



# National Employment and Skills Strategy 2023-2030

## **Annual Progress Report 2025**

*Quality Jobs and Life-Long Skills for All*

Tirana, March 2026



## Acronyms

<b>AI</b>	Artificial intelligence
<b>AKSHI</b>	Agjencia Kombëtare e Shoqërisë së Informacionit (National Agency for Information Society)
<b>AQF</b>	Albanian Qualifications Framework
<b>BE JER</b>	Basic Eurostat Indicators on Digital Skills (Eurostat dataset)
<b>CPD</b>	Continuous Professional Development
<b>CoP</b>	Communities of Practice
<b>CSO</b>	Civil Society Organization
<b>EQF</b>	European Qualifications Framework
<b>EUD</b>	European Union Delegation in Albania
<b>EU4LMI</b>	EU for Labour Market Inclusion
<b>EU4Youth</b>	EU for Youth
<b>DCM</b>	Decision of the Council of Ministers
<b>DLM</b>	Digital Learning Materials
<b>DU</b>	Development Unit
<b>EQAVET</b>	European Quality Assurance in Vocational Education and Training
<b>ERISEE</b>	Education Reform Initiative in Southeastern Europe
<b>ESAP</b>	Employment and Social Affairs Platform
<b>ETF</b>	European Training Foundation
<b>EU</b>	European Union
<b>EURES</b>	European Employment Services Network
<b>EWS</b>	Early Warning System
<b>GIZ</b>	Deutsche Gesellschaft für Internationale Zusammenarbeit
<b>ICM</b>	Integrated Case Management
<b>ICT</b>	Information and Communication Technology
<b>IPMG</b>	Integrated Policy Management Group
<b>LLL</b>	Lifelong Learning
<b>LMIO</b>	Labour Market Information Observatory
<b>LTU</b>	Long-term Unemployed
<b>MECI / MEI</b>	Ministry of Economy, Culture and Innovation / currently the Ministry of Economy and Innovation
<b>MES / ME</b>	Ministry of Education and Science / Ministry of Education
<b>NAES</b>	National Agency for Employment and Skills
<b>NAVETQ</b>	National Agency for VET and Qualifications
<b>NCVQ</b>	National Catalogue of Vocational Qualifications
<b>NLC</b>	National Labour Council
<b>NESS 2030</b>	National Employment and Skills Strategy 2023-2030
<b>OeAD</b>	Austrian Agency for Education and Internationalization
<b>NEET</b>	Not in Education, Employment or Training
<b>PWD</b>	Person with Disability / Persons with Disabilities
<b>SEL</b>	Socio-Emotional Learning
<b>SD4E</b>	Skills Development for Employment for Employment
<b>S4J</b>	Skills for Jobs
<b>SMIP</b>	Sistemi i Menaxhimit të Informacionit në Arsimin Parauniversitar (Pre-University Education Management Information System)
<b>SNA</b>	Skills Needs Analysis
<b>SSC</b>	Sector Skills Committees / Sector Committees
<b>ToC</b>	Theory of Change
<b>UNDP</b>	United Nations Development Programme

<b>UNICEF</b>	United Nations Children’s Fund
<b>VET</b>	Vocational Education and Training
<b>VNFIL</b>	Validation of Non-Formal and Informal Learning
<b>VTC</b>	Vocational Training Centre
<b>WBL</b>	Work-Based Learning
<b>YG</b>	Youth Guarantee

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## Chapter 1. Introduction

The year 2025 marked the third year of implementation of the National Employment and Skills Strategy 2023–2030 (NESS 2030), Albania’s overarching policy framework for promoting quality employment, lifelong learning and more inclusive labour market participation. This Annual Progress Report presents the main reforms, developments and results achieved during the reporting year, structured in line with the Strategy’s two overarching policy goals: (1) skills development and better matching of supply with demand in the labour market, for increased employment; and (2) fostering decent employment for women and men through the implementation of inclusive labour market policies.

Implementation during 2025 took place in a generally positive labour market context, marked by continued economic growth, rising employment and declining unemployment, while at the same time important structural challenges persisted in relation to inclusion, job quality, regional disparities, youth unemployment, gender gaps and labour informality.

Against this background, NESS 2030 continued to serve as the main policy framework for guiding reforms and coordinating institutional action across employment, vocational education and training, labour market inclusion and decent work. The year also represented an important point in the implementation cycle of the Strategy, as Albania moved further into the medium-term phase of reform and consolidation, making it increasingly important not only to assess progress achieved, but also to identify areas where stronger implementation, improved coordination or policy adjustment may still be required.

Throughout 2025, implementation advanced across both pillars of the Strategy through a combination of legal and regulatory reforms, institutional strengthening, service delivery improvements and continued support from development partners. Under the first policy goal, important progress was made in modernising the VET system, strengthening its labour market relevance, expanding dual VET, improving qualifications and curricula, and further consolidating quality assurance mechanisms. Progress was also recorded in digitalisation, infrastructure investment, mobility, lifelong learning and the gradual strengthening of labour market intelligence and system responsiveness. Under the second policy goal, implementation focused on improving inclusive employment services, strengthening support for vulnerable groups, advancing the Youth Guarantee, promoting women’s labour market participation, improving labour inspection and occupational safety, and supporting the broader framework for decent work and social dialogue.

The implementation of NESS 2030 during 2025 continued to rely on the coordinated contribution of a range of national institutions. The Ministry of Economy, Culture and Innovation, and since September 2025 the Ministry of Economy and Innovation, remained the lead coordinating institution responsible for strategic steering, monitoring and reporting.

The National Agency for Employment and Skills (NAES) continued to play a central role in employment services, active labour market measures, digitalisation and support to vulnerable jobseekers. The National Agency for Vocational Education, Training and Qualifications (NAVETQ) remained central to qualification development, curriculum reform, quality assurance and VET governance. These efforts were complemented by the contribution of the State Labour and Social Services Inspectorate (SILSS) and by continued technical and financial support from development partners.

Implementation in 2025 also remained closely connected to Albania's broader EU integration agenda. Progress in labour market governance, VET quality assurance, mobility-related reforms, digitalisation and legislative approximation continued to support alignment with the EU acquis and the country's wider reform commitments.

In particular, the implementation of NESS 2030 gained additional significance within the framework of Albania's EU Reform Agenda under the EU Growth Plan for the Western Balkans, as several priority actions under the reform agenda are directly linked to the milestones and measures of the Strategy. In this context, NESS 2030 continued to function not only as a national development framework, but also as a key vehicle for advancing EU-related reforms in employment, skills and social policy.

This report is structured in line with the intervention logic of the Strategy. Following this Introduction, Chapter 2 presents the Theory of Change, explaining how the policy measures and strategic objectives are expected to contribute to the long-term policy goals. Chapter 3 provides the core analysis of progress achieved in 2025 under each policy goal, strategic objective and priority measure, including both achievements and implementation challenges. Chapter 4 reviews major labour market developments. Chapter 5 addresses partnerships, coordination and innovation. Chapter 6 presents developments related to EU integration and external support, while Chapter 7 provides an overview of financial allocations and delivery.

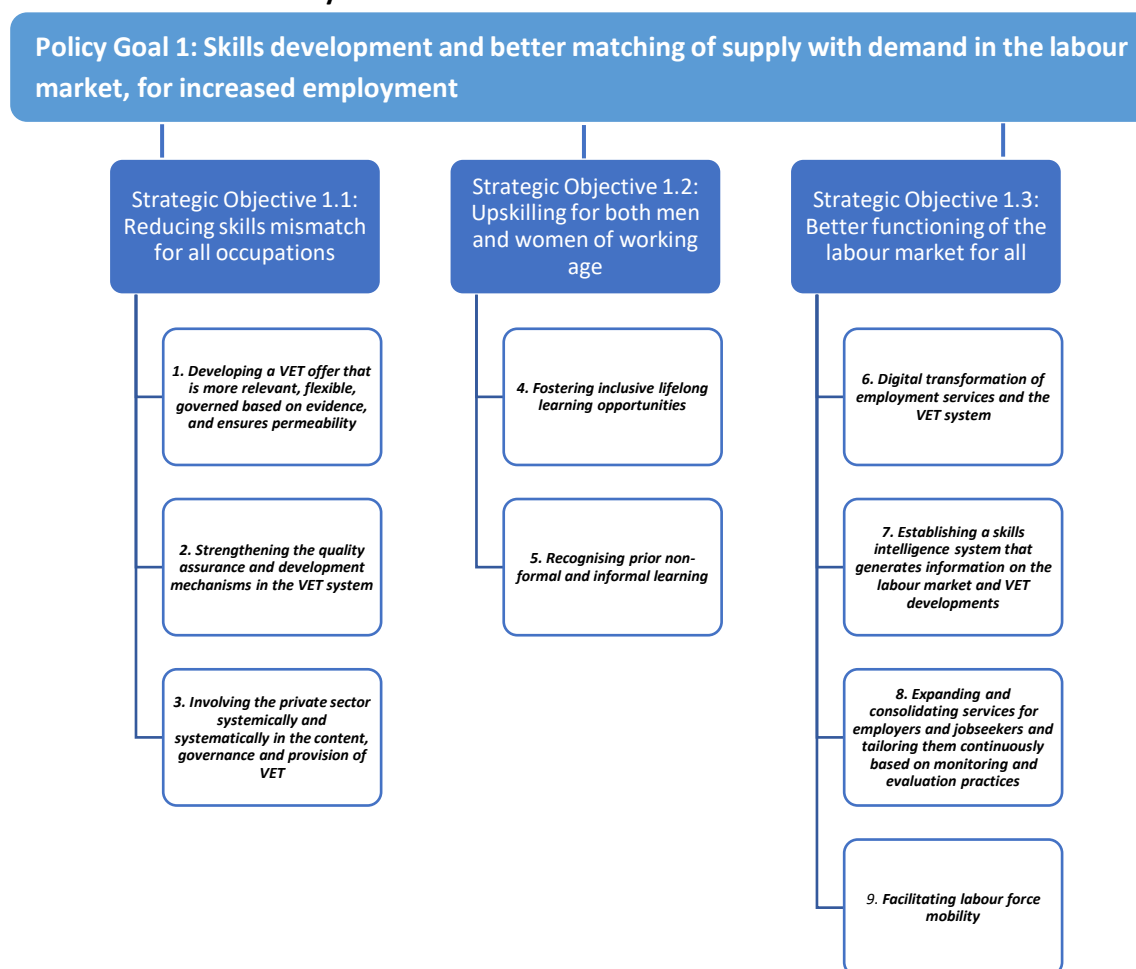
The preparation of this Annual Progress Report was made possible through the contributions of all responsible institutions and partners involved in the implementation of NESS 2030. Their combined efforts helped sustain reform momentum during 2025 and contributed to a more inclusive, dynamic and resilient employment and skills system in Albania. At the same time, the findings of the report also underline that sustained attention will still be needed in the years ahead to ensure that positive labour market trends are translated into more equitable access to opportunities, stronger skills relevance, better working conditions and broader social inclusion.

## Chapter 2. Intervention Logic and Theory of Change

The Theory of Change (ToC) explains how specific interventions and policy measures are expected to lead to defined outcomes (i.e., strategic objectives), which collectively contribute to broader impacts (i.e., policy goals). It provides a structured way to present the link between actions and expected results, identifying both the desired development change and the conditions required to achieve it.

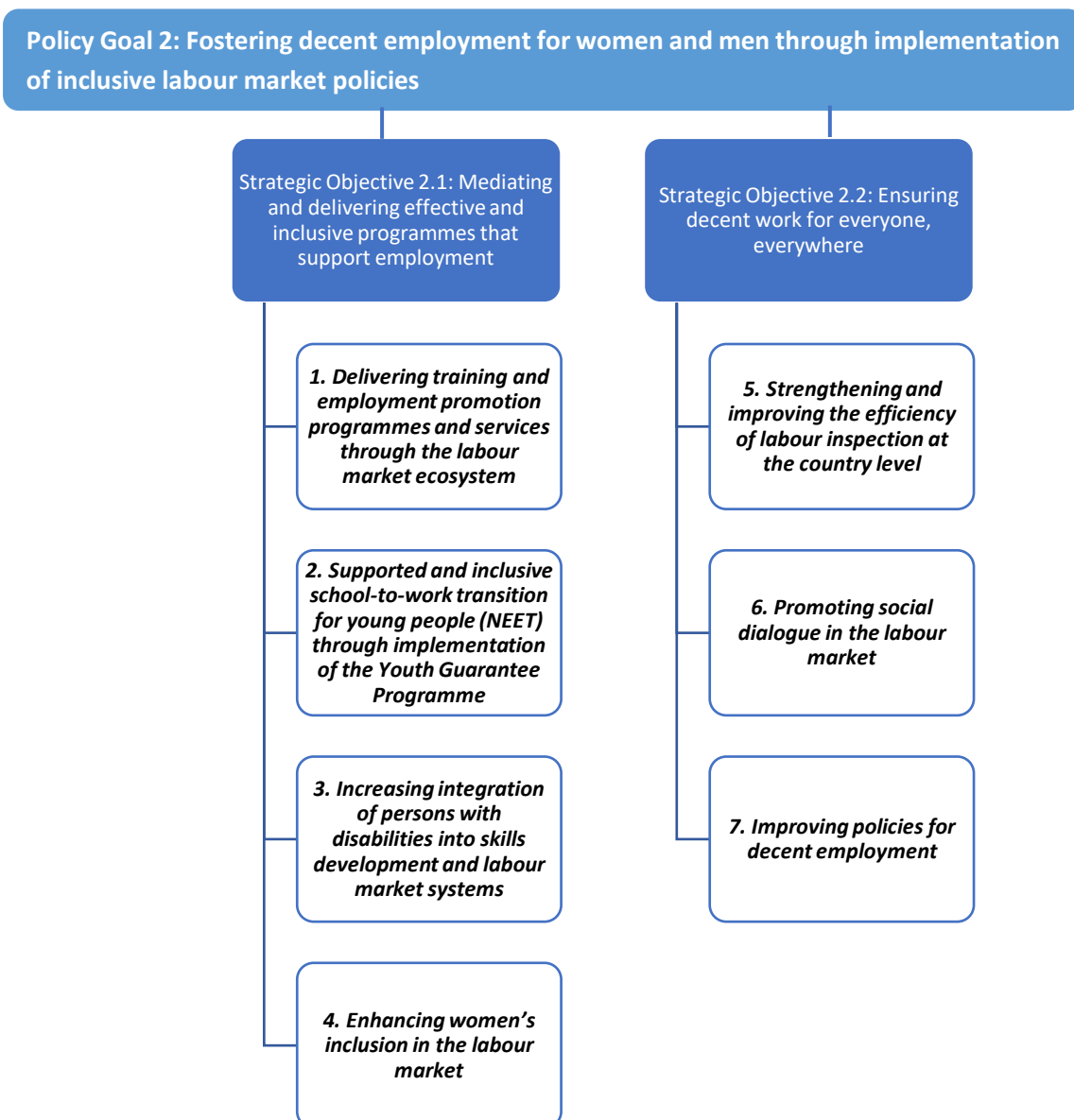
The figure below presents the overall ToC of the Strategy, broken down by pillar (policy goal). Under the first pillar, the first three policy measures contribute to the achievement of the first strategic objective—reducing skills mismatches across all occupations. Policy measures 4 and 5 support the second strategic objective—upskilling working-age men and women. The final four policy measures contribute to the third strategic objective—improving the overall functioning of the labour market. Together, these three strategic objectives are expected to contribute to the first policy goal: strengthening skills development and improving the alignment between labour supply and demand, ultimately leading to increased employment. Progress toward this goal is measured using EU headline employment indicators, including the employment-to-population ratio (ages 15–64) and the share of adults aged 25–64 participating in lifelong learning over the previous 12 months, with all data disaggregated by gender.

**Figure 1: Toc for the first Policy Goal**



In the second pillar, the four initial four policy measures contribute to the achievement of the first strategic objective (*i.e. Mediating and delivering effective and inclusive programmes that support employment*). Policy measures 5 to 7 contribute to the achievement of the second Strategic Objective (*Ensuring decent work for everyone, everywhere*). These two strategic objectives are expected to contribute to the achievement of the second policy goal (*i.e. Fostering decent employment for women and men through implementation of inclusive labour market policies*) which is measured by the EU Social Scorecard headline indicators such as the youth unemployment rate for the 15-24 age group, the gender gap in employment (in percentage) and the percentage of long-term unemployment, with all data disaggregated by gender.

**Figure 2: ToC for the second Policy Goal**



## Chapter 3. Main Results Achieved during 2025

Policy Goal 1: Skills development and better matching of supply with demand in the labour market, for increased employment

STRATEGIC OBJECTIVE 1.1: Reducing skills mismatch for all occupations.

*Policy Measure 1.1.1: Developing a more relevant, permeable, and flexible VET offer, through evidence-based governance.*

The strategy aims to develop a more relevant, flexible, and evidence-based vocational education and training (VET) system that ensures continuity and alignment with evolving skills and occupational demands. Key measures include updating the National Catalogue of Professional Qualifications and developing high-quality qualifications, with a particular focus on Level 5 of the National Qualifications Framework. Stronger engagement with the private sector is also prioritized to ensure the relevance and quality of learning outcomes.

In addition, the strategy emphasizes the implementation of a targeted communication approach, the strengthening of coordination mechanisms for VET delivery, and the modernization of public VET infrastructure in line with the requirements of the digital economy and ongoing technological transformation.

This policy is aligned with the European Qualifications Framework (EQF), as it supports the continuous updating of the National Catalogue of Professional Qualifications to reflect future labour market needs and facilitates the recognition and transferability of qualifications across EU countries. It also aligns with the Council Recommendation on VET for Sustainable Competitiveness, Social Fairness, and Resilience by promoting lifelong learning, enhancing the quality and inclusiveness of VET systems, and improving their responsiveness to labour market demands. Furthermore, the measure contributes to the implementation of the National Implementation Plan of the Osnabrück Declaration on VET by increasing the attractiveness of VET, supporting digital and green transitions, and strengthening the role of social partners in VET governance.

In 2025, significant progress was made in aligning VET provision with labour market needs, increasing system flexibility, and strengthening evidence-based governance. The development and revision of vocational qualifications continued steadily, further expanding and enriching the National Catalogue of Vocational Qualifications.

**National Catalogue on Vocational Qualifications.** The development of the [National Vocational Qualifications Catalogue](#) reflects the continued efforts of the national VET institutions, the private sector and other stakeholders to transform the system into one that is more flexible and labour market relevant.

During 2025, these efforts continued and further intensified. In the first half of the year, 20 vocational qualifications were revised and updated, including 8 newly developed qualifications, and were formally approved by Ministerial Order No. 936, dated 31 July 2025. In the second half of the year, an additional 8 qualifications were prepared—5 of them new—and submitted for approval in December 2025.

The evidence base for the diversification and modernization of vocational qualifications was further strengthened through labour market research conducted across various sectors of the economy. As a result, 29 occupational standards were developed and revised and subsequently validated. In parallel, 28 vocational qualification standards were developed and updated, including 13 new qualifications, all of which were also validated.

Progress also continued in integrating lifelong learning qualifications into the Albanian Qualifications Framework, supporting the broader objective of creating a more flexible and permeable qualifications system. The National Catalogue of Vocational Qualifications was updated accordingly and published on the website of the National Agency for VET and Qualifications (NAVETQ), enhancing transparency and accessibility of qualifications information.

### **Development of new vocational qualifications with the engagement of private sector and diversification of the VET offer.**

Curriculum development and diversification also advanced, especially in the context of continuing and expanding the implementation of dual VET programmes.

In 2025, the development of the VET offer was marked by the expansion of post-secondary provision, alongside the development of new dual VET qualifications. With the support of the S4J and other development partner projects, with the participation and direct contribution by at least 40 industry experts, NAVETQ developed new dual vocational qualifications, including the following: 1) Civil and Industrial Electrical Installations (dual) Level III of AQF, 1-year programme; 2) Supply Chain and Logistics Management (dual) Level IV of AQF, 4-year programme; 3) Diagnostics and Management in Auto Repair (dual), Level V of AQF, 1-year programme; 4) Event Management (dual), Level V of AQF, 1-year programme; 5) Fashion Design (dual), Level V of AQF, 2-year programme.

On the other hand, efforts to continue improving the labour market relevance and agility of the entire VET system sustained in 2025. Therefore, the system has moved forward with the development of new and revised curricula, development of the curricula for 10 unified vocational training programmes. From the 13 frame curricula developed during 2025, six were developed for the school-based and 7 for the dual VET offer. In addition, the curricula for additional 10 vocational training programmes, as part of the offer of vocational training centers. Developing new and revised frame curricula focused in economic priority sectors, such as ICT, tourism, agriculture, energy, logistics and automation.

A key area of progress under this measure in 2025 was the continued expansion of dual VET. In the 2025–2026 school year, 15 schools implemented dual qualifications, enrolling 372 students and partnering with over 250 companies, supported by more than 175 in-company mentors.

**Promotion of the AQF.** Building on the efforts of the previous years of implementation, during 2025, a targeted and diversified communication strategy on the AQF was implemented, with a particular focus on active promotion through the institutional website and social media channels, with the aim of increasing the transparency and transferability of qualifications. Through regular online publications, explanatory materials, infographics and guidance notices, clear information was provided on what the AQF is, its structure and levels, as well as the role of the National Catalogue of Vocational Qualifications, linking this information to the broader concept of qualifications and lifelong learning. In parallel, practical guidelines were disseminated on the procedures for including qualifications in the AQF and the requirements for their development based on learning outcomes. In addition, information meetings were held with qualification providers and NQF stakeholders, alongside a dedicated communication line for the accreditation process of VET providers offering AQF

qualifications, ensuring procedural clarity, public access to information and increased system visibility through digital platforms.

**Permeability and flexibility.** Progress was also registered in strengthening permeability and system flexibility. The reforms introduced in 2024 to facilitate movement between general upper secondary education and VET continued to provide the legal and curricular basis for easier transition across pathways.

At the same time, the inclusion of lifelong learning qualifications in the AQF and the promotion of AQF-related information through digital channels and information sessions contributed to a more transparent qualifications system and to improved public understanding of learning pathways and progression opportunities.

**Reorganization of the VET providers' network.** In 2025, implementation of the optimization plan for the VET provider network focused on two main directions: system-level optimization, aimed at completing the legal and institutional framework for further reorganization of the network and establishment of multifunctional centres; and provider-level optimization, aimed at standardizing internal procedures and strengthening staff capacities. At system level, progress was made in improving the management of human and infrastructural resources of VET providers in support of a more diversified and better managed offer. In this context, the opening of the vocational school "Shën Jozefi Punëtor" in Rrëshen (Mirditë) as a public VET provider, and the reorganization of the Rubik Industrial School were accompanied by the completion of procedures for restructuring human resources, opening the tax identification number, and consolidating student documentation into a single archive.

During 2025, the legal framework for the reorganization of VET providers was further strengthened through the approval of 4 Decisions of the Council of Ministers, 2 instructions and 5 ministerial orders, addressing issues such as information systems, transport support, public security services, the state database for vocational training, part-time staffing, multifunctional centres, school structures, psychosocial services and vocational training programmes supported through competitive financing. These measures are expected to contribute to better human resource optimization and improved organization of the teaching and learning process.

At provider level, efforts focused on standardizing the internal functioning of institutions through the drafting and amendment of a set of regulatory acts and procedural manuals. These included the Code of Ethics, Internal Regulation, regulations for governing bodies and development units, as well as manuals on diversification of the learning offer, management of professional practice in business, annual and mid-term planning, and implementation of the Early Warning System. A regulation on the functioning of the professional development network of psycho-social staff in VET institutions was also prepared. To support implementation, training sessions were organized from February to December 2025 for staff of VET providers according to their roles and responsibilities.

Further progress was made through institutional cooperation and workforce planning. During 2025, the National Agency for Employment and Skills concluded 8 cooperation agreements with external partners to support VET institutions. In addition, at the beginning of the 2025–2026 school year, development units, workload allocations and teaching departments were reviewed, and the needs for part-time teachers in VET institutions were identified and submitted to the ministry for approval.

#### **Modernizing the infrastructure of the VET providers.**

During 2025, progress continued in modernizing the infrastructure of vocational education and training providers through budgeted public investment and additional funding allocated by the

Ministry of Economy, Culture, and Innovation. A reassessment of infrastructure needs was carried out during the year, alongside the identification of investment priorities for the period 2026–2030. Under the Medium-Term Budget Programme 2024–2026, the approved budget amounted to ALL 3,168,469,000 for 2025 and ALL 3,178,469,000 for 2026. In addition, through a Government Normative Act, further funding was allocated in 2025 to support investments in 10 vocational schools and 2 public vocational training centres, in addition to those already under implementation. These interventions are expected to improve learning conditions and ensure higher standards for students and teachers in the VET system.

*Table 1: List of VET providers that benefited from infrastructure investment in 2025.*

No.	VET provider	Location	Type
1	“Hermann Gmeiner” Vocational School	Tirana	Vocational school
2	“Karl Gega” Construction Vocational School & production unit	Tirana	Vocational school
3	“Bajram Curri” Vocational School	Kukës	Vocational school
4	Technical Vocational School	Korçë	Vocational school
5	“Hamdi Bushati” Vocational School	Shkodër	Vocational school
6	“Arben Broci” Vocational School	Shkodër	Vocational school
7	“Pavarësia” Vocational School & Commercial School	Vlorë	Vocational school
8	“Enver Qiraxhi” Vocational School	Pogradec	Vocational school
9	“Kolin Gjoka” Vocational School	Lezhë	Vocational school
10	“Hasan Gina” Vocational School	Lushnjë	Vocational school
11	Public Vocational Training Centre No. 4	Tiranë	Vocational training centre
12	Public Vocational Training Centre	Durrës	Vocational training centre

In addition to state budget, infrastructure investment in the VET providers is foreseen to be supported through the Regional Challenge Fund (RCF). The Regional Challenge Fund (RCF), supported by KfW, continued to promote partnerships between VET providers and enterprises in the Western Balkans through investments in equipment, infrastructure, and training. Under its fourth and final call, closed on 6 June 2025, 21 VET providers applied, of which 9 advanced from the first to the second phase of the application process.

Regarding the financial autonomy of VET providers, moderate progress was recorded during 2025. With the support of the EU Technical Assistance project “EU for Social Inclusion”, implemented by GOPA, a workshop was organized with the participation of several VET providers to review and validate the methodology for costing and pricing products and services in the context of generating secondary income.

With regard to the integration of credits in the VET system, a feasibility study was carried out during 2025 with the support of the European Training Foundation (ETF). The findings and recommendations of the study are currently under review by NAVETQ.

**Mobility and international exchange of teachers and learners.** Mobility and international exchange of teachers and learners continued to be promoted during 2025 through a range of cooperation initiatives and donor-supported projects involving VET providers.

Under the Erasmus+ MOMAVET project, 50 students and 8 teachers from VET schools participated in a one-week mobility visit to Athens. In addition, NAVETQ successfully prepared a *Handbook for Mobility Managers* and a *White Paper for VET Schools*, both developed in Albanian and English, to further support the institutionalization and quality of mobility processes.

Further opportunities for international exchange were supported through the Regional Youth Cooperation Office (RYCO) programme *Superschools – School Exchange Programme in the Western Balkans*, which aims to promote peacebuilding and reconciliation in the region. The programme is co-financed by the European Union and the German Federal Ministry for Economic Cooperation and Development (BMZ), and implemented by GIZ and RYCO. In parallel, a range of additional donor-funded initiatives enabled training activities, professional practice placements, study visits, exchange of experiences, and other international cooperation activities for staff, students and trainees of VET providers.

Overall, a total of 139 participants from vocational schools, including staff and students, took part in exchange activities and study visits during 2025, of whom 57 were women and girls. In addition, 22 participants from vocational training centres, all staff members, were involved in such activities, of whom 21 were women. These initiatives contributed to the internationalisation of the VET system, the exchange of good practices, and the strengthening of professional and intercultural competences among learners and staff.

**VET Promotion and incentivising participation of girls.** Within the framework of the national campaign for the promotion of vocational education, a wide range of information and awareness-raising activities were organized by 31 vocational schools across the country, with particular emphasis on promoting programmes in agriculture, tourism and hospitality, and ICT, while also encouraging girls' participation and strengthening cooperation with parents, businesses, local government, NGOs and other key community actors.

These activities aimed to familiarize young people and their families with the opportunities offered by vocational education as an attractive pathway for learning and career development, while bringing together relevant stakeholders to showcase VET opportunities and inspiring good practices.

During the 2025 promotion period, up to the opening of enrolment in Grade 10, 1,680 meetings were held in lower secondary schools, 2,180 meetings with families of Grade 9 students, 257 open days, seminars and open classes, 600 career guidance activities, 123 competitions and showcases of work and projects developed through practical training, and 2,206 social media promotions highlighting schools and success stories of students and trainees.

In parallel, the promotion of the vocational training offer continued throughout 2025 through sustained outreach and awareness-raising activities aimed at increasing participation and orienting citizens towards vocational training programmes. These included 247 meetings and activities with employment offices, 119 meetings and activities with public and private VET providers, 1,134 meetings and activities with businesses, 114 meetings and activities with local government institutions, 1,707 social media posts, and 79 career guidance activities with a particular focus on groups in need.

Supporting activities included promotional videos from students' and trainees' workplace practice in large businesses, social media promotion of successful employment cases among graduates and certified trainees, and the preparation of leaflets and banners for each school and vocational training centre.

*Policy Measure 1.1.2. Strengthening quality assurance and development mechanisms in the VET system*

The strategy aims to strengthen the mechanisms for quality assurance and development within the VET system. This measure includes implementing self-assessment as a complementary and effective tool for quality assurance, identifying areas for improvement, and considering institutional readiness for digitalization. It also involves fully implementing the accreditation process for all public and private VET providers offering qualifications at levels 2-5 of the National Qualifications Framework, based on quality standards and accreditation criteria. Furthermore, the measure focuses on consolidating the licensing and monitoring processes for private VET providers in accordance with the quality assurance and development framework and developing an inspection approach and model for VET harmonized with the quality assurance and development framework.

The alignment with EU policies can be seen through adherence to the European Quality Assurance in Vocational Education and Training (EQAVET) framework. This involves implementing systematic quality assurance mechanisms to ensure continuous improvement and transparency within the VET system. The policy also aligns with the Council Recommendation on VET for Sustainable Competitiveness, Social Fairness, and Resilience by promoting high-quality VET provision and governance that meets labour market needs, enhances lifelong learning, and supports the digital and green transitions. Additionally, it supports the delivery of the National Implementation Plan of the Osnabrück Declaration, which emphasizes the importance of quality assurance in VET, fostering innovation, and involving stakeholders in the quality development process.

**Self-Assessment.** Based on Instruction No. 18, dated 6 July 2021, of the Ministry of Finance and Economy, amending Instruction No. 16, dated 8 May 2018, “On the development of self-assessment in vocational education and training provider institutions”, public VET providers carried out the self-assessment process in accordance with a calendar approved by NAVETQ, collected the required data, and prepared their final self-assessment reports. Following the completion of the self-assessment process for the 2023–2024 school year, all reports submitted by VET providers were compiled and reviewed by NAVETQ, and the national summary report on the self-assessment process was prepared.

In parallel, significant progress was made during 2025 in the review and revision of the self-assessment matrix, with the support of the Swiss-funded Skills Development for Employment Programme implemented by UNDP. The revision covered the self-assessment standards and criteria, as well as the sub-areas under the five officially adopted quality areas in VET. It aimed to reduce redundancies, facilitate clearer understanding and application by VET providers, and introduce standards and criteria for the self-assessment of new types of VET provision, including dual VET, validation of non-formal and informal learning, and lifelong learning qualifications. In November 2025, the revised draft instruction amending Instruction No. 16, dated 8 May 2018, as amended, was submitted for approval. The revised self-assessment instruction was formally adopted by Order of the Minister of Economy and Innovation on February 10, 2026.

**Accreditation.** The accreditation of VET providers continued to advance steadily in 2025, reflecting the gradual consolidation of the national quality assurance framework. Since the launch of the accreditation process, a total of 22 accreditation procedures have been initiated, of which 17 have been completed and 5 remain ongoing. Of the completed procedures, 10 VET providers were granted full accreditation, 6 were granted accreditation with conditions requiring follow-up measures and subsequent reaccreditation to ensure full compliance with the established standards, while 1 provider did not meet the accreditation requirements.

During 2025, NAVETQ also reviewed the existing Order No. 128, dated 6 July 2021, “On the approval of the Regulation on the standards, criteria and procedures for the accreditation of vocational education and training providers”, with the aim of aligning the accreditation framework with the

developments introduced in the VET system and the diversification of the VET offer. This process resulted in the adoption of the new Order No. 845, dated 3 July 2025, of the Ministry of Economy, Culture and Innovation, approving the revised regulation on the standards, criteria and procedures for the accreditation of VET providers.

Following the entry into force of the new regulation, the accreditation process continued during 2025 with the inclusion of 6 VET providers, of which 5 were public providers and 1 was a non-public provider. The revised framework is expected to further strengthen the consistency, transparency and responsiveness of the accreditation process, while ensuring that quality assurance mechanisms remain aligned with the evolving structure and increasing diversification of VET provision.

**Licensing of private VET training providers.** In 2025, the number of applications submitted by private entities, legal entities and non-governmental organizations through the National Business Centre to obtain or amend licences for the provision of vocational training reached a record level compared to previous years, with around 500 requests/applications. This significant increase resulted from the implementation of the new legal initiative introduced in 2024 by the ministry responsible for VET, which aimed to define licensing conditions for vocational training activity on the basis of objective, measurable and simple criteria for providers, while safeguarding the public interest. In this context, entities already holding a vocational training licence were required to meet the new criteria in order to retain their licence. According to data from the National Register of Licences of the National Business Centre, approximately 1,051 entities had been licensed for vocational training during the period 2009–2024, of which 841 were legal and natural persons and 89 were NGOs.

The review of supporting documentation against the specific licensing criteria established under DCM No. 514, dated 1 August 2024, for the 500 requests/applications submitted in 2025 showed that around 268 commercial entities applied, noting that some entities submitted more than one application. The majority of requests concerned the retention of existing licences, while only 28.4% related to new licences. A total of 154 applicant entities were found to have complete documentation and proceeded to the on-site inspection stage, which resulted in the granting of licences, either as new licences or retention of existing ones. Of these, 34 applications resulted in the issuance of a new licence, while the remaining cases concerned licence retention.

The monitoring of vocational training activities by NAES is carried out through verification of provider reports and declarations, compliance with licensing conditions in accordance with decisions of the minister responsible for VET, and documentation of training activity data. The collection of these data is planned to be conducted through the e-Albania platform, and work is ongoing with the National Agency for Information Society (AKSHI) to transform this into an electronic service. The service has already been developed and has completed preliminary testing. At present, it is being used only for testing and verification of functionalities, while all issues arising in preparation for live operation continue to be addressed. Once operational, the service will enable providers to declare the enrolment of new groups and the related certifications within a defined timeframe.

**Inspection.** The inspection unit established by the ministry responsible for VET (MEI), pursuant to DCM No. 755, dated 9 December 2021, “On determining the documentation, procedures and criteria for carrying out state inspections in the vocational education and training system”, in implementation of Article 26 of Law No. 15/2017 “On Vocational Education and Training in the Republic of Albania”, is responsible for planning and conducting periodic inspections of VET providers. During 2025, the unit carried out a full administrative investigation concerning the management of the activities of several public VET providers. It also coordinated with NAES in relation to the external evaluation of quality assurance of private providers licensed to deliver short-term lifelong learning courses.

**Initial qualification and continuous professional development of teachers.** During 2025, the full set of official documentation supporting and regulating the continuous professional development of teachers of professional culture subjects in VET was reviewed. This included the revision of the annual training programme “*Basics of Didactics in VET*”, delivered by NAVETQ for newly recruited full-time teachers employed by VET providers on fixed-term contracts. The revised programme gave greater attention to digital and green skills, inclusion in VET, social and gender equality, and teaching approaches for persons with disabilities. The accompanying training manual for the course was also revised in order to better support the implementation of the programme, integrating not only key information for teachers, but also practical approaches for developing these competences among VET students and trainees.

During 2025, 52 newly recruited VET teachers successfully completed the “*Basics of Didactics in VET*” training programme and were certified as VET teachers.

In parallel, Instruction No. 21, dated 27 June 2022, “On the continuous professional qualification of teachers of professional culture subjects in VET”, was reviewed and amended through Instruction No. 3, dated 13 August 2025.

The occupational standard for the profession “*Teacher of professional culture subjects in VET*” was also revised to incorporate digital and green skills into the core functions of the profession, while also introducing the role of the mentor as the person responsible in the business for supporting the professional learning of students enrolled in dual VET.

Furthermore, the qualification programmes for the two groups of teachers of professional culture subjects were revised to integrate aspects related to digital and green skills, inclusion in VET, social and gender equality, and teaching for persons with disabilities into the core competences of VET teachers. At the end of the continuous professional qualification procedures, 44 teachers were certified, including 26 in the category *Qualified Teacher*, 10 in the category *Specialist Teacher*, and 8 in the category *Master Teacher*.

**Development and implementation of a quality assurance mechanism for providers of Continuous Professional Development (CPD) for VET teachers.** In 2025, A draft *Guideline for the accreditation of training programmes for teachers of professional culture subjects in VET* has been prepared and is currently under discussion and consolidation. This document paves the way for high-quality continuous professional development of teachers by aligning their training needs with the offer of accredited training programmes.

**Continuous Professional Development of Non-Teaching Staff of VET Providers.** During the reporting period, continuous professional development for the non-teaching staff of VET providers was strengthened through a series of targeted training activities aimed at improving institutional management, internal governance, planning, monitoring, and cooperation with the private sector. These activities included trainings on the regulations of VET provider institutions, the functioning of Development Units, the institutional planning and monitoring cycle, diversification of the learning offer, and the institutional management of professional practice in business.

The main non-teaching profiles involved were directors, deputy directors, heads of development units, human resources specialists, career guidance coordinators, psychologists/social workers, and business relations coordinators.

The trainings were delivered nationally and regionally with the support of NAES and development partners, particularly the Skills for Jobs project, UNICEF, and the Austrian Agency for Education and Internationalisation.

In addition to these activities, targeted capacity-building support was also provided to the leadership teams of VET providers through dedicated training on the institutional planning and monitoring cycle, organized by NAES in cooperation with the Skills for Jobs project, and training on the role of leadership in the digital transformation of VET, organized by the S4J project. These initiatives aimed to strengthen the managerial and strategic capacities of school leadership teams in planning, monitoring, and leading institutional change.

Furthermore, the School of Directors of Pre-University Education Institutions launched the fourth call for applications to the Mandatory Preparatory Training Programme for Certification of VET Leaders, through which 34 serving or aspiring directors and deputy directors were enrolled and are expected to complete the programme by the end of the first half of 2026. Overall, these capacity-building efforts contributed to strengthening the administrative, coordination, leadership and support functions of VET providers, while improving their ability to respond more effectively to institutional objectives, student support needs and labour market requirements.

*Policy measure 1.1.3. Systemic and systematic engagement of private sector in the VET governance, design and delivery.*

The strategy aims to involve the private sector systematically and comprehensively in the governance, design, and provision of VET. This measure includes engaging the private sector in the National Council for VET to facilitate the active contribution of the business community and social partners to the VET reform. It also involves the creation and functioning of Sectoral Committees, the development of management capacities within VET provider boards, and raising awareness about the implementation of professional practices in businesses through successful cooperation clusters. The measure aims to enhance the attractiveness of VET in collaboration with the private sector and encourage private sector engagement to improve their contribution to the VET system.

The alignment with EU policies is evident through the incorporation of recommendations and principles from the Council Recommendation on VET for Sustainable Competitiveness, Social Fairness, and Resilience, and the Osnabrück Declaration. These documents emphasize the importance of involving social partners in VET governance, promoting high-quality and inclusive VET systems, and supporting the digital and green transitions. The measure ensures that the involvement of the private sector aligns with EU frameworks and practices, facilitating the integration of VET qualifications and skills within the broader European labour market.

During 2025, implementation effort continued to deepen the engagement of the private sector in the VET system, particularly through the engaged of private sector experts in qualifications design, the operation and expansion of Sector Skills Committees, and stronger cooperation between schools, enterprises, and institutional actors. Since 2024 and enhanced throughout 2025, private sector participation was most visible in the support to qualifications and curriculum development, as well as direct implementation of dual VET programmes.

**National VET council.** The National VET Council did not convene during 2025.

**Sectorial Skills Committees.** During 2025, progress continued in strengthening the functioning and expansion of Sector Skills Committees as an important mechanism for private sector engagement in VET governance and skills anticipation. In the ICT sector, four meetings of the Sector Skills Committee were organized and held during the year. Similarly, the Sector Skills Committee for Hospitality and Tourism held four meetings in 2025, supporting continued dialogue between education and labour market actors in these priority sectors. Progress was also made in expanding the sectoral committee model to additional sectors. In the field of energy, the joint order of the minister responsible for

education and the minister responsible for vocational education and training on the establishment and composition of the Sector Skills Committee for Energy was approved, and the procedures for the selection of committee members were completed. In the field of agriculture, the draft joint order on the establishment and composition of the Sector Skills Committee for Agriculture, together with a background information note on sector developments and the respective explanatory report, was prepared, and submitted for approval to the ministry responsible for VET.

**Engagement of the private sector in work-based learning and dual VET implementation.** During 2025, NAVETQ organized a series of information meetings with VET schools and partner businesses, with a particular focus on the implementation of students' professional practice in enterprises within school-based VET. In parallel, NAVETQ conducted consultations with VET providers and business representatives during the period October–December 2025, aimed at strengthening cooperation and improving the practical implementation of work-based learning arrangements.

**Dual VET Implementation.** One of the most important developments was the continued expansion of dual VET as the main platform for structured private sector engagement. In the 2024–2025 school year, S4J supported 203 students in 10 schools across 6 regions in dual qualifications such as Cook, Electro-Auto Services, Reception, Multimedia, and Installation and Maintenance of Low-, Medium- and High-Voltage Lines. These schools cooperated with 114 partner businesses and 124 in-company mentors who monitored, assessed and guided students during workplace learning. In June 2025, students in dual VET completed their level examinations in the premises of partner businesses, reinforcing the workplace-based character of assessment and the authenticity of practical learning. Furthermore, in cooperation with the National Agency for Employment and Skills, NAVETQ organized a training-of-trainers programme for mentors engaged in dual vocational qualifications in Albania. 19 in-company mentors were directly trained through this ToT-Programme, contributing to improved quality and consistency in the implementation of workplace learning and dual VET programmes.

Expansion accelerated further in the 2025–2026 school year with the implementation of dual VET in 15 schools across 9 regions, covering 372 students enrolled in dual qualifications. These included qualifications in Cook, Multimedia, Electro-Auto Services, Installation and Maintenance of Electrical Lines, Supply Chain and Logistics Management, Management of Accommodation Structures, Civil and Industrial Electrical Installations, and Diagnostics and Management in Auto Repair.

Since September 2025, more than 250 partner businesses and over 175 in-company have been engaged involved in supervising, monitoring, and assessing students in workplace settings. In November 2025, a two-day workshop was jointly organized with NAVETQ, bringing together 50 participants from schools, institutions and technical teams to reflect on the first year of implementation and identify lessons for further scaling.

More broadly, cooperation with the private sector was reinforced through outreach and networking. During the national VET promotion campaign, 1,134 meetings and activities with businesses were reported, helping to strengthen awareness of the VET offer and deepen collaboration with employers. In parallel, schools participating in the Regional Challenge Fund continued to build or strengthen partnerships with enterprises through competitive investment proposals in equipment, infrastructure and training. These actions complemented the systemic engagement of businesses in governance and delivery of VET and helped expand the ecosystem of partnership beyond dual VET alone.

### *Indicators for policy measures and strategic objective*

Policy measures under this specific objective aim to enhance the relevance, permeability, and flexibility of the VET system through evidence-based governance. Table 1 below presents the key indicators, baselines, 2025 achievements, and sources of verification.

Overall, these policy measures are contributing positively to improving the relevance and quality of VET provision. A key outcome indicator in this regard is the employment rate of VET graduates who do not pursue higher education. According to the 2025 tracer study by NAES, this rate increased to 77.4% in 2025, up from 67.6% in 2024 and significantly higher than the 57.5% baseline recorded in 2021.

Participation in VET has also continued to grow. The share of students enrolled in VET (public and private) reached 19.1% in the 2024–2025 academic year—the highest proportion of upper secondary VET enrolment relative to the cohort in the past decade—alongside an overall increase in student numbers compared to the previous year.

In terms of programme and qualification development, 2025 marked substantial progress. A total of 30 initial and post-secondary VET programmes and 10 unified courses were revised, including the development of 13 new frame curricula and the revision of 17 existing ones.

Progress was also recorded in strengthening quality assurance mechanisms. By the end of 2025, 18 VET providers had undergone the accreditation process: 13 were granted full or conditional accreditation, while 5 remained in the process.

However, challenges persist in the systematic engagement of the private sector. The share of VET students participating in workplace-based learning declined to 42% in the 2024–2025 academic year, down from 55% in the previous year and 65% in 2021–2022. This downward trend requires closer analysis and targeted measures to strengthen employer involvement in practical training.

At the strategic level, progress toward reducing skills mismatches across occupations is measured by the share of businesses identifying skills gaps as a major constraint. However, updated data from the World Bank STEP survey for 2023–2024 is not yet available. The Ministry of Economy and Innovation (MEI) will review this indicator.

Table 2: Indicators for policy measures and policy objectives 1.1

Policy measure/objective	Indicator	Baseline	Achievement 2023	Achievement 2024	Achievement 2025	Source/ Means of Verification
<b>Policy Measure 1.1.1: Developing a more relevant, permeable, and flexible VET offer, through evidence-based governance.</b>	Employment rate of VET graduates (excluding those who continue higher education, by gender	57.5% (2021)	77.4% (2023)	67.6% (2024)	77.4% (2025)	NAES / Tracer study
	The share of pupils that register in VET (Public and Private) by gender	17,54% (2022-23)	17,88% (2023-2024)	17.3% (2024-2025)	19,03%	INSTAT
	The percentage of girls registered in VET schools	14,7% (2021-2022)	15.8% (2022-2023) 16.2% (2022-2024)	16.25% (2024-2025)	16,81%	INSTAT
	Number of updated VET programmes (initial and continuous)	0	26 initial VET programmes 11 unified courses	51 initial VET programmes 10 unified courses	30 new and revised initial / post-secondary VET programmes (frame curricula) 10 additional unified training courses programmes	NAVETQ/Administrative data
	Number of new vocational qualifications and revised qualifications based on inputs by the private sector	0	2 new vocational qualifications 22 revised qualifications	8 new vocational qualifications and 19 revised qualifications	13 new vocational qualifications and 15 revised vocational qualifications	NAVETQ/Administrative data Official Gazette (Order of the Minister adopting/updating the National Catalogue of Vocational Qualifications

<b>Policy Measure 1.1.2: Strengthening quality assurance and development mechanisms in the VET system</b>	Number of % or VET providers accredited to offer vocational qualifications at the level 2-5 of the NQF	6 (2022)	10 (2023)	13 (2024)	18 (2025)	NAVETQ Website / Register of Accredited VET providers Administrative data
<b>Policy measure 1.1.3: Systemic and systematic engagement of private sector in the VET governance, design, and delivery.</b>	Share of students in VET schools who participate in professional practices in businesses, by gender.	65% (2021-2022)	58% (2022-2023)	55% (2023-2024)		NAES / Administrative Data
<b>STRATEGIC OBJECTIVE 1.1: Reducing skills mismatch for all occupations</b>	Percentage of businesses that identify skills mismatch of the labour force as key challenge	24.8% (2019)	N/A	N/A		World Bank/STEP

## STRATEGIC OBJECTIVE 1.2. Upskilling for both men and women of working age

### *Policy measure 1.2.1. Fostering inclusive opportunities and adopting the offer towards lifelong learning opportunities.*

The strategy aims to promote inclusive opportunities and adapt lifelong learning offerings. This measure includes assessing the needs of adult individuals for lifelong learning, conducting feasibility studies and creating roadmaps to boost and adapt lifelong learning opportunities, establishing financing mechanisms for private providers to develop skills in priority sectors, and developing skills provision for the twin transition in sectors with added economic value. Additionally, it focuses on creating opportunities for reskilling and upskilling the workforce based on new technological trends, exploring the possibilities of integrating individual learning accounts, and implementing a national plan to promote a culture and participation in lifelong learning.

The alignment with EU policies is evident through adherence to the EU's Council Recommendation on Upskilling Pathways and the European Skills Agenda. These documents emphasize the importance of providing flexible learning opportunities, promoting lifelong learning, and supporting adults in gaining basic skills, digital skills, and other key competences. The measure also aligns with the European Pillar of Social Rights, which advocates for access to education, training, and lifelong learning for all. This ensures alignment with EU's goals of enhancing skills and employability, fostering inclusive education and training systems, and facilitating lifelong learning.

During 2025, implementation of this policy measure progressed through the further diversification of lifelong learning opportunities, within the framework of adapting training provision to labour market demand, and preparatory steps towards more flexible lifelong learning instruments. Publicly financed and externally delivered training continued to play an important role, especially in areas where public provision remains limited, while efforts also advanced to align the offer with digital and green transition needs.

**Digital and soft skills.** NAES continued implementation of the Professional Training Programme with Financial Support, including the Coding Programme, for the third consecutive year. The programme supported qualification and requalification in professions with high labour market demand, particularly in programming, application development, data science, cyber security, artificial intelligence, machine learning, software testing, web development, UX/UI design, and related technological fields. This contributed to widening access to market-relevant lifelong learning opportunities through private providers financed with public support.

At the same time, NAVETQ reported that frame curricula and unified course programmes were further developed with greater attention to digital and green transition requirements across relevant occupational fields.

With support from the RisiAlbania project, private training providers in Tourism, ICT and soft skills delivered training on digital and green skills, as well as soft skills, contributing to enhancing more flexible and demand-driven lifelong learning offers. These trainings were attended by 483 young people, of whom 54% were women.

**Learning Units and Lifelong Learning Qualifications.** NAVETQ continued its effort to apply the development of qualifications standards based on learning units. This represents a milestone in opening up Albania's VET system to transforming into a lifelong learning system. The learning unit is the basis for modularizing qualifications, advancing the process of including lifelong learning qualifications in the AQF, recognizing partial qualifications, as well as for the implementation of the validation of non-formal and informal learning for vocational qualifications of levels 2-5. In this regard,

NAVETQ also commenced a feasibility study on the introduction of micro-credentials, which results and recommendations are expected by Mid-2026.

*Policy measure 1.2.2. Recognition of prior non-formal and informal learning.*

**Regulatory framework of RPL.** In 2025, substantial progress was made in consolidating the national framework for the Recognition of Prior Learning (RPL), or Validation of Non-formal and Informal Learning (VNFIL), moving the system from conceptual and regulatory development towards a structured implementation phase. Albania now has a comprehensive legal and procedural basis for the recognition of prior learning, enabling adults with work experience or non-formal and informal learning backgrounds to obtain recognized vocational qualifications aligned with AQF levels 2–5.

The legal and regulatory framework was significantly strengthened. Building on DCM No. 756, dated 9 December 2021, which established the broader framework for the validation of non-formal and informal learning, the Ministerial Instruction No. 1109, dated 16 December 2024, was finalized, and approved, defining the procedures for assessment and certification for the implementation of the VNFIL system in Albania. This instruction provides a detailed basis for the implementation of the four stages of the process: 1) identification, 2) documentation, 3) assessment and 4) certification.

Based on the adopted regulatory framework, the institutional architecture of the system has also become clearer. The ministry responsible for VET retains overall responsibility for regulatory approval and system oversight, while NAVETQ has the lead role in methodological development, qualification alignment, accreditation-related preparation, and provider support. NAES is expected to contribute through referrals of candidates, especially jobseekers, and through financial and human resource support to implementation by public VET providers. Accredited VET providers are foreseen as the operational actors responsible for carrying out the validation process through internal and external assessment structures, in line with the quality assurance requirements of the system.

In parallel, the quality assurance framework began to adapt to the future implementation of VNFIL. The review of the quality assurance matrix and accreditation framework for VET providers was carried out with the aim of also covering the accreditation of VET providers that will offer recognition of prior learning services. This is intended to ensure that VNFIL is embedded within the broader national quality assurance framework for VET and lifelong learning.

A further important development in 2025 was the preparation of a national roadmap for VNFIL implementation, with the support of UNDP's Swiss funded SD4E programme. The roadmap provides a phased approach for moving from regulatory readiness to operational rollout. It includes awareness-raising and capacity-building for providers, pilot planning with prioritization of target groups and qualifications, development of an information and management system, implementation support through practical tools and coaching, and a monitoring and evaluation phase to strengthen quality assurance and reporting. The roadmap was endorsed by key national stakeholders by the end of 2025 and will serve to support the roll-out from 2026 onwards.

### *Indicators for policy measures and strategic objective 1.2*

Policy measures under this specific objective aim to foster inclusive opportunities and adopt the offer towards lifelong learning opportunities. The table below presents key indicators, baselines, achievements for 2025, and sources of verification.

Policy measures are contributing to the achievement of certain targets on fostering inclusive lifelong learning opportunities. The number of adults benefitting from training programmes financed by the state budget slightly increased to 13,819 individuals in 2025, compared to 12,830 in 2024, from which 13,363 were trained by public VTCs, while 456 attended subsidized trainings on digital skills by private training providers.

Meanwhile, the share of businesses offering internal or external training to their staff, an important proxy for the uptake of lifelong learning opportunities in the private sector, remains unreported, as the results of the World Bank's Skills for Employment Survey has not been conducted in the recent years. As such, this indicator is subject to review and revision by MEI.

Regarding the establishment of a national Recognition of Prior Learning / Validation of Non-Formal and Informal Learning (VNFIL), several milestones have been concluded by the end of 2025, through a complete regulatory framework, revised quality assurance framework for VET providers, and clear shared responsibilities of central institutions and VET providers.

The strategic objective of upskilling is also measured through digital skill levels, specifically the percentage of the population aged 16–74 with at least basic digital skills, however updated data for 2024 are not yet available.

Table 3: : Indicators for policy measures and policy objectives 1.2

Policy measure/objective	Indicator	Baseline	Achievement 2023	Achievement 2024	Achievement 2025	Source/Mean of Verification
<b>Policy measure 1.2.1: Fostering inclusive opportunities and adopting the offer towards lifelong learning opportunities</b>	Number of adults who benefit from training programmes financed by state budget, by gender.	14,917 (2022)	16,428 (2023)	12,830 (2024)	13,819 (2025)	NAES / Administrative Data
	Share of businesses that offer internal or external training for their staff	15% internal training 5% external training (2018)	NA	NA		World Bank/ Skills for Employment Survey
<b>Policy measures 1.2.2: Recognition of prior non-formal and informal learning.</b>	Number of people certified through the recognition of prior learning process, by gender	0 (2022)	NA	NA	Implementation will commence in 2026	NAVETQ/NAES/Administrative Data
<b>STRATEGIC OBJECTIVE 1.2.: Upskilling for both men and women of working age</b>	Percentage of population with basic or higher digital skills (age 16-74), by gender	23.8% (2021) Men: 24.15% Women:23.45%	23.2% (2023) Men: 25.08% Women: 21.61%	NA	N/A	EUROSTAT/BE JER

### STRATEGIC OBJECTIVE 1.3. Better functioning of the labour market for all

#### *Policy measure 1.3.1. Digital transformation of employment services and VET system.*

The strategy aims to digitalize employment and skills development services. This measure includes increasing the number of job seekers using digital employment services, enhancing online learning for students and adults provided by VET providers, and expanding blended and online learning. The goal is to make employment and skills development services more accessible and efficient through digital means.

The alignment with EU policies can be seen through adherence to the European Commission's Digital Education Action Plan, which emphasizes the integration of digital technologies in education and training systems. It also aligns with the Council Recommendation on VET for Sustainable Competitiveness, Social Fairness, and Resilience by promoting digital skills and the use of digital tools in VET. Furthermore, the measure supports the principles outlined in the European Pillar of Social Rights, which advocates for access to quality and inclusive education, training, and lifelong learning. This alignment ensures that the digitalization efforts are in harmony with broader European objectives, facilitating improved access to and quality of education and employment services within the European labour market.

During 2025, implementation of this policy measure progressed through the continued digitalisation of employment services, the improvement of vocational training information systems, the expansion of digital learning content and platforms, and targeted investments in digital capacities and infrastructure across VET providers. Progress was recorded both on the employment services side, led by NAES, and on the VET side, through NAVETQ and with support from the Skills for Jobs project.

Overall, implementation remained in progress, with a number of important results achieved, while some digital solutions still require consolidation and stronger institutionalisation.

On the employment services side, NAES further expanded the digital delivery of services through the [puna.gov.al](http://puna.gov.al) portal and related e-services. A key development during 2025 was the operationalisation of the “Aplikime VLP Web” (Vacancies Web Application) service, which allows jobseekers to apply directly and in real time to vacancies published by employers, including through e-Albania, without requiring prior mediation by employment office staff. All applications are registered in the system and monitored by employment offices, improving transparency and traceability.

During 2025, 9,034 online job applications were recorded through this mechanism. More broadly, digital use of employment-related services continued to increase, including 23,478 applications for registration as jobseekers, 6,800 applications for unemployment benefit, 10,123 certificates of registration as unemployed jobseekers, 2,285 Youth Guarantee applications, 1,124 applications for financially supported vocational training, 701 applications under the self-employment programme, and 408 expressions of interest submitted through digital channels.

Progress was also made in improving digital information tools for outreach and guidance. The Youth Guarantee portal was further populated with information on available services and opportunities for young people, while the draft APR also refers to the development of an AI-based web application for career guidance for youth and NEETs, supported by UNICEF. According to the draft text, the application was designed to support users with CV writing, interview simulation, vacancy matching and feedback functions, although its launch status should be reflected cautiously unless separately confirmed.

In parallel, the vocational training information system (SIFP) was further improved during 2025. Enhancements were made to the Programmes module, strengthening the structure and traceability

of training offers and their links with providers and financially supported programmes. The Applications module was upgraded to enable automatic verification of applicants' status as beneficiaries of employment promotion programmes, Youth Guarantee participants, registered jobseekers, members of vulnerable groups, and holders of educational documentation. The Calendar module was also expanded, including more complete information on training locations and postponed training groups. These improvements reduced manual verification, strengthened objectivity in beneficiary selection, and improved administrative planning and monitoring. At the same time, NAES reported that access to parts of the broader education management information environment remains limited, particularly with regard to human resource, infrastructure and certain statistical reporting data.

Digital transformation under this measure also included the continued delivery of digital skills training for adults, mostly registered unemployed jobseekers. During 2025, the Digital Skills training programme continued to be implemented in public vocational training centres. The curriculum, aligned with the EU Digital Competence Framework 2.0, is structured in two levels and covers five basic digital competences. The programme aims to improve the employability of jobseekers and their capacity to use e-services and online job search tools. During 2025, 3,083 trainees participated in the programme, of whom 3,044 were registered unemployed jobseekers.

On the VET side, digital transformation advanced through the further expansion and practical use of the MësoVET platform. According to S4J reporting, during the 2025–2026 school year the platform offered digital learning materials for 220 vocational theory subjects and modules, including 27 modules linked to dual VET qualifications, covering curricula in 27 vocational schools. During 2025, S4J developed and uploaded digital learning materials for 42 additional subjects across fields such as ICT, mechanical engineering, hospitality and tourism, thermo-hydraulics, economy-business, electrotechnics and social-health services, as well as materials for 27 subjects related to dual programmes.

User uptake and pedagogical use of MësoVET also expanded. S4J reported training for 1,312 students and 308 teachers on the use of the platform, as well as individual support for 1,080 students to install and use the application on mobile devices. During January–June 2025, 1,399 students from six VET schools followed online courses in MësoVET. In addition, around **2,000 students** attended short online courses created specifically for vocational school students. In May–June 2025, 1,267 students from seven vocational schools used MësoVET for the professional theory component of level examinations. Open lessons delivered through the platform also supported peer learning and exchange of teaching methods among teachers.

Teacher and school leadership capacities in digital learning were also strengthened. NAVETQ reviewed and revised national training programme “Basics of Didactics in VET” to include an online module on Digital Environment and Learning in VET, aimed at enabling teachers to use digital tools, prepare digital teaching and assessment materials, apply online and blended learning, and manage digital school documentation. During 2025, 52 teachers of vocational subjects were trained through this module. S4J further supported training on digital tools such as Canva, Articulate Rise and Kahoot for 28 teachers, digital archiving in MësoVET for 54 management and teaching staff, digital transformation leadership for 20 school leaders, and an asynchronous course on the role of leadership in blended learning with 50 participants.

Digital infrastructure in selected VET schools was also strengthened, among others, through donations of smart TVs and 45 iMac computers from a Swiss vocational school to two Albanian VET schools, contributing to improved digital learning environments and ICT-based teaching.

Overall, the implementation of this policy measure during 2025 shows steady progress in the digitalisation of public employment services and the VET system, particularly in terms of digital service access, information system optimisation, digital learning content, and staff and learner use of online platforms. At the same time, further work is needed to ensure sustainability, interoperability and fuller measurement of results.

*Policy measure 1.3.2. Developing skills intelligence system which produces regular labour market and skills signals.*

The Strategy aims to create a skills intelligence system that provides regular signals about labour market and VET developments. This involves developing and implementing the Labour Market Information Observatory, creating a long-term skill forecasting tool, conducting sectoral analyses as requested by Sectoral Committees, and performing national and regional skill demand analyses every two years.

The alignment with EU policies is evident through adherence to the European Commission's Digital Education Action Plan and the European Skills Agenda, which emphasize the importance of using data and forecasting to inform education and training systems. This ensures that the skills intelligence system is in line with EU standards, facilitating better alignment of education and training with labour market needs.

During 2025, implementation of this policy measure progressed through the continued development of the labour market information architecture, the production of analytical intelligence products, and the initiation of more forward-looking forecasting tools. Progress was made in consolidating the Labour Market Observatory, implementing the Skills Needs Assessment 2025, producing regional labour market analyses, and generating sector-specific evidence to inform policymaking and planning. At the same time, the full operationalisation of the skills intelligence system as a regular, integrated and institutionally embedded mechanism remains ongoing.

The Labour Market Observatory continued to be developed as a mechanism for collecting, processing and analysing labour market data from NAES, the tax administration and other institutions. In order to support its operationalisation and define the relevant data domains, an inter-institutional working group was established by Prime Minister's Order No. 43, dated 5 March 2025. This represents an important institutional step towards consolidating a more structured and coordinated labour market intelligence function.

A major achievement during the year was the implementation of the Skills Needs Assessment (SNA) 2025, the fourth national survey cycle under Albania's evolving skills intelligence system. The survey covered 2,185 enterprises, representing a 75.9% response rate, and generated estimates for 53,982 active enterprises employing 504,572 persons. The findings confirmed continued skills mismatch and recruitment difficulties: 43.5% of enterprises reported skills deficiencies among their workforce, 31.7% reported vacancies, and 94.9% of those with vacancies facing difficulties filling them. The SNA also confirmed limited enterprise engagement with structured training and with the VET system, while highlighting continued reliance on informal recruitment channels and on-the-job training. These findings provide a strong analytical basis for labour market and VET policy design.

Further progress was achieved through the preparation of 12 regional labour market analyses in May–June 2025. These analyses drew on vacancy data and VET participation data to support short-term planning and adjustment of VET provision at regional level.

The evidence base was also strengthened through targeted sectoral research supported by SD4E. The Digitalization Impact Assessment in tourism, energy and ICT provided structured evidence on digital maturity, digital technology uptake and digital skills shortages across priority sectors. Its findings showed that most firms remain at basic or intermediate stages of digital maturity and that digital skills constraints continue to limit transformation, particularly outside the ICT sector. This complements the broader SNA findings and strengthens the relevance of skills intelligence for both labour market policy and VET system adaptation.

Overall, implementation in 2025 can be assessed as in progress with significant advancement. The system has moved beyond isolated studies toward a more structured intelligence function, but further work is needed to ensure regular production, publication, dissemination and use of labour market intelligence products across the employment and VET systems.

*Policy Measure 1.3.3. Consolidating and expanding employer and jobseeker services and adopting them based on monitoring and evaluation practices.*

The Strategy aims to consolidate and expand services for employers and job seekers, continuously adapting them based on monitoring and evaluation practices. This measure includes optimizing face-to-face employment services for clients, expanding, and strengthening monitoring and evaluation systems, consolidating performance management systems for employment services, enhancing online communication channels for job vacancy collection, and developing mechanisms and capacities for human resources and training for technical and digital skills.

This measure aligns with EU policies, particularly the European Pillar of Social Rights, which emphasizes access to quality and inclusive employment services, and the European Employment Strategy, which advocates for effective labour market services and support for both job seekers and employers.

In 2025, implementation of this policy measure aimed at strengthening labour market intermediation services, expanding digital tools, and reinforcing institutional monitoring and performance systems within the National Agency for Employment and Skills (NAES). Progress was recorded in improving direct interaction between employers and jobseekers through digital services, strengthening monitoring and evaluation systems, further developing performance management practices, and reinforcing the broader ecosystem for employment service delivery.

A significant achievement during the year was the further operationalisation of the “Vacancies Web Applications” service on the national employment portal [puna.gov.al](http://puna.gov.al). Through this functionality, direct interaction between jobseekers and employers was strengthened by enabling online applications for published vacancies. According to NAES reporting, 9,034 online applications were submitted through this mechanism in 2025. The service improved the intermediation process, strengthened traceability, and contributed to faster matching between labour demand and supply. The broader digital development of the portal also enabled employers to publish vacancies directly and jobseekers to apply independently, reinforcing client-oriented and more accessible employment services.

*Policy Measure 1.3.4. Facilitating labour force mobility*

The Strategy aims to facilitate labour mobility. This measure includes creating a connection with the EURES platform, increasing the percentage of job seekers mediated in different regions from their residence, approving coordination protocols, and providing information to returned Albanian citizens.

The alignment with EU policies can be seen through adherence to the European Employment Strategy and the European Pillar of Social Rights, which emphasize the importance of labour mobility and fair recruitment practices. This alignment ensures that the mobility facilitation efforts are in line with EU framework, promoting better integration and opportunities for workers within the European labour market.

In 2025, Albania continued its efforts in enhancing the digital infrastructure of employment services through the alignment of the national system with the European EURES platform. NAES has conducted a mapping of Albania's national list of 5,400 occupation codes to the 2,900 ESCO profession codes and embedding ESCO's skills and occupational classifications into the new IT system. This mapping allows for automated skill matching, enabling jobseekers to be more effectively connected to vacancies, including across borders. Additionally, a system change was completed to ensure that all job vacancies are now accessible to jobseekers, employers, and employment counsellors alike, supporting transparency and widening access to employment opportunities via the [puna.gov.al](http://puna.gov.al) portal.

Parallel to the system advancements, targeted measures were implemented to equip jobseekers with essential digital and soft skills. The national "Digital Skills" training programme, rolled out in all VTCs, trained 3,083 (3,044 unemployed jobseekers) in basic digital competencies in line with the EU's Digital Competence Framework.

At the same time, NAES continued the implementation of the subsidized training in ICT through private training providers. For the third consecutive year, the priority area for financial support was Programming, including: coding and computer programming, application development, robotics and electronics, data science, cyber security, artificial intelligence and machine learning, software testing and design, web development, UX/UI design, virtual and augmented reality, computer algorithms, and other similar technological fields. Within this framework, around 1,112 individuals applied, of whom 847 were unique applicants. Following the testing period, only 470 of them enrolled in training courses.

**Puna.gov.al Portal.** Further progress was made in strengthening direct access to labour market opportunities through the [puna.gov.al](http://puna.gov.al) employment portal. The portal now operates as an integrated platform where jobseekers can directly access and apply for vacancies announced by employers, including without prior mediation by employment offices. Through the portal and its connection with e-Albania, jobseekers can apply in real time, from any location, while employers are immediately notified of new applications. All applications are registered and stored in the employment services system in a dedicated module, ensuring full traceability and transparency. At the same time, employment office specialists continue to monitor and follow these applications, provide support and ensure alignment with employer criteria. This has improved both the accessibility and transparency of vacancy intermediation.

**Youth Guarantee Portal.** An additional digital development related to labour mobility and activation was the further preparation of the Youth Guarantee Portal, which has contributed to the visibility of the scheme and its services. The portal has been populated with information and is expected to be launched as part of the national roll-out phase of the Youth Guarantee Scheme. While this tool is primarily linked to youth activation, it also strengthens digital access to labour market opportunities and support measures.

**Improved legal framework for labour mobility.** The legal framework relevant to labour mobility saw significant improvement during 2025 through the adoption of Law No. 43/2025, introducing amendments to Law No. 79/2021 "On Foreigners". Through the latest amendments, the law partially

approximates Albanian legislation with several important EU directives related to the entry, residence and rights of third-country nationals, including the revised EU Blue Card Directive, the Students and Researchers Directive, the Citizens' Rights Directive, and the 2024 Single Permit Directive. These amendments contribute to further alignment of Albania's migration and labour mobility framework with the EU acquis.

Overall, implementation of Policy Measure 1.3.4 during 2025 can be assessed as in progress with substantial advancement, including progress in IT alignment with EURES, ESCO integration, digitalisation of vacancy access and application procedures, and partial legal approximation with EU mobility-related legislation. However, further work remains necessary to achieve full interoperability with EURES and to complete the institutional and technical requirements linked to EU accession.

*Indicators for policy measures and strategic objective 1.3.*

Policy measures under this specific objective focus on the digital transformation of employment services and the VET system, developing skills intelligence systems, consolidating employer and jobseeker services, and facilitating labour force mobility. The table below presents key indicators, baselines, achievements for 2024, and sources of verification. Despite important progress in some areas, implementation remains uneven, with a number of indicators for 2024 pending or not yet available.

Under policy measure 1.3.1, the number of jobseekers using digital employment services increased significantly reaching 23,478 of online registration as jobseekers.

Progress indicators under 1.3.2 include the implementation of the national SNA 2025 and the publication of 12 labour market briefs through the Labour Market Observatory. This marks a key step in institutionalizing the use of skills intelligence for policy planning, although the regularity and use of these outputs for decision-making require further documentation.

Policy measure 1.3.3 focuses on consolidating and expanding employment services. The number of job vacancies published through NAES remained high at 68,860 in 2025, marking an increase of 12% from the previous year. The absolute number of job mediations facilitated by employment offices experienced decline for the second year, falling to 5,987 in 2025. However, this is also related to the fact that interred 2024, suggesting implementation challenges or capacity constraints. The percentage of participants employed after completing Employment Promotion Programmes remains unavailable for 2024, as the tracer study was ongoing at the time of reporting.

Significant progress has been marked during 2025 in increasing interoperability of the national employment services system to EURES. 5,400 occupations from the National List of Occupations were mapped to 2,900 ESCO occupation codes, embedding ESCO's skills and occupational classifications into the new IT system.

Two outcome-level indicators for this strategic objective remain pending. Updated data on the share of employers using public or private employment services for recruitment (World Bank/STEP) is not available for 2025. Meanwhile, the registration rate of unemployed jobseekers with NAES reached an absolute figure of 68,204 in 2025, but the percentage will only be confirmed once INSTAT publishes the total number of unemployed for the year.

Table 4: Indicators for policy measures and policy objectives 1.3.

Policy measure/objective	Indicator	Baseline	Achievement	Achievement	Achievement	Source/Mean of Verification
			2023	2024	2025	
<b>Policy measure 1.3.1. Digital transformation of employment services and VET system.</b>	Number of jobseekers who utilize digital employment services	0 (2021)	14,000 (2023)	NA		NAES / Administrative data
	Number of VET providers that offer blended learning and online learning	9 (2021)	9 (2023)	10 (2024)	14 (2025)	NAES / Administrative data
<b>Policy measure 1.3.2. Developing skills intelligence system which produces regular labour market and skills signals.</b>	Number of regular products produced by the LMIO	0 (2022)	2 (2023) 1. Statistical Bulletin 2. Regional Labour market analysis	12 regional labour market analysis produced in 2024	1 SNA 12 regional labour market analysis produced in 2025	NAES / Administrative data
<b>Policy Measure 1.3.3. Consolidating and expanding employer and jobseeker services and adopting them based on monitoring and evaluation practices.</b>	Number of vacancies published in NAES	25,000 (2021)	61,173 (2023)	61,624 (2024)	68,860 (2025)	NAES / Administrative Data
	Number of job mediations facilitated by employment offices, by gender	7,624 (2021)	12,088 (2023)	7,303 <sup>1</sup> (2024)	5,987 (2025)	NAES / Administrative Data

<sup>1</sup> Starting from 2024, NAES considers a successful placement only those that result in employment declared in the GDT.

	Percentage of people employed upon completing Employment Promotion Programmes	61.8% (2021)	61.8% (2021-22)	Tracer study on-going		NAES / Administrative Data / Tracer Studies
<b>Policy Measure 1.3.4. Facilitating labour force mobility</b>	Connection with EURES platform facilitated	NO (2021)	NO (2023)	No (2024)	Partially	NAES/ Administrative data
	Percentage of mediations facilitate in municipalities other than the municipality of residence.	TBD	2.4% (2023)	N/A		NAES/ Administrative data
	Number of coordination protocols approved	TBD	TBD	N/A	N/A	NAES/ Administrative data
	Number of returned migrants who have received labour market information	377	389	418	N/A	NAES/ Administrative data
<b>STRATEGIC OBJECTIVE 1.3. Better functioning of the labour market for all</b>	Percentage of employers from private sector who utilize public and private	24.8% (2019)	TBD	N/A	N/A	World Bank/STEP

	employment services for recruitment processes.					
	Percentage of unemployed jobseekers who register at NAES, by gender	54% (2021)	48,2% (2023)	69,641 63.3% (2024)	68,204 (2025) (absolute values – to be calculated after INSTAT publishes the number of unemployed for 2025)	INSTAT, LFS NAES, Administrative data

## Policy Goal 2: Fostering decent employment for women and men through implementation of inclusive labour market policies

STRATEGIC OBJECTIVE 2.1: Mediating and delivering effective and inclusive programmes that support employment

*Policy Measure 2.1.1. Providing services using the labour market ecosystem for sustainable transition and exit from social protection schemes.*

The strategy aims to improve the effectiveness of the service delivery model and the outreach of its services especially for those who are vulnerable and hard to employ (category three jobseekers who are long-term unemployed or at risk of becoming long-term unemployed, beneficiaries of Economic Aid, etc.). According to the **EU Council Recommendation on the integration of the long-term unemployed (LTU)** into the labour market, institutions are expected to encourage the registration of LTU in an employment service, develop and/or expand case management and referral mechanisms, as well as provide individualised services to jobseekers including in partnership with other labour market actors<sup>2</sup> and employers to effectively support this group.

During 2025, implementation of this policy measure advanced through the further consolidation of referral mechanisms, the piloting of more specialized and outsourced employment support models, the strengthening of integrated case management approaches at local level, the expansion of cooperation among employment, social and municipal actors, and the adaptation of institutional capacities to better serve vulnerable groups. Progress was led by NAES and reinforced through support from the EU4LMI project implemented by UNDP in partnership with the Swedish Public Employment Service and ADRF, as well as through contributions from other partners such as GOPA, GIZ, IOM, ADRF and Swisscontact.

**Integrated case management (ICM) and engagement in partnership with other labour market actors.** A major development under this measure was the continued operationalisation of a more specialised and partnership-based service model for vulnerable groups. The referral mechanism for beneficiaries of Economic Aid has been in place since 2022 and continued to function during 2025 as a structured mechanism to connect working-age beneficiaries to employment services, vocational training, and employment promotion measures. The referral system itself also continued to function and deepen. The 12 regional referral and assessment commissions established under the inter-institutional coordination mechanism for working-age Economic Aid beneficiaries remained operational in 2025. These commissions, composed of representatives from the State Social Service, Regional Employment Directorates and municipal social services, continued to identify, assess, refer and support beneficiaries of Economic Aid in active working age. Employment offices assessed individual characteristics, matched them with employment, training and employment promotion opportunities, and referred persons facing additional psychosocial or health-related barriers to relevant support institutions. NAES notes that this mechanism contributed to better integration of

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<sup>2</sup> This partnership will enable the activation of the experiences and capacities of various actors at the central and local level such as non-governmental organizations, public and private training providers, vocational schools, employers' organizations, private employment agencies etc.

Economic Aid beneficiaries into the labour market and more direct support for improving their living conditions.

In parallel, the employment promotion programme through social reintegration, introduced by DCM No. 401 of 19 June 2024, was piloted in 2025 in three regions—Durrës, Elbasan and Gjirokastër—in cooperation with civil society organizations.

The programme provides specialized counselling for employment, self-employment and vocational training, together with coordination and referral to employment and social services, with the objective of offering more tailored services to disadvantaged groups, extending coverage to areas with weaker geographical access to employment services, and increasing the overall capacity of the public system to support labour market integration. Building on lessons learnt from the three pilots, the programme is expected to be scaled up nationally in 2026.

This direction was further strengthened through the grant scheme implemented through the EU and UNDP EU4LMI project, which supported partnerships between NAES regional directorates, employment offices, municipalities, and civil society organizations in 19 municipalities. With implementation starting in March 2025, 12 CSOs and 7 partner organizations worked jointly with local labour market actors to provide integrated support in the area of employability, skills development, social inclusion and resilience building for vulnerable jobseekers. By the end of 2025, 1,128 beneficiaries had been enrolled in programme interventions under three lots focusing on intensive employment counselling, basic skills development for long-term unemployed and low-qualified jobseekers, as well as supported employment and skills development for persons with disabilities.

Of those enrolled, 404 were NEETs (36%), 449 were beneficiaries of economic aid (40%), 19 were young mothers (2%) and 256 were persons with disabilities (23%). Women accounted for 73% of participants. By the end of the year, 581 beneficiaries (52%), while 220 beneficiaries had already progressed to employment, self-employment, enrolment in vocational courses, internships or other NAES active labour market programmes.

**Mapping and activating the labour market.** Progress was also made in mapping and activating the broader labour market ecosystem. According to NAES reporting, cooperation with municipalities, regional institutions, vocational education and training providers, employers and NGOs intensified during 2025, with a stronger focus on the integration of disadvantaged groups. A notable operational improvement was the creation of the “Refero Punëkërkuës” (“Refer a Jobseeker”) function on the national employment portal [puna.gov.al](http://puna.gov.al), which allows other institutions and non-profit organisations to refer cases directly for support and follow-up by employment services. This is expected to contribute to earlier identification of persons in need, better inter-institutional coordination, and more timely access to services and programmes. NAES also reported stronger cooperation with organisations working with persons with disabilities and Roma and Egyptian communities, including cooperation with ADRF on profiling jobseekers with disabilities and improving service standards for this target group.

**Inter-Institutional cooperation at regional and local level through the Communities of Practice.** A more structured modality for cross-sector cooperation continued to emerge through the Communities of Practice (CoPs) established under the EU4LMI project. During 2025, four regional CoPs covering the Tirana, Shkodër, Vlorë and Elbasan regions were consolidated as forums for peer learning, joint problem-solving and integrated case management among local employment offices, regional state social services, municipal social services, vocational schools and training centres, and civil society organisations. These CoPs covered the 19 municipalities targeted by the project and involved actors from 10 Regional Employment Directorates, 10 Regional State Social Service Directorates, the social

services of the 19 municipalities, vocational institutions and 12 CSOs implementing local interventions. Two rounds of eight CoP meetings were held during the year, engaging 205 first-line professionals. The first round focused on embedding the Integrated Case Management (ICM) approach as a client-centred method combining employment, social and skills services, while the second introduced design thinking and case-clinic approaches to help practitioners co-create integrated solutions across institutional boundaries.

Efforts were also made to adapt institutional capacities for integrated service delivery. NAES reporting indicates that employment offices and partners benefited during 2025 from a range of trainings and capacity-building activities delivered with donor support. These included UNDP-supported training on employment service packages and the functioning of Communities of Practice, GOPA-supported training on integrated case management and services for vulnerable groups, specialized training by GIZ and IOM for return migrants, and ADRF-supported training on assessment and follow-up for persons with disabilities. In parallel, EU4LMI supported NAES in contextualizing the Manual for Vocational Guidance, originally developed by the Swedish Public Employment Service, as a key tool for standardizing counselling services for vulnerable jobseekers, working with NAES and selected regional employment offices. These efforts contributed to improving the readiness of employment offices and partners to provide more individualized and coordinated support.

**Institutional capacity building for integrated service delivery.** Efforts were also made to adapt institutional capacities for integrated service delivery. Employment offices and other partner institutions and organizations at local level benefited from a range of trainings and capacity-building activities delivered with donor support. These included UNDP-supported training on employment service packages and the functioning of Communities of Practice, GOPA-supported training on integrated case management and services for vulnerable groups, specialized training by GIZ and IOM for return migrants, and ADRF-supported training on assessment and follow-up for persons with disabilities. In parallel, EU4LMI supported NAES in contextualizing the Manual for Vocational Guidance, originally developed by the Swedish Public Employment Service, as a key tool for standardizing counselling services for vulnerable jobseekers, working with NAES and selected regional employment offices. These efforts contributed to improving the readiness of employment offices and partners to provide more individualized and coordinated support.

*Policy measure 2.1.2. Support inclusive school-to-work transition for young people Not in Education, Employment or Training (NEET) through the implementation of the Youth Guarantee scheme.*

The Strategy aims to ensure that every young person under the age of 29 (NEET) has a decent offer of employment, training or education within a certain period of time from the moment of registration in LO, in line with the recommendations of the European Council on Youth Guarantees (YG).<sup>3</sup> For this purpose, in 2022, in cooperation with the relevant line ministries, a national plan for the implementation of the YG was prepared, which includes implementation of several reforms divided into four phases: prevention and mapping, communication and outreach, preparation and offer. While a separate report will be prepared on the implementation of the National Plan for YG, which will include contributions from other line ministries that are part of the plan, this part of the report will cover only those actions carried out by employment and VET institutions.

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<sup>3</sup> EU Council Recommendation on establishing a Youth Guarantee (2013) and EU Council Recommendation on Reinforcing the Youth Guarantee (2020).

In 2025, progress under this measure continued to be driven primarily through the implementation and consolidation of the National Implementation Plan 2023-2025 for the Youth Guarantee in Albania. The focus remained on improving the identification, outreach, preparation and activation of young people not in employment, education or training (NEETs), while strengthening the governance, monitoring and service delivery mechanisms required for a gradual transition towards national rollout. By 31 December 2025, more than 2,250 NEETs had been registered in the Youth Guarantee scheme across the three pilot regions of Tirana, Shkodra and Vlora, covering 17 municipalities.

The profile of registered young people confirms both the relevance and the inclusiveness of the intervention. As of the end of 2025, 55% of registered participants were female, while 70% had registered with employment offices for the first time. The majority belonged to the 19–24 and 25–29 age groups. At the same time, 24% of all registered NEETs came from marginalized groups, marking an increase of 11 percentage points compared to 2024. In terms of educational background, 64% of participants had upper secondary education or below, indicating the importance of tailored support measures for youth with lower and medium levels of qualification. Registered participants also included persons with disabilities, Roma and Egyptian youth, returned migrants, orphans, victims of trafficking, and beneficiaries of social assistance and unemployment benefits. These data underline the importance of the Youth Guarantee as an instrument not only for youth employment but also for social inclusion.

Based on the foundations built through the National Implementation Plan of the Youth Guarantee 2023-2025, significant progress was consolidated in relation to governance and systems development. This included the formalization of the Youth Guarantee governance structure, the establishment of a dedicated module within the information system of the National Agency for Employment and Skills, the development of a monitoring system aligned with the standards of the European Commission's Employment Committee (EMCO), and the implementation of a dedicated communication strategy, including the launch of the Youth Guarantee campaign and portal. Together, these measures helped establish a more structured institutional framework for the management, monitoring and visibility of the scheme.

Progress was also recorded across the four implementation phases of the Youth Guarantee. In the **mapping phase**, efforts continued to strengthen NEET profiling and data availability, while the Early Warning System for school dropout prevention was implemented in 84 general education schools and 26 VET schools. In the contact phase, the **outreach model** was further developed through the Local Partnership Networks, and pilot implementation was launched through the EU4Youth grant scheme. In the **preparation phase**, capacities of employment office staff, vocational training centres and VET schools were strengthened, and a guidance document for the provision of employment and skills services under the Youth Guarantee was prepared. In the **offer phase**, the dual VET model continued to be piloted, the portfolio of employment promotion measures was enriched and revised, and the VET offer was expanded through new post-secondary qualifications, including in accommodation management, real estate brokerage and renewable energy.

A major development during 2025 was the preparation of the new Youth Guarantee Implementation Plan 2026–2028. The new plan, which was developed with the support of EU4Youth technical assistance by UNDP and UNICEF, consulted with more than 90 stakeholders, including central and local institutions, civil society organisations, local youth councils, universities and international partners. The drafting process involved the Youth Guarantee Technical Group, written proposals from central institutions, joint consultations with national and local actors in cooperation with ETF, consultations within the Thematic Group on Employment, Skills and Decent Work of the IPMG on Human Capital

Development, bilateral consultations, and a final consultation round with civil society and the Technical Group. Finalized in December 2025, the new plan is intended to guide the strategic transition from pilot implementation to broader rollout.

The new Youth Guarantee Implementation Plan 2026–2028 includes 17 reforms and 28 measures across the four implementation phases. Its priorities include improving the generation and enrichment of available data on NEETs and the labour market, further consolidating the Early Warning System, institutionalising labour market information functions, strengthening local outreach through Local Partnership Networks, broadening the use of grant mechanisms for outreach, and enhancing the role of youth workers and mobile support services. The plan also foresees the enrichment and diversification of preparatory services, stronger career guidance and counselling frameworks, new employment promotion measures for low-qualified NEETs, stronger reintegration services, and a more flexible and diversified VET offer. Particular attention is also given to improving access to VET for young people over the age of 21, expanding Level V provision, financing non-public training courses, updating the VET course offer, and consolidating and expanding dual VET.

Overall, implementation in 2025 confirms that the Youth Guarantee has become the main operational framework for supporting the integration of NEETs into the labour market in Albania. At the same time, the scale and profile of the target group confirm the need for sustained institutional commitment, stronger local outreach, and better coordination between the different implementation phases in order to ensure that identified and contacted youth receive timely and quality offers. The broader labour market context also remains challenging. Although the NEET rate in Albania declined to 22.2% in 2024 and the gender gap narrowed, around one in five young people still remained NEET, which is approximately twice the EU average.

The experience of 2025 confirmed that integration of NEETs into the labour market requires a phased and coordinated approach combining data and profiling, outreach, preparation and tailored offers. The pilot also demonstrated that local outreach mechanisms are essential for reaching inactive and vulnerable young people, particularly those who are outside the regular reach of employment or education institutions. In addition, the profile of registered participants showed the importance of gender-sensitive and vulnerability-responsive services, as well as the need to maintain a strong link between labour market activation, education and training pathways, and social inclusion measures.

The implementation of this measure also introduced some innovations, including the consolidation of a dedicated IT and monitoring system for the Youth Guarantee, aligned with EMCO standards; the operationalisation of outreach mechanisms through Local Partnership Networks; and the preparation of a new implementation plan based on lessons learned from the pilot phase. Other innovative elements included the integration of school dropout prevention into the wider Youth Guarantee framework and the stronger use of inter-institutional and local partnership approaches in service delivery.

#### *Policy measure 2.1.3. Increasing the inclusion of inactive women in the labour market*

This priority measure aims to increase women's participation in the labour market, with a focus on integrating inactive women through activation policies, flexible employment, and self-employment policies, particularly in the care and rural economy. Efforts to engage inactive women (especially those outside the labor force due to caregiving, social factors, or remote location) have expanded through targeted mechanisms and programs.

In 2025, progress under this measure focused on strengthening the identification, outreach, and activation of inactive women, particularly those living in underserved areas and those facing care-related, geographic or socio-economic barriers to labour market participation. Women continued to be treated as a priority group within the referral and employment support mechanisms, with the aim of improving their access to employment services, vocational training, and social support.

A notable initiative by NAES is setting a concrete gender target in its annual performance plan: at least 50% of all ALMP and service beneficiaries should be women. This performance indicator, introduced in 2024, holds regional offices accountable for outreach and inclusion of women. It reflects a policy decision to mainstream gender inclusion across all programs, not just women-specific projects.

A key area of progress was the continued functioning of the referral mechanism for identifying and assessing women's needs and profiles through local structures. The 12 Regional Referral and Assessment Commissions continued to operate as a structured mechanism for cooperation among employment offices, social services, and local authorities, helping to identify inactive women and refer them to employment, training, and support measures. These mechanisms contributed to more systematic information-sharing and stronger coordination between institutions.

Targeted support to women in underserved areas was also strengthened through the implementation of the social reintegration programme (DCM no.401, dated 19.06.2024 "On Procedures, Criteria and Rules for the Implementation of the Employment Promotion Programme through Social Re-Integration). Women were identified as a priority target group for this programme and gained access to specialized counselling for employment, self-employment, and vocational training, as well as coordinated referrals to employment and social services. Implemented by NAES in cooperation with civil society organizations (CSOs), the programme also sought to improve service coverage in areas with limited geographical access, thereby supporting faster and more effective labour market integration of women.

Progress was also recorded in adapting employment promotion measures to better respond to women's needs. Earlier changes in the employment promotion framework continued to support women through higher bonuses for women with dependent children and increased transport support for jobseekers living further from the workplace. In addition, the social reintegration programme introduced care-related support for women caring for elderly persons, helping to address practical barriers to labour market participation. These measures formed part of a broader effort to redesign employment promotion programmes and align them more closely with the needs of women and other vulnerable groups, rather than having Active Labour Market Programmes that target only women. An innovative instrument under this measure included the stronger use of digital referral and communication mechanisms through *puna.gov.al*, especially the "Refer a Jobseeker" function, and the introduction of more flexible and territorially adapted service delivery arrangements through municipal cooperation and mobile employment services.

#### *Policy Measure 2.1.4 Increasing the integration of persons with disabilities (PWD) in labour market systems and skills development.*

The Strategy aims to increase employment and training opportunities for PWD by raising awareness, enhancing institutional capacities to adapt infrastructure and services, and supporting the preparation

of the private sector and employer readiness to hire PWD, along with functionalising the Social Fund. The overall approach is inspired by the Disability Employment Package, which is announced in September 2022 by the European Commission.

During 2025, implementation under this measure focused on strengthening access of persons with disabilities to employment services, vocational training, employment promotion programmes and tailored support measures, while also improving the accessibility and responsiveness of employment services. Implementation combined NAES-led measures with technical and programmatic support from the EU4LMI project, and other partners, with a particular focus on service adaptation, supported employment, vocational rehabilitation and reasonable accommodation.

A key area of progress was the continued integration of persons with disabilities into labour market programmes and services. According to the NAES reporting, 741 persons with disabilities were integrated into labour market measures during 2025. Of these, 266 were employed, 242 participated in employment promotion programmes, and 233 took part in vocational training courses. These figures point to increased participation of persons with disabilities across the main employment and skills development instruments and suggest a gradual strengthening of institutional responsiveness to this target group..

Progress was also recorded in improving the accessibility of public employment services. The national employment portal, *puna.gov.al*, and the online provision of most employment services were highlighted as an important step in ensuring easier and more equal access for persons with disabilities, reducing the need for physical presence and removing practical barriers to participation. In parallel, an accessibility audit was carried out in 17 local employment offices to assess the usability of physical environments, digital services and communication systems for persons with disabilities. Based on this assessment, NAES selected five employment offices for infrastructural improvements to support more accessible and inclusive service delivery. These investments are being supported through EU assistance implemented by UNDP.

Service adaptation was complemented by efforts to strengthen technical capacities and profiling tools for employment services targeting persons with disabilities. NAES, in cooperation with the Albanian Disability Rights Foundation (ADRF), continued work on profiling jobseekers with disabilities, including categorising disability levels and identifying those closer to employment. This work also supported the definition of service standards and tailored profiling techniques for persons with disabilities, laying the groundwork for stronger counselling and referral practices by employment offices. In addition, NAES continued to receive technical assistance from the Swedish Public Employment Service under the EU4LMI programme for the introduction of vocational rehabilitation and supported employment measures.

In the framework of the EU4LMI project, substantial progress was made during 2025 in developing a structured package of tools and methodologies for the inclusion of persons with disabilities in the labour market. A Manual on Vocational Rehabilitation was developed by the Swedish Public Employment Service as an overarching tool covering the different phases of identification, assessment, collaboration, career guidance, on-the-job training, supported employment, work analysis and individual action planning for jobseekers with disabilities. This manual serves as a reference framework for the development of additional instruments, including guidelines for reasonable accommodation for NAES employment specialists and a manual for financing mechanisms for workplace accommodation.

Additional progress was made in relation to reasonable accommodation and employer support. Under the EU4LMI project, UNDP and ADRF, in close cooperation with NAES and with support from the

Swedish Public Employment Service, developed tailored tools and guidelines on reasonable accommodation for inclusion of persons with disabilities in the labour market. These included three dedicated guides: one for NAES and employment offices, one for employers, and one for jobseekers with disabilities. The guides aim to help institutions and employers understand their obligations, improve workplace inclusion and accessibility, and empower jobseekers with disabilities to better exercise their rights and seek suitable employment. These efforts build on the broader policy adjustment whereby all wage subsidy and self-employment programmes have since 2023 offered a “reasonable accommodation bonus” to employers hiring persons with disabilities.

Progress was also reported in awareness-raising, advocacy and policy dialogue. During 2025, the project *Empowered Inclusion of Persons with Disabilities, Regional Cooperation and Development in the Western Balkans* was implemented with a focus on the participation and advocacy of persons with disabilities in shaping inclusive policies, regional cooperation and knowledge exchange on inclusive employment, labour market policies and support measures, overcoming barriers through education and active labour market policies, the role of the private sector in employment of persons with disabilities, and the dissemination of good practices. These activities contributed to stronger visibility of disability inclusion as a cross-cutting labour market and skills development issue.

At the same time, important structural issues remained under implementation. The operationalisation of the Employment Social Fund continued to face delays, although preparatory steps had advanced. Amendments to the legal framework designated the General Directorate of Taxes as the responsible body for levy collection from liable employers, and a draft ministerial instruction was prepared to regulate declaration, collection, transfer and monitoring procedures. In parallel, NAES undertook outreach to employers through 12 regional meetings to discuss inclusion of unemployed persons with disabilities, explain the obligations linked to the Social Employment Fund, and promote the use of available support instruments such as the reasonable accommodation bonus.

#### *Indicators for policy measures and specific objective*

Policy measures under Strategic Objective 2.1 aim to promote inclusive access to employment services, training opportunities, and labour market integration for vulnerable groups, including long-term unemployed (LTU), economic aid beneficiaries, Roma and Egyptians, persons with disabilities (PWD), and women.

Under policy measure 2.1.1, significant progress was made in expanding the presence of employment services at the local level. However, the share of specific target groups increased: economic aid beneficiaries represented 25% of participants (up from 19% in 2023), and Roma and Egyptians reached 12% (up from 7%). This reflects more focused efforts in targeting underrepresented groups, despite overall programme scale shrinking.

In 2025, 19 municipalities implemented partnerships between NAES and public, non-public, or private providers to support category three jobseekers, marking the first year of rollout. Meanwhile, the number of vulnerable individuals participating in employment promotion programmes has slightly increased in absolute terms from 964 in 2024 to 1120 in 2025.

Job placement outcomes for vulnerable groups remained broadly stable. In 2024, 27,497 total job placements were facilitated, with 2,211 placements for economic aid beneficiaries (8%) and 1,086 for

Roma and Egyptians (4%). While these numbers represent a slight drop from the previous year in absolute terms, the proportionate inclusion remains consistent. The number of placements for persons with disabilities rose modestly to 379 in 2024, up from 266 in 2023, suggesting growing attention to accessibility and targeted activation.

Under Policy Measure 2.1.2, the Youth Guarantee scheme recorded its second year of pilot implementation in 2025 across the three regions, reaching 2,250 young people aged 15–29. Of these, 55% were women, reflecting a balanced gender outreach. As the scheme remains in a pilot phase, with only two years of implementation to date, changes in national-level NEET trends cannot yet be attributed directly to its rollout. Nevertheless, the targeted implementation has started to show promising results. According to INSTAT’s latest Annual Labour Force Survey (LFS 2024), the NEET rate continued its downward trend, reaching 22.4% in 2024. Updated data for 2025 are not yet available.

Policy measures 2.1.3 focused on enhancing the inclusion of inactive women. The proportion of women among employment promotion programme beneficiaries was at 67% in 2025, compared to 63% in 2023 and 2024. The job placement rate for women rose from 49% in 2022 to 53% in 2023 and reached 59% in 2024, while the job placement rate is not available yet.

Policy measure 2.1.4 aimed to increase the integration of persons with disabilities across services. Participation levels improved across all programme types. In 2025, 168 PWDs (6%) participated in employment promotion programmes, while 233 engaged in vocational training, and 266 were successfully placed in jobs. These figures point to gradual but sustained institutional responsiveness to this target group’s employment needs.

At the strategic level, two outcome indicators track broader labour market trends. First, the NEET rate for youth (15–29) declined steadily through 2024. 2025 data are not yet available. Second, the overall inactivity rate dropped from 30.7% in 2021 to 23.5% in Q3 2025. Final results for 2025 are expected upon publication of the Labour Force Survey.

Table 5: : Indicators for policy measures and policy objectives 2.1

Policy measure/objective	Indicator	Baseline	Achievement 2023	Achievement 2024	Achievement 2025	Source/Mean of Verification
<b>Policy Measure 2.1.1. Services and programs promoting employment and training using the labor market ecosystem</b>	Percentage of municipalities where category three jobseeker are supported in partnership with public, non-public, and private employment service providers	0%	TB	19	19	NAES / Administrative Data
	The number (or percentage) of participants in employment promotion programs from specific groups, divided based on different categories (from the third level, beneficiaries of economic assistance, ethnic groups, etc.).	Total: 4344 From Eco. Aid: 692 (16%); Roma & Egyptian: 304 (7%) <b>(2022)</b>	Total: 2635 From Eco. Aid: 494 (19%); Roma & Egyptian: 194 (7%) <b>(2023)</b>	Total: 2465 From Eco. Aid: 618 (25%) Roma and Egyptians: 303 (12%) (2024)	Total: 2,816 Economic Aid: 524 (19%) (2025) Roma & Egyptians: 428 (15.2%) (2025)	NAES / Administrative Data
	The number (or percentage) of participants in vocational training from specific groups, divided based on different categories (from the third level, beneficiaries of economic assistance, ethnic groups, etc.).	LTU:786 (8%) Eco. Aid: 768 (8%); Roma & Egyptian: 255 (2%) (2022)	LTU: TBD Eco. Aid: 842 (8%); Roma & Egyptian: 228 (2%) (2023)	N/A	N/A Economic Aid: 1156 (9.7%) Roma & Egyptians: 356 (3%) PWD: 233 (2%)	NAES / Administrative Data
	The number (or percentage) of job placements realized for vulnerable groups	Total: 26,794 LTU: 4125 (15%) Eco. Aid: 1785 (7%);	Total: 27,657 LTU: TBD Eco. Aid: 2820 (10%); Roma & Egyptian: 1032 (4%)	27,497 LTU: TBD Eco. Aid: 2,211 (8%)	Total: 22,539 Economic Aid: Roma & Egyptians:	NAES / Administrative Data

		Roma & Egyptian: 497 (2%) <b>(2022)</b>		Roma & Egyptian (1,086)		
<b>Policy measure 2.1.2. Support inclusive school-to-work transition for young people (NEET) through the implementation of the Youth Guarantee scheme</b>	Number of young people aged 15 – 29 supported through the Youth Guarantee scheme, divided by gender	0 (2022)	72 (2023)	560 (2024) 56% women 44 % men	2,250 55% women 45% men	NAES / Administrative Data
<b>Policy measure 2.1.3. Increasing the inclusion of inactive women in the labour market</b>	Number (or percentage) of women beneficiaries served by different employment promotion programmes	TBD	1,660 (63%)	1,564 (63%)	1,884 (67%)	NAES / Administrative Data
	Percentage of job placement for women jobseekers	49% (2022)	53%	59%	N/A	NAES / Administrative Data
<b>Policy Measure 2.1.4 Increasing the integration of persons with disabilities (PWD) in labor market systems and skills development</b>	Number of PWD supported through employment services, education, vocational training and employment promotion programs	From EPP: 48 (1%) From vocational training: 83 (0.8%); Job placement services: 18 (0%);	From EPP: 40 (2%); From vocational training: 119 (1%); Job placement services: 266 (1%)	EPP: 103 (4%) Vocation Training: 94 (1%) Job placement services: 379 (1%)	EPP: 168 (6%) Vocational Training: 233 (2%)	NAES / Administrative Data

<b>Strategic Objective 2.1 Mediating and delivering effective and inclusive programmes that support employment</b>	Young people neither in employment nor in education or training (NEET rate) (age 15-29)	26.1% (2021)	24.6%	2024: 22.4%	2025: Annual LFS Data not available	INSTAT/ Labour Force Survey
	Inactivity rate, by gender	30.7% (2021) 38.6% for women, 22.7% for men	25.9% (2023 Q3) 29.8% for women and 17,8% for men a	NA (awaiting 2024 LFS results)		INSTAT/ Labour Force Survey

## Specific Objective 2.2: Ensuring decent work for everyone, everywhere

### *Policy Measure 2.2.1. Strengthening and improving the efficiency of labour inspection throughout the territory of the country*

The Strategy aims to further strengthen the role of labour inspectorate in implementing employment legislation and protection against discrimination, guaranteeing safety at work and improving health conditions through better monitoring and inspection practices at the workplace as well as promoting a preventive and supportive culture.

**Risk-based inspection.** In 2025, implementation of this policy measure progressed significantly through the further consolidation of a risk-based, technology-enabled, and performance-oriented labour inspection system. The State Inspectorate of Labour and Social Services (SILSS) strengthened inspection planning, expanded inspection coverage, intensified controls related to informal work and occupational safety and health, and continued the digital and institutional modernization of its operations. These developments took place in parallel with the entry into force of Law No. 99/2024 “On Inspection in the Republic of Albania” in May 2025.

Inspection planning continued to shift toward a more targeted and evidence-based approach through the use of the MIRA system (Risk Intelligence and Analysis Matrix). This platform, which applies data mining and machine learning tools, supported the standardization of inspection decision-making, automation of inspection programming, and identification of high-risk entities and sectors. According to institutional reporting, more than 50% of programmed inspections were guided by MIRA, while 76% of programmed risk-based inspections resulted in findings of legal violations, confirming the increased effectiveness of targeting. The number of inspections in entities inspected for the first time also increased, reaching 27.7% of the total in 2025.

The scale of inspection activity expanded during the year. In 2025, SILSS inspected 205,196 workplaces in 9,532 entities, of which 8,086 entities were inspected based on risk analysis.

In addition, 19,679 new entities were advised on rights and obligations arising from labour legislation, 4,192 warnings were issued, 963 inspections were carried out following complaints, and 1,269 suspension measures were imposed. These results were supported by improved planning and stronger cooperation with other institutions, particularly the tax administration and the National Business Centre.

**Formalisation of labour relations** was at the core of SILSS’s effort during 2024. It identified 2,591 informal workers, of whom 98% were formalised during the inspection process. It also identified 2,999 workers without employment contracts, representing a 24% reduction compared to 2024. For serious or repeated violations of labour legislation, the inspectorate imposed 268 fines with a total value of 64.6 million ALL, reflecting an increase of 28% in number and 20% in value compared to 2024. According to the SILSS annual report, the formalisation of labour relations generated an additional 28.25 million ALL monthly in social and health insurance contributions.

Complaint handling and worker protection remained an important part of implementation. In 2025, SILSS recorded 1,179 complaints and requests, an increase of 259 cases compared with the previous year. The most common issues raised concerned non-payment of official holidays, weekly rest days, overtime and the absence of employment contracts.

**Occupational safety and health** remained a major area of intervention. In 2025, 275 work accidents were recorded, involving 212 injured persons, of whom 48 cases were fatal. Inspections triggered by work accidents increased by 23%, and administrative measures were taken in 100% of accident-related inspection cases. A considerable part of the increase in total accidents was associated with road accidents classified as work accidents; excluding this category, the increase in accidents directly occurring at the workplace appears more limited.

**Digitalisation and preventive outreach** also advanced during the year. The e-Inspection platform entered a phase of technical and functional redesign in cooperation with the General Inspectorate and AKSHI, while inspection activity continued through a combination of the existing platform and documentary procedures. Through e-Albania, SILSS informed 16,396 newly registered entities about rights and obligations under labour legislation. The institution also strengthened its public information offer, including dedicated website sections on foreign workers, posted workers, home-based work and telework, and conducted awareness activities in the field of occupational safety and health.

Overall, implementation of this measure in 2025 shows substantial progress in improving the effectiveness, reach and institutional quality of labour inspection throughout the country. The strongest results were observed in risk-based planning, increased inspection activity, stronger formalization outcomes, better complaint handling, improved digitalization and strengthened capacities.

#### *Policy measure 2.2.2. Promotion of social dialogue in the labour market*

Implementation of this policy measure progressed through the continued functioning and renewal of national tripartite structures, the first steps toward institutionalising regional tripartite dialogue, the activation of technical dialogue mechanisms, the continued operation of collective mediation structures, and the expansion of inclusive social dialogue in the framework of Albania's EU accession process. Overall, implementation remained in progress, with important advances recorded in both the regulatory and institutional dimensions of social dialogue.

At national level, the National Labour Council (NLC) remained the main tripartite forum for structured dialogue among government, workers' organisations and employers' organisations. On 28 March 2025, the NLC held its annual meeting, during which several issues of direct relevance to the social partners were discussed, including information on the creation of the Joint Consultative Committees with the European Economic and Social Committee, the 2024 Annual Labour Inspection Report and annual analysis of the State Labour Inspectorate, the 2024 annual analysis of the Social Insurance Institute, and the draft revised regulation of the National Labour Council. Following discussion in the Council and consultations with the social partners, the new Regulation of the National Labour Council was approved by Decision No. 70, dated 23 July 2025, of the minister responsible for labour and chair of the Council. Prepared with the support of ILO experts and in consultation with the social partners, the new regulation aims to establish clearer rules for the functioning of the NLC and to support more effective and consensus-based tripartite dialogue.

A further important development in 2025 was the reconstitution of the National Labour Council following the expiry of the previous three-year mandate. During the year, the NLC Secretariat collected and reviewed the documentation of workers' and employers' organisations interested in being represented in the Council. Following the verification process and the approval of DCM No. 457, dated 31 July 2025, the representative organisations of workers and employers for the period 2025–

2028 were determined. Their appointment was subsequently formalised by ministerial order in January 2026. In parallel, following the September 2025 restructuring of the government and the approval of DCM No. 516, dated 25 September 2025, it became necessary to update the government representation in the NLC, which was completed through DCM No. 12, dated 15 January 2026. These developments contributed to ensuring the continuity and institutional legitimacy of the main national tripartite body.

Social Dialogue at the regional level. The adoption of the DCM No. 551 dated 4 September 2024, on the organisation, functioning and representation of local government bodies in the Regional Tripartite Consultative Councils, created the basis for regional tripartite dialogue structures. During 2025, these councils were in the process of being established by the prefects. By the end of the year, councils had been established in 6 of the 12 regions—Tirana, Vlora, Shkodra, Fier, Elbasan and Berat—and had already held their respective meetings, while the remaining six regions—Gjirokastra, Korça, Kukësi, Lezha, Dibra and Durrësi—were still in the process of constitution. This marks a significant step toward decentralising social dialogue and bringing tripartite consultation closer to territorial labour market realities.

The technical commissions of the National Labour Council were also activated during the year. In particular, the Commission on Working Conditions, Safety and Health at Work held its 2025 meeting, where implementation of the Policy Document on Safety and Health at Work 2025–2030 and its Action Plan was discussed. This contributed to strengthening the thematic and technical dimension of social dialogue beyond plenary tripartite meetings.

With regard to bipartite social dialogue and collective labour relations, the structures of the **State Mediation Network** remained operational throughout 2025, comprising 12 regional mediators in each Regional Employment Office and 3 mediators in the Directorate of Labour Relations, Safety and Health within the Ministry of Economy and Innovation. During the year, 7 collective labour disputes were handled, of which 1 was resolved successfully at the mediation stage, 5 were unsuccessful, and 1 remained in process. In addition, 9 signed collective labour agreements were deposited with the Ministry of Economy and Innovation in sectors including energy, services, social insurance and tourism. Of these, 1 was a branch/company-level agreement and 8 were national-level collective agreements.

An important dimension of progress in 2025 was the strengthening of inclusive social dialogue at international and EU-related level. In implementation of the Prime Minister's Order No. 187, dated 18 September 2024, the Ministry completed the selection and appointment of the Albanian members of the Joint Consultative Committee (JCC) with the European Economic and Social Committee (EESC), based on proposals from the social partners and other civil society organisations. The relevant ministerial order appointing members and observers of the Albanian side was adopted in January 2025, and the process of selecting the Albanian co-chair was also completed. The first meeting of the EU–Albania Joint Consultative Committee with the EESC took place in Tirana on 4 April 2025, where discussions focused on EU–Albania relations and the accession process, procedural aspects of the JCC, and the role of organised civil society in enlargement. A second meeting took place in Brussels on 21 November 2025, during which a Joint Declaration was adopted and discussions addressed accession negotiations, the Reform Agenda, the Western Balkans Growth Plan, the Fundamentals Cluster roadmap, and the state of social dialogue and civil society organisations in Albania. These developments broadened the space for dialogue by including not only established social partners, but also wider organised civil society in labour-related and accession-related consultations.

Overall, implementation of Policy Measure 2.2.2 in 2025 shows meaningful progress in consolidating and renewing the institutional basis for social dialogue at national level, launching regional tripartite structures, maintaining bipartite dispute resolution and collective bargaining support, and linking social dialogue more directly to Albania's EU accession process. The strongest advances were recorded in the adoption of the new National Labour Council regulation, the reconstitution of the NLC, the operationalisation of regional tripartite councils in half of the regions, and the establishment and functioning of the Joint Consultative Committee with the EESC. At the same time, implementation remains incomplete, particularly with regard to the full territorial roll-out of regional councils and the continued manual registration of trade unions, collective agreements and collective disputes.

### *Policy measure 2.2.3. Improving policies for decent employment*

The strategy aims to improve the policy framework for decent work through the continuous review, development and implementation of labour-related policies and regulations that enhance workers' well-being, improve living and working conditions, strengthen occupational safety and health, and progressively align Albania's legal framework with EU standards and international conventions. This measure includes policy analysis on key labour market issues such as informality, unemployment benefits, minimum wage and occupational safety and health, the development and implementation of new policy documents, the continuous approximation of labour legislation with the EU acquis, and the engagement of social dialogue actors in reforms related to fair and competitive wages and working conditions.

Implementation progress during 2025 was marked by the adoption a new national policy framework on occupational safety and health and the launch of further legal approximation work in the labour field in line with EU requirements. While a strong attention has been paid to the further development of the legal framework, other planned actions, particularly those related to analytical work on labour market interactions, broader monitoring and evaluation of policy effects, and structured engagement on wage-related reforms, appear to remain at an earlier or less documented stage of implementation. A major development in 2025 was the adoption of the **Policy Document on Occupational Safety and Health and its Action Plan 2025–2030**, approved by DCM No. 144, dated 6 March 2025. This marks an important policy step in strengthening the strategic framework for occupational safety and health in Albania and provides a medium-term basis for coordinated implementation across institutions. According to the reporting, implementation of the Action Plan had already started during the reporting year and will continue throughout the period **2025–2030**. This development contributes directly to strengthening the policy basis for decent work, particularly with regard to prevention, working conditions and workplace safety.

A second important area of progress concerned the continued approximation of labour legislation with EU standards and international commitments. During 2025, an **Inter-Institutional Working Group** was established for the approximation of national legislation in the field of occupational safety and health with the EU acquis, through Prime Minister's Order No. 216, dated 25 November 2025. In parallel, a work plan was prepared for the approximation of legislation under Chapter 19, with corresponding deadlines identified. This represents an important step in linking national labour policy reform more systematically with Albania's EU accession agenda and in creating a clearer institutional roadmap for future legal amendments and harmonisation.

Overall, implementation of Policy Measure 2.2.3 in 2025 shows progress in strengthening the strategic and regulatory foundations for decent work, especially through the adoption of the national

occupational safety and health policy framework and the establishment of institutional mechanisms for legal approximation with the EU acquis.

*Indicators for policy measure and specific objective*

In 2025, the SILSS inspected 9,532 entities, covering 205,196 workplaces. The percentage of entities inspected using dedicated checklists reached 19.3%, while the percentage of inspections targeting entities for the first time based on risk increased from 22.3% in 2023 to 27.7% in 2025, reflecting stronger risk-based planning and improved use of data systems, including the MIRA platform. More broadly, over 50% of programmed inspections were oriented by MIRA, and 76% of programmed risk-based inspections resulted in findings of violations, confirming the increased accuracy of inspection targeting.

The inspectorate also continued to strengthen enforcement in relation to informal and non-compliant employment. In 2025, 2,999 workers without employment contracts were identified, representing a 24% decrease compared with 2024. At the same time, 2,591 informal workers were identified, of whom 98% were formalised during the inspection process. Controls on specific categories of workers also increased, resulting in the verification of 165 workers under the age of 18 and 2,484 foreign workers, indicating continued inspection attention to vulnerable and higher-risk categories of labour law enforcement.

Regarding workplace safety, 275 work accidents were recorded in 2025, involving 212 injured persons, of whom 48 cases were fatal. All accident-related inspections were followed by administrative measures, and the report notes that accident-related inspections increased by 23% compared with 2024. The annual report also indicates that a substantial part of the increase in total accidents is linked to road accidents classified as work accidents. At the same time, the inspectorate reports improved occupational safety conditions in several areas, including a higher share of inspected entities with risk assessment documents, first-aid services, periodic health checks, collective and individual protective measures, and workplace OSH councils. These developments suggest that stronger enforcement, broader prevention measures and more data-driven targeting are contributing to safer and more compliant workplaces over time.

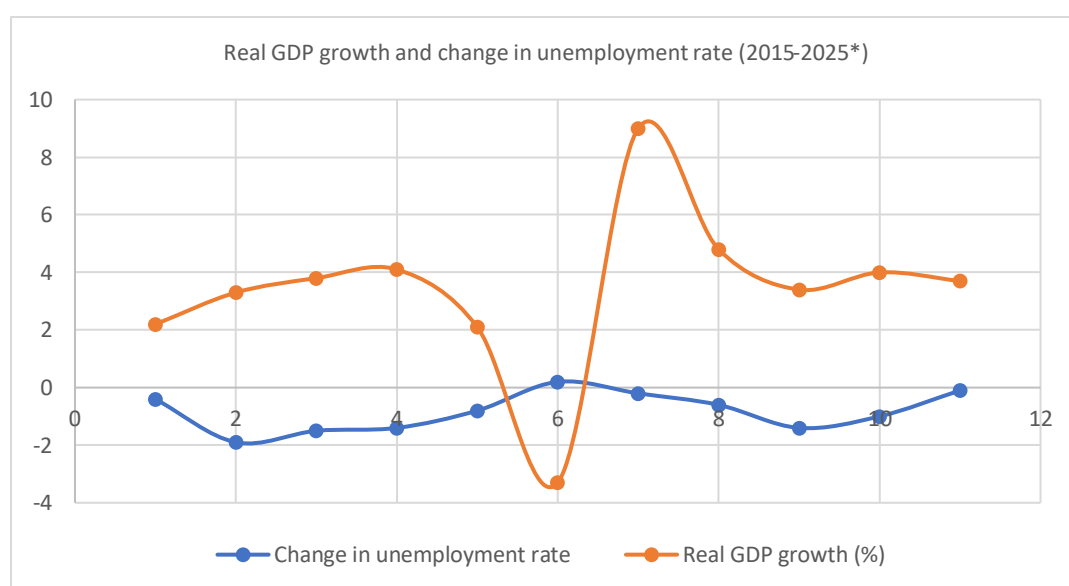
Table 6: Indicators for policy measures and policy objective 2.2.

Policy measure/objective	Indicators	Baseline	Achievement 2023	Achievement 2024	Achievement 2025	Sources and means of verification
Policy Measure 2.2.1.: Strengthening and improving the efficiency of labour inspection throughout the territory of the country	Percentage of entities inspected based on dedicated checklists	18%	<b>18 %</b>	26.3%		SILSS/ administrative data
	The percentage of entities inspected for the first time based on risk	20%	22.3%	26.7%		SILSS/ administrative data
<b>Policy Measure 2.2.2: Promotion of social dialogue in the labour market</b>	Number of regions with a functional local commissions for social dialogue	0	TBD	4 regions (Shkoder, Korce, Elbasan, Fier)		MECI /MEI
<b>Policy Measure 2.2.3: Improving policies for decent employment</b>	Number of amended and implemented policies on decent work	0	2	3		MECI /MEI
Strategic objective 2.2: Ensuring decent work for everyone, everywhere	The rate of informal employment in the non- agricultural sector	29.4%	26.2%	24.7%	Awaiting Annual LFS Data from INSTAT	INSTAT/ Labour Force Survey

## Chapter 4. Key developments in the labour market

Albania's labour market continued to perform positively during 2025, supported by sustained economic activity and a broadly stable macroeconomic environment. As shown in Figure 1, economic growth remained positive throughout the reporting period. According to INSTAT, gross domestic product in the fourth quarter of 2025 increased by **3.8%** in volume terms compared with the same quarter of 2024. This confirms the continuation of solid economic growth, although at a more moderate pace than in the immediate post-pandemic period. The growth performance continued to support labour demand and job creation, while official sources also point to the continued importance of services, construction, domestic demand, and tourism in sustaining economic activity.

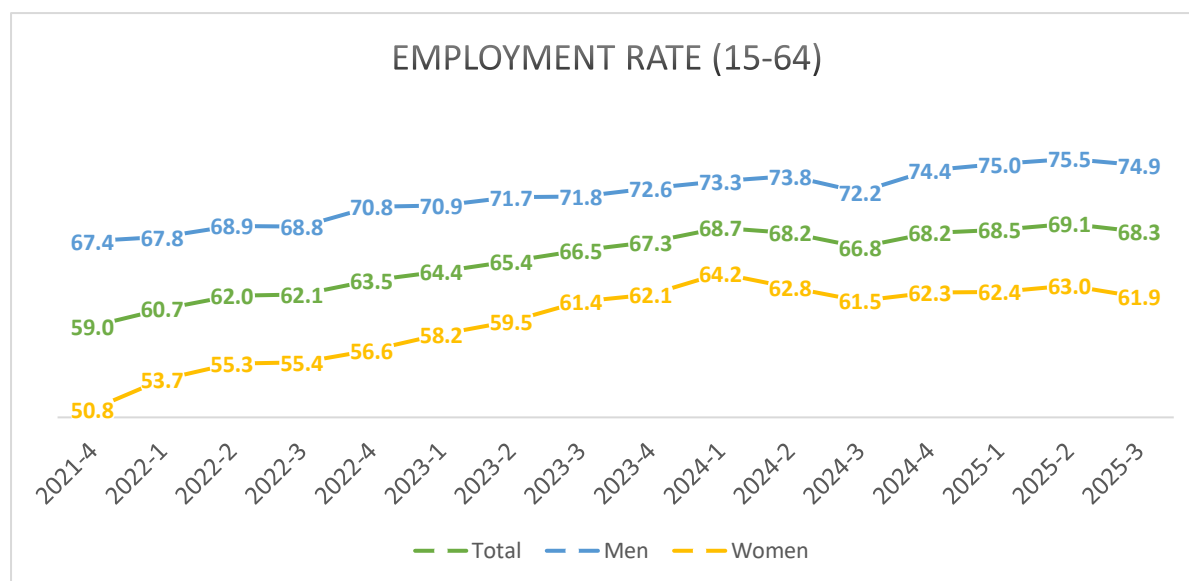
Figure 1: Real GDP Growth and Unemployment Trends, 2015-2025



Labour market indicators remained broadly positive at the end of 2025. In Q4 2025 the labour force participation rate for the population aged 15–64 reached 75.9%, while the employment rate for the population aged 15 and over stood at 58.5%, up by 0.9 percentage points year-on-year, and the unemployment rate for the population aged 15 and over declined to 8.3%, down by 0.5 percentage points from Q4 2024. These developments confirm the continuation of the positive labour market dynamics already observed during 2024 and earlier quarters of 2025.

Measured against the headline indicators of the National Employment and Skills Strategy 2030, labour market performance remained broadly on track. One of the key strategic indicators, the employment rate for the population aged 15–64, reached 69.6% in Q3 2025 according to quarterly LFS data from INSTAT (See figure 2). This is already above the 2026 target of 67% and moving closer to the 2030 target of 70%. Women's employment reached 62.7%, while men's employment stood at 76.6% in the same quarter.

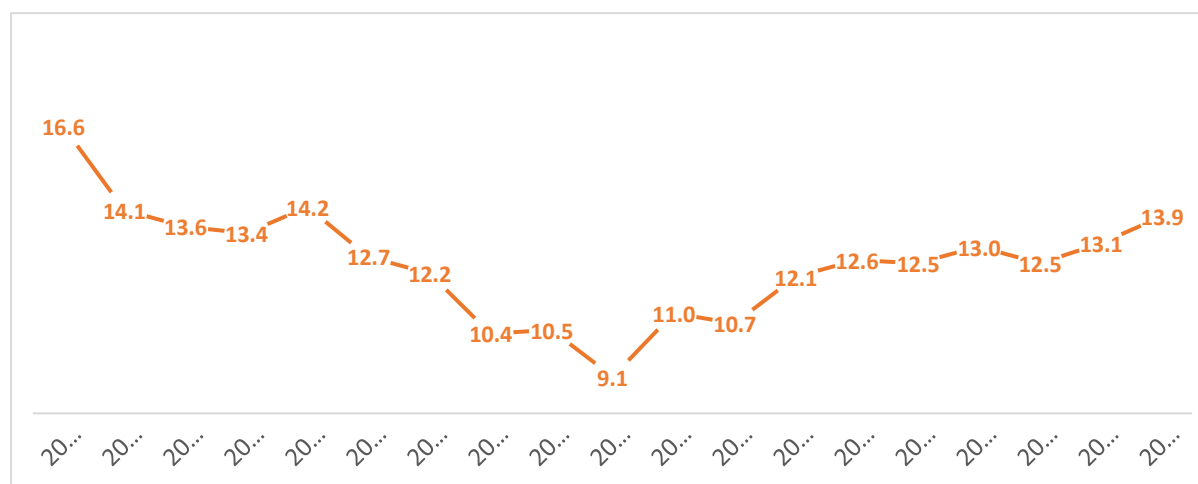
Figure 2: Employment rate (15-64) Q1 2021-Q3 2025



Source: LFS, Quarterly, INSTAT

At the same time, gender inequalities in labour market participation have not yet been fully overcome. According to the notes, the gender gap in employment narrowed from a baseline of 14.4% in 2021 to 13.9% in Q3 2025. Although this remains slightly above the 2026 target of 13%, it still represents an improvement over the baseline and confirms that women’s labour market participation has increased. However, the notes also underline that progress has not been linear: the gender gap narrowed significantly in 2022 and 2023, but widened somewhat again in 2024 and 2025 (see Figure 3).

Figure 3: Gender Gap in Employment Q1-2021 - Q3 2025

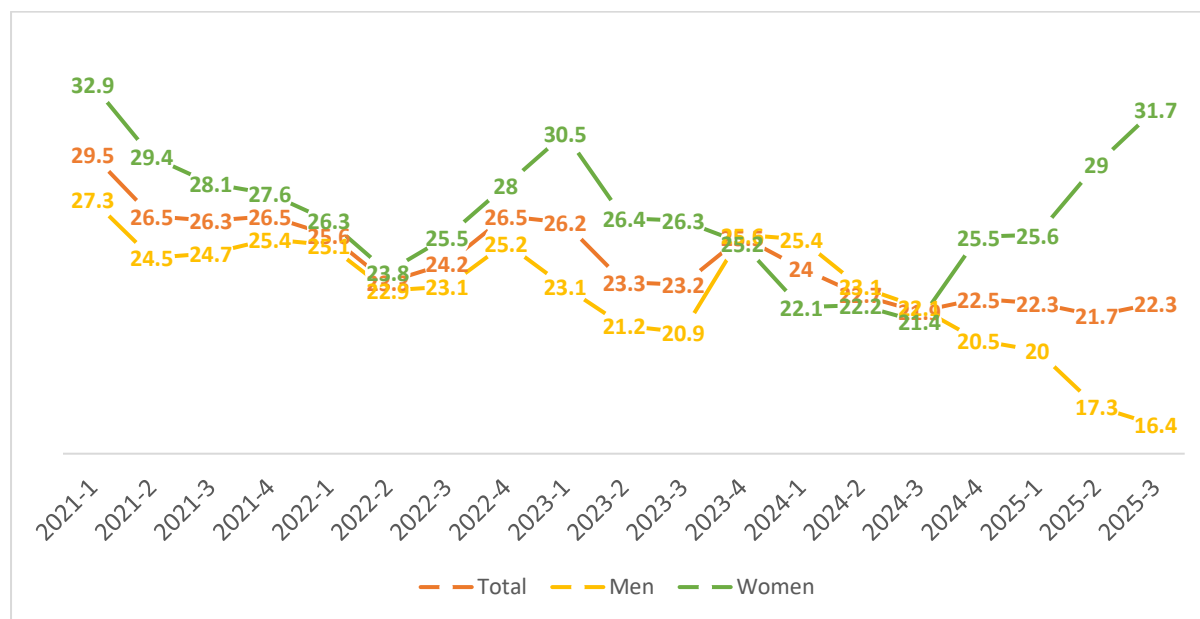


Source: LFS, Quarterly, INSTAT

Youth labour market outcomes also improved, but remain an area of concern. The user-provided notes indicate that the youth unemployment rate (15–24) declined from a baseline of 26.5% in 2021 to 22.3% in Q3 2025, representing a reduction of more than four percentage points. This is significant progress, but the indicator remains slightly above the 2026 target of 22%, suggesting that the school-to-work transition continues to pose challenges. The notes also highlight an important gender dimension: youth unemployment among young women became notably higher than among

young men in 2025, indicating that the transition into employment remains more difficult for young women and that more targeted support is needed (figure 4).

Figure 4: Youth Unemployment Rate (15-24) Q1 2021 - Q3 2025



Wage developments were also positive during 2025. According to the draft report, the average gross monthly wage per employee reached 86,984 ALL in Q4 2025, representing an increase of 4.3% compared with Q4 2024. This is a positive signal for labour market performance and living standards, although wage trends need to be interpreted together with productivity developments, inflationary pressures and the continuing challenge of underreported wages and informal employment.

In education and training, the attractiveness of vocational pathways also improved. According to the notes, in the 2024–2025 school year, the share of students enrolled in upper secondary VET reached 19%, compared with a baseline of 17.7% in 2021. This is the highest level in recent years and places Albania close to the 2026 target of 20%, suggesting growing interest in vocational education and training and a stronger basis for improving skills relevance and labour market matching.

Overall, the labour market context in 2025 was characterised by continued economic growth, further declines in unemployment, rising employment, improving wage levels and stronger participation in VET. At the same time, important structural challenges remain, particularly in relation to gender gaps, youth unemployment, regional disparities, job quality and labour market inclusion. These trends confirm that Albania entered 2025 with a generally favourable labour market trajectory, but also that sustained policy effort remains necessary to ensure that growth translates into more inclusive, resilient and decent employment outcomes in line with the objectives of NESS 2030.

Table 7: Indicators for strategic objectives (impact)

Policy goals / impact	Indicator	Baseline	Achievement 2023	Achievement 2024	Achievement 2025	Source/Mean of Verification
<b>1) Skills development and better matching between labour demand and supply for higher employment</b>	Employment rate (15 - 64 years) disaggregated by gender	60.9% (2021), 53.8% for women, 68.2% for men	64.5% 70.8% for men 58.5% for women (Q3 2023)	68.3% (Q4, 2024) 74.9% for men 61.9% for women	68.3% (Q3, 2025) 74.9% for men 61.9% for women	INSTAT/ LFS
	Participation of adults aged 25-64 in lifelong learning processes during the last 12 months, disaggregated by gender	9.2% (2017)	N/A	N/A	N/A	INSTAT / Adult Education Survey
<b>2) Promote decent employment for women and men through implementation of comprehensive labor market policies</b>	Youth unemployment rate for the 15-24 age group, disaggregated by gender	26.5 (2021) 29.2% for young women, 25.5% for young men	22% (Q3 2023)	NA		INSTAT/ LFS
	Gender gap in employment in %	14.4%	11.2% (Q3 2023)	NA		INSTAT/ LFS
	Percentage of long-term unemployment, disaggregated by gender	63% (2021) 65.5% for women, 60.9% for men)	74% (Q3 2023)	NA		INSTAT/ LFS

## Chapter 5. Partnerships, coordination, and innovation

### 5.1. Partnerships

In 2025, the implementation of the NESS 2023–2030 continued to benefit from strong partnerships among national institutions, development partners, international organisations and implementing agencies. These partnerships remained essential for translating the Strategy's priorities into operational results, particularly in the areas of VET reform, labour market inclusion, digitalisation, youth employment, quality assurance and institutional capacity development.

**UNDP Albania** continued its strategic partnership with the key stakeholders at different levels, in support of the implementation of NESS 2030 in 2025 through several complementary projects and technical assistance streams. Through the **Skills Development for Employment (SD4E) Programme**, UNDP supported major reforms in VET governance, quality assurance and qualifications development, including the review of the self-assessment matrix, the strengthening of accreditation mechanisms, and the preparation of the national roadmap for the implementation of Validation of Non-Formal and Informal Learning. Through the **EU for Labour Market Inclusion (EU4LMI)** programme, implemented in partnership with the Swedish Public Employment Service and ADRF, support continued for integrated employment and social inclusion services for vulnerable groups through piloting in 19 municipalities, local sub-granting mechanisms, integrated activation packages and Communities of Practice. In addition, through **EU4Youth** technical assistance jointly delivered by UNICEF and UNDP, the pilot implementation of the Youth Guarantee in Albania was supported. This included refining the outreach model in Tirana, Shkodër and Vlorë, mapping local ecosystem actors, and preparing the new Youth Guarantee Implementation Plan 2026–2028 through an inclusive consultation process."Overall, UNDP Albania's contribution in 2025 was particularly important in linking policy reform, institutional strengthening and piloting of inclusive delivery models across both employment and VET.

**Swisscontact**, through the **Skills for Jobs (S4J)** programme, remained a central partner in advancing market-relevant VET reform and strengthening cooperation between schools and enterprises. S4J contributed to the development of new dual VET qualifications, the expansion of dual VET implementation, the strengthening of Sector Skills Committees, the promotion of blended learning through MësoVET, and the delivery of capacity-building and outreach activities involving schools, teachers, enterprises and in-company mentors. In the 2025–2026 school year, dual VET expanded to 15 schools across 9 regions, involving 372 students, more than 250 partner businesses, and over 175 in-company mentors, illustrating the scale and operational relevance of this partnership.

The **EU for Social Inclusion** project, implemented by **GOPA**, also contributed to the implementation of NESS 2030 in 2025, particularly by supporting legal and institutional reforms in the area of social inclusion and integrated services. In the VET field, this support extended to work on the financial autonomy of VET providers, including the review and validation of methodologies for costing and pricing products and services generated by providers.

**UNICEF** remained an important partner in the field of youth inclusion and school-to-work transition. In 2025, UNICEF contributed in particular to the pilot implementation of the Youth Guarantee together with UNDP Albania, supporting local coordination mechanisms, outreach, consultation and design of implementation tools, and strengthening child- and youth-sensitive approaches in employment and education interventions.

A number of other partners also made valuable contributions during the year.

**RisiAlbania** supported demand-driven lifelong learning opportunities and cooperation with private providers in selected sectors.

**GIZ** Albania, including through regional initiatives, supported employment, reintegration and mobility-related measures and most notably through the PROSEED project.

The **Austrian Agency for Education and Internationalisation (OeAD)** contributed to professional development and capacity-building in VET, while the **European Training Foundation (ETF)** supported analytical and consultation processes linked to lifelong learning and Youth Guarantee implementation. Overall, partnerships in 2025 remained a critical enabling factor for the implementation of NESS 2030. Beyond financial and technical support, they contributed to innovation, piloting, institutional strengthening and improved service delivery, while also helping connect Albania's employment and skills reforms more closely with European and international practice.

## 5.2. Coordination and harmonisation

Based on the Order no. 157 / 2018 of the Prime Minister, the IPMG "Employment and Skills" and the respective thematic group "Employment and Skills" convened regularly during the first half of 2023 to present, discuss and endorse the annual progress report of the National Employment and Skills Strategy 2019-2022, as well as the IPA III Operational Programme.

Upon the initiative of the SASPAC, a review of the Integrated Policy Management Group (IPMG) Mechanism was carried out, with the aim to optimize the function and impact of such mechanism, focusing on enhancing governance, efficiency, and alignment with strategic objectives.

Moreover, the review aims to improve the work and effectiveness of IPMGs and thematic teams by better integrating public policy planning.

The Order No. 90 of 1st August 2023, has introduced the renewed mechanism of integrated policy management and the following structure of the IPMGs:

- Democracy, Rule of Law, and Good Governance
- Economic Development
- Human Capital Development
- Environment and Climate Changes
- Regional and Rural Sustainable Development
- Interconnections

These groups are set to cover broader and more specific areas like justice, public order, competitiveness, social protection, environmental management, and infrastructure.

According to the PM's Order no.90/2023 the IPMGs meet regularly, at least once every six months, while the respective teams are expected to meet quarterly. SAPSAC is the Central Coordination Secretariat will coordinate development partners engagement in the activity of IPMGs and is set to report biannually to the Strategic Planning Committee.

The IPMG on Human Capital Development chaired by the Minister of Economy, Culture and Innovation, covers integrated coordination of public policies in 1) employment and skills; 2) social protection; 3) education; 4) scientific research and innovation; 5) youth, culture and sports; 6) gender equality and 7) marginalized groups.

The IPMG on Human Capital Development includes the following thematic teams: 1) Employment, Skills and Decent Work; 2) Social Protection; 3) Education; 4) Scientific Research and Innovation; 5) Children, Youth, Culture and Sports; 6) Gender Equality; 7) Marginalized Groups.

The IPMG on Human Capital Development convened for the first time in the renewed setup on October 30, 2023.

### 5.3. Innovation

The automation of risk-based planning for inspections using advance technologies can be regarded as innovation. With technical support from the ILO under the ESAP II project, and financed by the EU, two inspection platforms - (the MPS 'Penalty Matrix' system and the RAS 'Risk-Based Planning System'—were integrated, upgraded, and advanced using new technologies such as 'Data Mining' and 'Machine Learning'. The newly advanced system conducts automated planning for inspections using a risks-based approach. The automation process directs inspections towards sectors or entities with higher risk that require higher level of monitoring and enforcement. Channelling resources towards these sectors and entities is expected to improve the effectiveness of inspection, increase compliance, and ultimately lead to greater decent work.

## Chapter 6. EU integration and support

### 6.1. EU support.

The European Union continued to provide substantial support to Albania's reform agenda in the fields of employment, skills, social inclusion, and human capital development through a combination of accession-related policy dialogue, financial assistance under IPA III, operational programmes, and the Growth Plan for the Western Balkans. During the reporting period, this support increasingly evolved towards a more integrated framework linking sector reform, institutional strengthening, acquis alignment and performance-based monitoring.

A major development during the reporting period was the advancement of Albania's EU accession process in policy areas directly relevant to the employment and skills agenda. Following the opening of Cluster 1 "Fundamentals" on 15 October 2024, the EU opened negotiations on Cluster 2 "Internal Market" on 14 April 2025, including Chapter 2 on freedom of movement of workers, and on Cluster 3 "Competitiveness and Inclusive Growth" on 22 May 2025, including Chapter 19 on social policy and employment and Chapter 26 on education and culture. In both cases, the EU also established benchmarks for the provisional closure of the chapters.

In financial terms, IPA III remained the principal framework for EU assistance. According to the European Commission's 2025 Report on Albania, a fourth IPA III financing decision under the Annual Action Plan 2024, amounting to EUR 67.35 million, supports several reform areas, including employment and social inclusion. The same report notes that the first financing decision for three operational programmes for the period 2024–2027, with a total value of EUR 130 million, supports digitalisation, the green agenda and youth employment. This support is complemented by multi-country programmes and participation in cross-border and Union programmes.

Particularly relevant to the employment and skills agenda is the Multiannual Operational Programme on EU for Youth Employment in favour of Albania for 2024–2027, adopted in August 2024. The programme has a total estimated cost of EUR 63.48 million, including an EU contribution of EUR 50 million. It is fully dedicated to education, employment, social protection, and inclusion policies and is explicitly linked to the Economic and Investment Plan priority on human capital development and Flagship 10 on the Youth Guarantee. Its main objective is to support unemployed and inactive young people, especially NEETs aged 15–29, through access to quality employment, training, or education opportunities within four months of registration, while also strengthening the capacities of the National Agency for Employment and Skills and the national Youth Guarantee delivery model.

This support builds on earlier EU assistance in the field of youth, employment, and skills. Under the 2022 Annual Action Plan, the EU adopted the **EU for Youth** action for Albania, with a budget of EUR 5 million, aimed at strengthening youth participation and empowerment, improving employability through labour-market-relevant education and training, and supporting life skills and career guidance. Earlier support under IPA also included budget support for the implementation of employment and skills reforms under the previous National Employment and Skills Strategy.

Albania also taps Erasmus+ (2021–27) for VET teacher training and exchange projects and participates in EU-level vocational networks.

In parallel, the **Growth Plan for the Western Balkans**, launched in November 2023, introduced a new results-based framework for reform and investment support. At regional level, the European Commission has defined the Growth Plan as a EUR 6 billion instrument aimed at accelerating socioeconomic convergence and bringing forward selected benefits of EU membership. Albania's participation is conditioned on delivering on its Reform Agenda, which in human-capital terms focuses

on education, training, and labour reforms. In addition, Commission reporting on the Reform and Growth Facility highlights that Albania's Reform Agenda includes gender-sensitive targets, including measures related to the labour market outcomes of female VET graduates. Growth Plan disbursements (grants/loans) will be triggered by meeting such targets (see table xx below)

Implementation reporting on EU support has been carried out through several complementary mechanisms. First, the annual European Commission country reports provide the main assessment of progress in acquis alignment and reform implementation. Second, the screening process and the EU common positions adopted at the accession conferences establish the benchmark framework for future progress. Third, IPA-funded programmes and operational programmes include dedicated monitoring, reporting and evaluation arrangements. Fourth, implementation of the Growth Plan is linked to the fulfilment of Reform Agenda milestones and targets. Taken together, these instruments are contributing to a more coherent and performance-oriented framework for EU support.

Overall, EU support during 2025 continued to play a central role in advancing Albania's employment and skills reform agenda. The combination of IPA III assistance, operational programmes, accession negotiations and the Growth Plan has strengthened the strategic alignment between sector reform and EU integration requirements, while also reinforcing the focus on implementation, institutional capacity and measurable results.

Table 8: Selected Sector Relevant Indicator Targets - Albania's EU Reform Agenda

<p>2.1.1. Review of the VET system to better adapt to skills needed in the labour market</p>	<p>Two (2) other Skill Sectoral Committees (Agriculture; (Energy) Green Skills) have been established and are functioning, contributing to the adaptation of VET contents and training programs, including the characteristics of VET curricula (June 2026).</p> <p>Five (5) Vocational Education and Training Curricula (including standards of related occupations), in the areas of companies in the Smart Specialization Strategy (S3), have been reviewed by the National Agency for VET and Qualifications and approved by the responsible ministry for VET (June 2026).</p> <p>85% of VET-related teachers have been trained on the revised VET curricula (December 2026).</p> <p>50% of VET school graduates are employed in their field of study (3 months/6 months) after graduation (disaggregated by gender and type (employed/self-employed/continuing higher education and at the same time); monitored annually (June 2027).</p>
<p>2.1.2. Updating the National Qualifications Framework, establishing a clear and transparent level between qualification levels. This is part of the European Qualifications Framework.</p>	<p>Regulations and approval of the framework for the recognition/validation of prior learning of non-formal and informal learning and the inclusion of “lifelong learning” qualifications, including micro-qualifications, in the Albanian Qualifications Framework (June 2026).</p> <p>90% of VET providers and private sector enter the accreditation publication process (June 2027).</p>
<p>2.2.1. Strengthening the efficiency of the Employment Policy Scheme</p>	<p>Provision of new and diversified Active Labour Market Programmes, targeting jobseekers receiving economic assistance, unemployed individuals, and those with basic or no prior education (June 2025).</p> <p>Increase the share of unemployed jobseekers participating in Active Labour Market Programmes to 8% (June 2026).</p> <p>Increase the proportion of jobseekers registered with employment offices to 60% of the total unemployed population (June 2026).</p> <p>Increase the participation of unemployed jobseekers in vocational training to 20% of the total number of unemployed jobseekers (December 2026).</p> <p>Increase in the number of unemployed jobseekers who are employed through Employment Promotion Programs of the National Employment Service to 5,000 (data disaggregated by gender and vulnerable groups) (December 2027).</p>

## 6.2. Albania Progress Report 2025

### Chapter 2 “Freedom of Movement of Workers”

According to the European Commission’s 2025 Report, Albania is between having some and a moderate level of preparation in the area of freedom of movement for workers. Some progress was made during the reporting period, notably through the conclusion of bilateral social security agreements with EU Member States and further progress in the preparations for connecting Albania’s employment services system to the European network of employment services (EURES).

The report highlights the continued relevance of strengthening the digital and institutional capacities of the National Agency for Employment and Skills (NAES) in view of future integration into EURES. In this regard, the ongoing development of the employment services IT system remains a key area of preparation, directly linked to Albania’s broader efforts to align labour market services with EU requirements on labour mobility and information exchange.

At the same time, the Commission underlines the need to strengthen enforcement of the Law on Foreigners, in line with the National Migration Strategy 2024–2026. Further progress is also required in negotiating and concluding additional bilateral social security agreements, particularly with EU Member States, and in developing the IT infrastructure and administrative capacities necessary for future participation in the European Health Insurance Card (EHIC) and the Electronic Exchange of Social Security Information (EESSI) systems.

Key recommendations from the 2024 report include the following:

- Continue developing the employment services IT system in order to enable Albania’s connection to EURES upon accession.
- Strengthen enforcement of the Law on Foreigners in line with the National Migration Strategy 2024–2026.
- Continue negotiating and concluding bilateral social security agreements, notably with EU Member States;
- Develop the IT infrastructure and administrative capacities required for future participation in EHIC and EESSI.

### Chapter 19: Social Policy and Employment

The European Commission assesses Albania as moderately prepared in the area of social policy and employment, with limited progress made during the reporting period. The report notes that no measures are yet in place to establish and implement an indexation mechanism for economic aid benefits, while further efforts are needed to advance legislative alignment with the EU labour law acquis, the occupational health and safety acquis, and the acquis in the area of non-discrimination and equality, including gender equality. The employment rate continued to increase, especially among women, narrowing the gender employment gap. However, unemployment remains high for both women and young people. Institutional capacities of the State Labour Inspectorate and Social Services Inspectorate remain limited, despite ongoing training efforts and the digitalisation of inspection processes.

At the same time, the report acknowledges a number of important developments. Albania adopted the Policy Document for Health and Safety at Work and its Action Plan 2025–2030, aligned with the EU strategic framework on health and safety at work 2021–2027. The revised labour law continued to be implemented, while labour inspection advanced through the introduction of intelligent risk assessment matrices, resulting in 75% of all inspections being planned on a risk basis. However, the report also notes that the capacities of the social services inspectorate remain limited and require further strengthening.

The report further underlines that social dialogue structures still require strengthening. Tripartite consultation remains insufficient, and the National Labour Council convened only twice during the reporting period. In this context, further efforts are needed to improve the functioning and effectiveness of labour market governance mechanisms and to strengthen the role and capacities of social partners.

The Commission also refers to the continued implementation of the National Employment and Skills Strategy 2023–2030 and to progress related to the Youth Guarantee agenda. The piloting of the Youth Guarantee Implementation Plan was extended until the end of 2027, while the amended Law on Youth, adopted in April 2025, introduced provisions that will support the production of national and regional NEET profile reports.

The report also notes continued progress in implementing the exit strategy for economic aid beneficiaries, as well as preparations for the rollout of the Employment Promotion Programme on Social Reintegration, aimed at facilitating the labour market inclusion of long-term unemployed jobseekers.

The 2025 report's key recommendations include:

- Establish the Inter-ministerial Council of Occupational Health and Safety and its Secretariat, including the relevant rules, procedures and capacity-building measures.
- Roll out the Youth Guarantee and its Implementation Plan to more regions, taking into account the lessons learned from the pilot phase.
- Further increase budget allocation, service provision and monitoring of the Social Fund.
- Strengthen the capacities of local governments to secure sufficient funding and implement a coordinated social service referral system consistently at local level.

## Chapter 26: Education and Culture

In the area of education and culture, Albania is assessed as being between a moderate and a good level of preparation. Some progress was made during the reporting period, particularly through the continued implementation of the National Strategy for Education 2021–2026 and the adoption of legislative acts related to higher education reform.

The report also notes that public spending on education in 2024 reached an estimated 2.6% of GDP, compared to 2.1% in 2023, but remained below the EU average. Following the approval of the updated Curriculum Framework and its action plan in December 2024, progress continued in updating key competences across the different levels of the education system. Further steps were also taken to strengthen inclusion through the adoption of updated curricula promoting cultural diversity and the inclusion of Roma and Egyptian history and culture.

With regard to vocational education and training, the Commission notes that the VET system continued to improve during the reporting period. This included the implementation of a revised programme structure and continued development of the legal framework supporting dual VET through stronger involvement of employers. The report also highlights that, in the academic year 2024–2025, students enrolled in public VET schools represented 19% of total upper secondary enrolment, compared to 17.9% in the previous year, confirming a continued increase in the relative weight of VET within the education system.

For the coming period, the Commission recommends further optimisation of the VET system in line with labour market needs, alongside continued improvement of the professional development and training of teachers and trainers, with particular attention to pedagogical skills, inclusive competence-based approaches and digitalisation, including in VET. These recommendations are closely aligned with the implementation priorities of NESS 2030 in the areas of curriculum reform, qualification development, dual VET expansion and strengthening of teaching capacities.

## Chapter 7. Financial allocations and delivery

The total state budget initially allocated to employment and vocational education and training for the year 2025 was approximately 51 billion ALL, or approximately 56 million EUR<sup>4</sup>. Details on the budget allocation are provided in the table below. For comparison, also budgets from previous years are provided.

Table 9: Budget Allocations vs. Actual Expenditures 2020-2025 (in million ALL)

Programmes	2020		2021		2022		2023		2024		2025	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
<b>Labour Market</b>	1,699	1,547	2,737	2,466	2,287	1,992	2,475	2,310	2,557	2,458	2,191	2,070
<b>VET</b>	3,237	2,901	2,855	2,437	2,868	2,533	3,301	2,561	3,668	3,266	3,056	3,034
<b>TOTAL</b>	<b>4,936</b>	<b>4,448</b>	<b>5,592</b>	<b>4,903</b>	<b>5,155</b>	<b>4,525</b>	<b>5,776</b>	<b>4,871</b>	<b>6,225</b>	<b>5,724</b>	<b>5,247</b>	<b>5,104</b>

The budget foreseen for employment and labour market programmes for 2025 amounted to 21.9 billion ALL (approximately 22.2 million EUR), actual expenditures stood at 20.7 billion ALL (21.03 million EUR), with a budget utilization rate of 95%.

The budget foreseen for VET in 2024 amounted to 30.3 billion ALL (approximately 31 million EUR), whereas the expenditures amounted to 30.3 billion ALL (30.7 million EUR). Compared to the previous year years, the budget utilization rate within VET improved significantly with a budget utilization rate of 99.3%.

<sup>4</sup> The exchange rate EUR-ALL applied is 1 EUR = 98.43 ALL as officially published by the European Commission in January 2025 (<http://ec.europa.eu/budget/graphs/inforeuro.html>).