 12h and where the candidate must demonstrate his or her professional skills in practical assignments.	Award of a dual VET qualification certificate depending on the results attained
CET	Alternating between hours of training in classroom and hours of training in the work environment	Formative assessment Summative assessment	Award of a dual VET qualification certificate depending on the results attained

Source: Based on information collected from <http://www.en.anqep.gov.pt/>



CEDEFOP

Governance and financing of apprenticeships

This report analyses VET governance structures and financing arrangements in Spain, Italy, Latvia, Portugal and Sweden in view of developing and expanding apprenticeship. The study identifies 'favourable' or 'ideal' (from a theoretical point of view) governance structures and financing arrangements (normative model) that would support sustainable implementation of high-quality apprenticeship. Against the backdrop of this model, current structures in these countries are assessed and areas that need action identified. Possible options as to how apprenticeship or similar schemes could be further developed in each country are presented. Designed as action research in which relevant national stakeholders – government representatives, employers, employees and training providers – were actively involved in carrying out the assessment and discussing future policy options, the study aims to contribute to policy learning and encourage the national and international dialogue on apprenticeship.

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