Supporting Social Partnership in VET in Georgia

Concept Paper

FINAL DRAFT from 31 March 2014
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1. Introduction

1.1 The Scope and Objective of the Concept Paper

This paper is prepared within the ETF project “Supporting Social Partnership in VET in Georgia”. The objective of this paper is to provide guidance to the tripartite social partnership in Georgia, i.e. the government and the employers’ and workers’ organisations, on ways and measures to substantially improve social dialogue in VET in Georgia at wider national level, as well as at sector and local levels. The concept paper outlines main principles and benefits from effective social partnership in VET, with special attention to issues of effective management of social dialogue, representation of social partners, and diversity of approaches. The paper intends to lay out a path for action encouraging social dialogue stakeholders to enter into a self-reinforcing policy cycle improving collaboration and delivering better VET programmes. All policy recommendations take into consideration the context and the status quo of social dialogue in the VET sector in Georgia.

The annexes form integral part of the document and provide a rich set of selected information for users, with emphasis on the Draft Charter of the National VET Council and a roadmap towards implementation.

The participatory development of the concept paper stimulated engaged debate on the options, complex issues and on the path forward among the three sides of social dialogue. National and international experts, professional / sector associations and representatives of VET providers have been involved. The EU Delegation to Georgia supported the initiative, notably by contributing to facilitate the final discussions on the format of the improved National VET Council.

This concept paper was presented and discussed with stakeholders at a dedicated workshop in Tbilisi on 23-24/01/2014 and this final version integrates, as possible, the comments expressed at that meeting. The preparation of the concept paper underwent several rounds of review by the ETF team, including by experts of the Governance Community of Practise from ETF. Finally, Mr Roger Lecourt (ILO) kindly provided many useful comments on the pre-last version of the concept paper, which are integrated in this final version.

The ETF team expresses its acknowledgments to all those who actively contributed to review the various versions of this concept paper, and wholeheartedly participated in the various working meetings of the project working group and final workshop.

Special acknowledgements are addressed to Mr Roger Hessel, main author of the document; and to Ms Ani Kitiaishvili, who coordinated and animated the stakeholders’ consultation activities and contributed with relevant recommendations to this paper.

1.2 The Policy Context

The 2013-2020 VET Development Strategy, which was adopted by the Government on 26 December 2013, recognises social partnership as a key pillar in VET policy planning and implementation, and justifies the objectives set for this concept paper. The concept paper takes into account the consultation process drawing from the opinions of the national social partner organisations and social dialogue stakeholders, including the Social Dialogue Workshop and Training hold on 23-24 January 2014, and draws on international practise. The
concrete benefits and added value of a functioning social dialogue in VET are highlighted by examples of international good practices.

The Government has defined the "lack of participation of the social partners (...) in VET sector management structures" as one of the seven key challenges which the Georgian VET system is facing.\(^1\) Reinforcement of full social partner participation has thus been recognised as a strategic priority activity. The conditions, which allow a stronger and systematic engagement of the trade unions and employers’ organisations in the policy dialogue, have to be established. The National VET Council (NVETC) has the potential to become the catalyst platform for an efficient multi-stakeholder governance in the field of VET. Also the funding system of the VET institutes needs to be completed in terms of adequacy (spending levels), effectiveness (performance-based funding mechanisms) and efficiency (decentralizing the funding system). For a “qualitative turnaround” in the effectiveness of social partnership in the field of VET, concrete policy steps within tripartite collaborations among the Government, the trade unions, the employers’ organisations and the VET providers have to be established.

The economy of Georgia has made clear progress in recent years, resulting from the priority of the government for a liberal policy approach. The country provides substantial opportunities for entrepreneurs and sets the frontier for “doing business”. According to the World Bank report “Doing Business 2014”,\(^2\) Georgia ranks on the eighth position among 189 counties in the ease of doing business: starting a business, registering property and access to credit information has been substantially facilitated in the last years.\(^3\)

Evidence provides a less positive picture, however, regarding labour market indicators,\(^4\) social cohesion and smooth transitions from the world of education to the world of work. In the field of VET, the institutional basis for “participatory governance” and affordable access to VET for learners need to be improved. Private sector contribution to VET provision (e.g. apprenticeships and internships programmes) is very low in Georgia. On average, less than 5% of registered enterprises are engaged in VET partnerships.\(^5\) As a result of the government policies of 2009-2011 private VET providers outnumbered public entities. However, in general, public VET providers have better training capacity and infrastructure. Currently, 19 public and more than 80 private VET institutions, 26 higher educational institutions and 11 schools are authorised to provide vocational education and training (VET) programmes. Public VET providers are concentrated in more capital intensive sectors such as agriculture, construction and transport. Private VET providers are strongly operating for instance in the health care sector.\(^6\)

2 Social Dialogue and the Frameworks laid out by the ILO and the EU

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\(^3\) Transparency International (TI) reports that Georgia has overpassed 100 countries in its TI corruption ranking in the recent years and stands today at number 55. Impressive changes in the political culture of its bureaucracy make the country more transparent than the public administration of Italy for instance.

\(^4\) In 2011, 26.5% of people of working age were unemployed in Georgia. The highest level of unemployment is within the 20-24 year age group (36.3%). Unemployment is often of long duration, i.e. more than one year, particularly for highly educated workers (ETF Report Strategy for Reform of Vocational Education and Training 2009-2012 of Georgia, 2012, p.14).

\(^5\) Zurab Simonia, Private Sector Engagement in the Georgian Vocational Education System, Millennium Challenge Account – Georgia, July 2013, p. 3.

\(^6\) Zurab Simonia, op. cit., p. 4.
It is widely acknowledged that a functioning social dialogue is beneficial for the economic development as well as for the political and social stability of a country. As defined by the International Labour Organisation (ILO), social dialogue includes all types of negotiation, consultation or exchange of information between, or among, representatives of governments, employers and workers, on issues relating to economic and social policy. Social partners are organisations representing the interests of workers and employers, i.e. employers’ associations and trade unions or their representative organisations. More precisely, the ILO defines the three main quality attributes of the social partners as follows:

- Freedom of association;
- Social partners should be independent from the government or ruling political party;
- Representativeness in a ratio of percentage of workers for which a union enters collective bargaining and concludes binding agreements.\(^7\)

Social dialogue is the arena for checking, analysing and correcting which employment policy actions are analysed and corrected on a regular basis against practical reality. Social policy research demonstrates that in a pluralistic democracy, a cooperation-oriented model of social partnership allows achieving agreements which are mutually beneficial for all actors involved in the vocational education and training (VET) and labour market policies. International players and organisations, such as the European Union and the ILO, are drivers for social dialogue as a success factor in competitive economies for creating wealth and quality of life.

### 2.1 The ILO Framework and the Involvement of Georgia

The ILO Resolution concerning Tripartism and Social Dialogue (2002) invites governments to ensure that the necessary preconditions for social dialogue exist, including respect for the right of freedom of association and collective bargaining,\(^8\) for creating a sound industrial relations environment as well as the respect for the role of the social partners. It also encourages governments, as well as workers' and employers' organizations to promote tripartism and social dialogue, especially in sectors where tripartism\(^9\) and social dialogue are absent or hardly exist.

Efficiency of social dialogue depends on a number of objective and subjective conditions. The first *conditio sine qua non* is the strong and enduring political will of all parties involved. Enduring political will must be based on awareness of the potential of social dialogue to contribute to economic and social development. Aside from this, other conditions for social dialogue in particular are:\(^10\)

- A pluralist democracy for open political dialogue and for sharing of basic values;
- A market economy providing the stakeholders with a choice in their decision making;
- A legal framework, especially adopting labour laws which enable the social partners to negotiate terms and conditions of employment;
- Free, independent, sufficiently representative employers' and workers' organizations;
- Efficient institutions and technical competency among all stakeholders.

#### 2.1.1 Georgia’s Involvement in the ILO

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\(^7\) For the definition see the Glossary for Social Dialogue Key Terms in the Annex.

\(^8\) For the definition see the Glossary for Social Dialogue Key Terms in the Annex.

\(^9\) For the definition see the Glossary for Social Dialogue Key Terms.

Georgia is a ratified member state in the ILO since 22 June 1993. In October 2013, the Georgian Trade Union Confederation (GTUC) launched a new programme for the promotion and the ratification of ILO Conventions for the period 2013-2017. Recently, trade unions filed several complaints to the ILO regarding alleged infringements of freedom of association and of other workers’ rights. Some cases received recommendations and were closed, other cases are still pending.

2.2 The EU Framework and Involvement of Georgia

The EU strongly supports social dialogue as one of the pillars of the European social model. In 2002, the European Commission stated that social dialogue is “rooted in the history of the European continent, and this distinguishes the Union from most other regions of the world. Accordingly, in its various forms in different EU member states, the social dialogue is a component of democratic government and also of economic and social modernisation.”

With the EU-Georgia Association Agreement initialed during the Eastern Partnership Summit of 29 November 2013, Georgia clearly has committed itself to further closer approximation and integration. Although the Association Agreement has not yet been signed, the EU on its side is committed to sharing exactly what it contains. The Association Agreement is a concrete way to take advantage of the very positive dynamics in EU-Georgia relations. It focuses on support for core reforms, economic recovery, governance, sectoral cooperation and the far-reaching liberalisation of Georgia’s trade with the EU. The text of the Association Agreement gives prominent place to development of the cooperation on social dialogue in employment and social policy, notably:

“CHAPTER 14 EMPLOYMENT, SOCIAL POLICY AND EQUAL OPPORTUNITIES, Article 348: The Parties shall strengthen their dialogue and cooperation on promoting the Decent Work Agenda, employment policy, health and safety at work, social dialogue, social protection, social inclusion, gender equality and anti-discrimination, and corporate social responsibility and thereby contribute to the promotion of more and better jobs, poverty reduction, enhanced social cohesion, sustainable development and improved quality of life.”

2.2.1 Georgia’s Involvement in the EU Social Dialogue

Since 2004, the Georgian Trade Union Confederation (GTUC) is recognised as social partner by the Georgian government. The GTUC is a member of the European Trade Union Confederation (ETUC) since 2007 and participates thus in the European social dialogue. In 2010, the GTUC and the Friedrich Ebert Foundation (FES) conducted trainings on campaigning methods and project management for trade unions as part of the EU-funded project „Promoting Social Dialogue in Georgia“. The Georgian Employer's Association (GEA) has close collaborations with the German business organisations and is currently developing specific quality standards for delivery of VET services drawing from the experience of another country. In Table 1 the main employers’ and workers’ organisations of Georgia are listed:

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13 Communication from The European Social Dialogue, a Force for Innovation and Change (June 2002); for the definition of “European Social Dialogue” see the Glossary of Social Dialogue Key Terms.
Table 1: List of Main Employers’ and Workers’ Associations in Georgia
(not exhaustive)

<table>
<thead>
<tr>
<th>No.</th>
<th>Name</th>
<th>Website</th>
<th>Date of Establishment</th>
<th>Present in WG Meetings in Oct.-Dec. 2013</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Employers’ / Business Organisations</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Business Association of Georgia (BAG)</td>
<td><a href="http://bag.ge/?lng=eng">http://bag.ge/?lng=eng</a></td>
<td>Oct. 2009</td>
<td>no</td>
</tr>
<tr>
<td>3</td>
<td>Welder’s and Material Engineers Union</td>
<td>-</td>
<td>-</td>
<td>yes</td>
</tr>
<tr>
<td>4</td>
<td>Georgian Associations of Guides</td>
<td><a href="http://www.guides.ge/">http://www.guides.ge/</a></td>
<td>Feb. 2010</td>
<td>yes</td>
</tr>
<tr>
<td>5</td>
<td>American Chamber of Commerce (AmCham)</td>
<td><a href="http://www.amcham.ge">http://www.amcham.ge</a></td>
<td>1998</td>
<td>no</td>
</tr>
<tr>
<td>6</td>
<td>Georgian Small and Medium Enterprises Association</td>
<td>Facebook</td>
<td>2010</td>
<td>yes</td>
</tr>
<tr>
<td>7</td>
<td>Chamber of Commerce and Industry of Georgia (GCCI)</td>
<td><a href="http://www.gcci.ge/?2/home/&amp;lan=en">http://www.gcci.ge/?2/home/&amp;lan=en</a></td>
<td>1960; consolidated in 1983 and 1992</td>
<td>no</td>
</tr>
<tr>
<td>8</td>
<td>International Chamber of Commerce (ICC)</td>
<td><a href="http://www.icc.ge/">http://www.icc.ge/</a></td>
<td>2002</td>
<td>no</td>
</tr>
<tr>
<td>9</td>
<td>Georgia Business Aviation Association (GBAA)</td>
<td><a href="http://www.gbba.org/">http://www.gbba.org/</a></td>
<td>2000</td>
<td>no</td>
</tr>
<tr>
<td>11</td>
<td>German Business Association Georgia (DWVG)</td>
<td><a href="http://www.georgiabuilds.ge/en/dwvg">http://www.georgiabuilds.ge/en/dwvg</a></td>
<td>2012</td>
<td>no</td>
</tr>
<tr>
<td>12</td>
<td>Georgian Swiss Business Association (GSBA)</td>
<td><a href="http://www.gsba.org.ge">www.gsba.org.ge</a></td>
<td>2005</td>
<td>no</td>
</tr>
<tr>
<td>14</td>
<td>Eco-Farm (Georgian Farmers Association)</td>
<td><a href="http://www.ecofarm.ge/index.php?act=page&amp;id=20&amp;lang=en">http://www.ecofarm.ge/index.php?act=page&amp;id=20&amp;lang=en</a></td>
<td>2012</td>
<td>no</td>
</tr>
<tr>
<td>15</td>
<td>Georgia Association of Business Brokers, Inc. (GABB)</td>
<td><a href="http://gabb.org/">http://gabb.org/</a></td>
<td>1986</td>
<td>no</td>
</tr>
<tr>
<td></td>
<td>Workers’ Organisations</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>Georgian Trade Unions Confederation (GTUC)</td>
<td><a href="http://eng.gtuc.ge/">http://eng.gtuc.ge/</a></td>
<td>1998</td>
<td>yes</td>
</tr>
<tr>
<td>2</td>
<td>Trade Union of Railway Workers of Georgia</td>
<td>-</td>
<td>date to be confirmed</td>
<td>no</td>
</tr>
<tr>
<td>3</td>
<td>Educators and Scientists Free Trade Union of Georgia (ESFTUG)</td>
<td><a href="http://www.educator.ge">http://www.educator.ge</a></td>
<td>-</td>
<td>no</td>
</tr>
<tr>
<td>4</td>
<td>Metallurgical, Mining and Chemical Industry Workers (TUMMCIWG)</td>
<td>www mmcworkers.ge</td>
<td>-</td>
<td>no</td>
</tr>
<tr>
<td>5</td>
<td>Georgian Railway Workers New Trade Union (GRWNTU)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>VET Students and Teachers and Workers Qualified Preparation Trade Union</td>
<td>-</td>
<td>-</td>
<td>yes</td>
</tr>
<tr>
<td>7</td>
<td>Poti Port Trade Union</td>
<td>-</td>
<td>-</td>
<td>no</td>
</tr>
<tr>
<td>8</td>
<td>Skilnet Trade Union</td>
<td>-</td>
<td>-</td>
<td>no</td>
</tr>
</tbody>
</table>

Georgia’s National VET Council (NVETC) – established in 2009 in response to demand of employers organisations, trade unions and many experts and associations – represents the

17 See the website of the GCCI at: http://www.gachamber.com/History.history.0.html.
main body for collaboration between VET providers and social partners at the national level. The NVETC oversees seven Thematic Working Groups which are enlisted in the Annex 4.

In conclusion, social dialogue is of paramount importance for addressing a wide range of workplace issues, including skills development schemes and school-work-transitions. Social dialogue can increase transparency and provide consensus among governments, employers’ and workers’ organizations. Both the European social dialogue and the EU education and training policies\textsuperscript{18} may serve as inspiration to the Georgian VET system.

3 The Importance of Tripartite Social Dialogue for the VET Sector

Despite some progress made in the last three years, Georgia’s workers and employers’ organisations need to strengthen their capacity to perform more effectively their roles in social dialogue. Trade unions need to become stronger to defend the workers’ rights more adequately.\textsuperscript{19} Employers’ associations in general as well require more and better investment in developing their capacity for strategic, thematic and networking activities, notably those related with skills policies. Representation of interests of both workers and employers have not fully reached a level that allows equal partnership relations with the government entities. Independence from the state and freedom of collective bargaining is a result of the freedom of association which is recognised under the International Labour Standards\textsuperscript{20} and under the Community Charter of the Fundamental Social Rights of Worker of 1989.

For making tripartite social partnerships a success the benefits of social dialogue events must be clearly visible. The ILO has identified a number of common features of a successful involvement of trade unions and employers in VET-related industrial relations, which in-turn pays off well for economic competitiveness and triggers benefits for the society. One common feature of success for projects in the field of industrial relations is the active involvement of stakeholders on the ground in the design and implementation of social dialogue. Successful interventions addressing for instance working conditions preventing occupational accidents are characterized by collaborative approaches involving both social partners and the government.\textsuperscript{21} A second recognised success factor is the skills and competences of staff involved in social dialogue actions. Without qualified persons in the unions, business associations and participating VET institutes it is difficult to contribute to well-grounded policy design, pursue well defined, concrete policy objectives or to monitor and evaluate qualitative and quantitative indicators for the measurement of progress. Another success factor is that a social dialogue project has very concrete and targeted objectives and indicators which allow monitoring and evaluation of results. Table 5 in the Annex provides an overview about the core obstacles and factors of success for social dialogue interventions.

\footnotesize{18} For the definition and further reference regarding the Strategic Framework for European Cooperation in Education and Training Policy (ET 2020) see the Glossary of Social Dialogue Key Terms.
\footnotesize{19} The International Trade Union Confederation (ITUC) reported, for instance, that on 9-10 October 2011 dock workers at the Poti port went on strike, but the management of the port company used methods of dismissals of the workers on the account of the trade union affiliation. The case has been discussed at the ILO and is pending at the European Human Rights Court (EHRC) in Strasbourg. For further information see: http://perc.ituc-csi.org/Poti-port-on-strike?lang=en.
\footnotesize{20} ILO Convention No. 87 of 1948 (Freedom of Association and Protection of the Right to Organise) and ILO Convention No. 98 of 1949 (Application of the Principles of the Right to Organise and to Bargain Collectively).
The rich and varied international experience in social dialogue could inspire developments in Georgia. In this context the “Network of Social Dialogue Practitioners and Experts”, established with support of the ILO ((PRODIAF III)\(^{22}\), deserves attention: This network functions as a “community of practice” which serves as a resource for knowledge exchange and support and is triggering sustainable results for a fruitful social policy. Workers’ and employers’ representatives alike engaged in effective meetings developing forward-looking synergies and decisions which were beneficial for the employment systems.

At the European level, the social partners in most of the EU Member States have procedures in place to support delivery of VET services and to involve social partners’ organisations in policy design and consultation processes. Governments across Europe have recognized that VET schemes should meet the needs of the labour market. Beside the importance of tripartite social dialogue, the importance of bipartite social partnerships is not negligible.\(^{23}\) The most effective way to achieve consensus between workers and employers may be promoting social dialogue starting from the company level, where it has a direct impact on the lives of workers, apprentices and trainees. Also, a strong bipartite social partnership can guarantee continuity of employment-related outputs if a different government takes the mission over.

4 Strengthening the National VET Council

4.1 Rules of Procedures of Social Dialogue Committees in International Comparison

In international comparison, tripartite social dialogue bodies with VET-related competences have different names. When speaking of entities comparable to the National VET Council (NVETC) of Georgia, this paper suggests to use the term “social dialogue committee” for the sake of clarity. Social dialogue committees have, however, to be distinguished from ‘Sector Skills Council’\(^{24}\), which will be elaborated further in Sector 5 of the paper.

Effectiveness of the NVETC depends on existence of a policy agenda (embodied in the sector strategy adopted on 26 December 2013), but also of a clear roadmap for action and procedural rules for implementation. Rules depend strongly on national practice and customs. Making comparison at international level, it can be said that the composition of VET committees seek to provide a balanced representation of all interested stakeholders in the field of the labour market and VET. Generally, national social dialogue committees have the following five features and functions:

- they operate with a relative independence from the ministries (education and labour);
- they cover a wide spectrum of VET providers, both public and privately run institutes;
- they coordinate implementation of training delivery;
- their composition is often tripartite (government, workers’ and employers’ representatives);
- they coordinate and supervise working groups on specific projects (e.g. curriculum development)


\(^{23}\) For the definition of bipartism see the Glossary of Social Dialogue Key Terms in the Annex.

\(^{24}\) At moment of writing this document in Georgia 14 “sector committees” are operational, under coordination of NCEQE and delivering mainly advise and support in elaboration of occupational standards.
In order to enter into in-depth consultations on how to improve the status and functioning of the NVETC, the concept paper suggests a detailed **Draft Charter for the National Tripartite Social Dialogue Committee** as a proposal for discussion; see Annex 1 on pages 30-32. The suggested **Rules of Procedure** provides concrete indications on how to prepare, manage and conduct social dialogue meetings, starting from the role and mandate of the NVETC, over its composition, to the term of office, frequency of the meetings, the Secretariat, reporting and sustained follow-up actions. At this stage, the paper sheds light only on the following most features of great importance:

**Size of Committees and Appointment Methods of Members**

There is no ‘ideal’ dimension advisable for a country regarding what the appropriate size of the committees involved in social dialogue matters should be. However, for to facilitate meaningful discussion and action in the literature there is consensus that committees at national level should be limited to maximum forty members. It is a widespread risk that Committees tend to become too large and formalistic and, hence, suffer in terms of efficiency.

It is observed that several *methods of appointment* are used for appointing committee members. In one of these methods the government first identifies organisations which are entitled with representation and then authorises those bodies to decide to appoint chairpersons and members. In the other procedure appointments are made by the responsible ministry, but usually upon the prior nomination of trade unions and employers’ organisations. Rarely do governments appoint business or labour members over the opposition of the concerned organisations.

**Frequency of Meetings, Term of Office and Composition**

It is advisable that the NVETC meets regularly and *at least once every three months*.25 It may meet in an extraordinary session upon request submitted to the chairperson, for instance, by half of the members of the Committee. In terms of the *length of service* in social dialogue committees, the durations varies markedly from one system to another. A comparison made at international level indicates that normally the members are appointed for two to four years. However, reappointment is possible. As an example of *rules of procedures* of national tripartite consultation bodies in other countries, the ILO suggests that Committee members shall serve for a term of *three years*.26 Assessment of the benefits of limited or unlimited durations of memberships is controversial. On the one hand, long-serving Committee members may act with the necessary independence from possible government changes, but on the other hand, long-standing committee members may tend to lose contact with fast-changing labour market trends and training needs if they focus their activity on bureaucratic procedures of social dialogue.

In nominating the representatives, care should be taken to have an appropriate percentage of *female members* in the committee for ensuring the respect of the principle of gender equality.

**Involvement of civil society organisations**

The question, whether the *civil society organisations* and *professional associations* should be represented in a quadripartite setting, needs an in-depth examination. Participation and contributions of these organisations in social dialogue in VET is important, as they may have

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25 See the Draft Charter for a National Tripartite Social Dialogue Committee on p. 26-28 and the ILO Guide for Improved Governance, *National Tripartite Social Dialogue*, 2013, p. 275; according to the ILO Tripartite Convention No. 144 consultation shall be undertaken at appropriate intervals fixed by agreement, but at least once a year.

unique thematic expertise and may provide useful advise on the impact of policies, e.g. on vulnerable groups, or on certain professional areas. This participation can be ascertained via inclusion in the NVETC thematic working groups, or by inviting them as observers to selected ad-hoc meetings of the NVETC. The multi-level format proposed in this concept for tripartite social dialogue is inclusive of relevant organisations and persons able and willing to contribute to shaping VET policy. Generally, included NGOs would need to have a genuine autonomous opinion as well as the professional capacity needed for bearing the responsibility for the implementation of agreed actions. The NGOs should be selected by the core social dialogue group of the NVETC.

However, direct participation in the national level NVETC’s tripartite consultation and deliberation is not absolutely necessary to ensure that associations, experts and interest groups express their voice and competent advise. In contrast, a valuable argument against a broad, permanent inclusion of civil society organisations in the national level tripartite social dialogue in VET is the operability, effectiveness and efficiency of the NVETC as a social dialogue platform. The larger the range of the present interest groups is, the greater the risk of unfocused deliberations would be. In line with the “principle of subsidiarity”, only employers’ and workers’ organisations represent the appropriate level to discuss labour-related matters. For the sake of a representativeness focused on the core matters of employment, a note of caution may be selecting the members of social partners and government and VET representatives in the NVETC carefully. International experience indicates that in VET- and employment matters NGOs are usually included as “secondary stakeholders”, since their interests would allow them to a lesser extend to contribute in agreements related to subjects such as wage policy, occupational safety standards and work-based training programmes. In case of need, representatives of NGOs may be called in as observers for the special working groups (“ad hoc voting rights”).

In conclusion, the reorganisation of the NVETC needs to build on various types of consultation groups (e.g.: central / national; thematic; ad hoc for specific topics / assignments), allowing efficient, targeted participation of diverse groups and experts in the appropriate levels of dialogue.

4.2 Mission and Tasks of the NVETC in the Work-Planning Process of Social Dialogue

According to the ILO Consultation Recommendation 1960 (No. 113), social dialogue consultation should include the establishment of national bodies responsible for the organisation of vocational training and retraining. Central to the social dialogue process as a continuous process is the setting of the agenda, which means setting the priorities. For national social dialogue to be sustainable, the social partners should be actively involved in the cycle of social dialogue which consists of various stages, namely 1. regular discussions / negotiations, 2. agreements on actions, 3. implementation and 4. Monitoring / evaluation (see Graph 1 below).

Graph 1

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27 For the definition see the Glossary of Social Dialogue Key Terms.
Mandate of the NVETC

The NVETC has the potential to become the catalyst for an efficient tripartite social dialogue in the field of VET. Taking inspiration from tripartite bodies from other countries, the mandate of the NVETC should include some or all of the following core competences: 29

- advice to government on policy issues:
  - analysis and development of policy initiatives
  - consultations on policy formulation and implementation
  - recommendations on economic, social and labour-related issues
- discussion of new and existing laws and programmes
- negotiation of tripartite agreements and supervision of their implementation
- administration of established policies, e.g.: steering of their implementation
- public information sharing

With regard to the question what range of issues should be chosen for social dialogue meetings, a “Checklist of Topics for Tripartite Social Dialogue” is provided in the Annex 7.

Setting the agenda is an essential task of the NVETC for the work-planning process. Social partner and government representatives should work closely together with the “Secretariat”, which supports the NVETC in terms of planning, meeting management and logistics (see also paragraph 4.4). The role of the secretariat is paramount to ascertain the quality of the social dialogue meetings, the equity in communication, and the preparedness of all social partners for competent dialogue. The NVET members must be flexible in order to take up urgent issues at short notice, if necessary. Keeping a record of minutes of meetings and agreements available to all participants may avoid later misunderstandings. All NVETC members should fully understand which items are placed on the agenda. The most frequent options of agenda-setting in international perspective are laid out in Graph 2.

Graph 2

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4.3 Representativeness and Composition of the NVETC in Georgia

A successful social dialogue depends to a great extent on the strength of the participating stakeholders and on the level of representation. Independent stakeholders receive their legitimacy and the mandate from the members who they are representing. National rules for determining ‘representativeness’ are different from one country to another. Consequently, a cross-national definition does not exist. In the Tripartite Consultation Convention No. 144 the ILO seeks to ensure that the social partners at the bargaining table are “the most representative organisations of employers and workers”. The ILO requires its ratifying member states to operate procedures ensuring that employers and workers are represented on equal footing in any body through which consultations are undertaken. As a consequence, the “most representative” organisations of employers and workers enjoying the right of freedom of association should participate in the national tripartite social dialogue meetings in Georgia.

According to ILO, the determination of the “most representative organizations” should be based on precise, objective and pre-established criteria to avoid any opportunity for partiality or abuse.\textsuperscript{30}

\begin{table}[h]
\centering
\begin{tabular}{|c|c|}
\hline
1. & Quantitative criteria & Membership \\
\hline
\end{tabular}
\caption{Representativeness Criteria for Social Partners (selected examples)}
\end{table}

Supporting Social Partnership in VET in Georgia
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2. Geographical / industrial coverage
3. Number of collective agreements
4. Qualitative criteria
   Financial / organisational independence
5. Number of years of experience
6. Infrastructure for communication (website, publication, etc.)
7. Other criteria
   Affiliation to international organisations
8. Presence of the trade union at the organisational level

The lack of a clear procedure for the determination of representativeness criteria involves the risk of political bias and should not be left to the discretion of government. In most cases, the representativeness criteria are set in the law following consultations with the workers' and employers' organizations concerned. Box 5 in the Annex 9 provides an example from a law in Belgium. In some other cases, however, such criteria are defined by a tripartite agreement (e.g. in the Czech Republic).\(^{31}\)

In October 2013, a new Tripartite Social Dialogue Commission has been established, which shall operate since under the Prime Ministry's Cabinet. In order to ensure participative governance in the field of vocational education and training, the National VET Council was established in 2009 together with seven thematic working groups. The objective of the Council is to coordinate the activities of the social partners – the state, employers, trade unions – and civil society. Currently, the largest share of memberships in the Council is drawn from the government sector (14 of the 27 members). However, the Government has announced to revise this composition to ensure parity of membership.

Generally, trade unions and employer/business organizations are to be considered as key stakeholders in the social dialogue process due to their potential influence on implementation of VET- and labour market-relevant actions.

The Georgian Chamber of Commerce and Industry (GCCI) will enhance its engagement in VET, notably through establishment of a training centre. In Article 8 of the law concerning the Georgian Chamber of Commerce and Industry (No. 6569 – RS; 28 June 2012) it is foreseen that the “state control over the Chamber’s activity shall be performed by the Prime Minister of Georgia.” It seems therefore that the chambers are not yet as much independent as their counterparts in many other countries. The extent, to which chambers of commerce and industry should be involved in the tripartite social partnership negotiations, depends on the prevailing model of chambers in the respective country. An international overview of different chamber models is provided in the Annex 11.\(^{32}\)

### 4.4 Planning and Management of Social Dialogue Meetings

Numerous countries in the EU or affiliated to the ILO have consultation bodies which provide employers' and workers' organisations with an official forum where they can play an active part in the formulation of labour-related policies. These bodies are often supported by a

\(^{31}\) For the definition of “representativeness” within the social dialogue at EU level see the European Industrial Relations Dictionary published by the European Foundation for the Improvement of Living and Working Conditions (Eurofound): [http://www.eurofound.europa.eu/areas/industrialrelations/definitions/representativeness.htm](http://www.eurofound.europa.eu/areas/industrialrelations/definitions/representativeness.htm).

\(^{32}\) In Turkey, aiming to represent business interests without the obligations to provide services by chambers of commerce, the business organisation TÜSİAD was established by Turkish industrialists and businessmen in 1971. For more information regarding the functions of this body see Box 9 in the Annex.
“secretariat” or “executive committee”. The secretariat, which is normally attached to the government structure, enables the social partners and the government to keep in touch on a permanent basis. It represents a focal point for all relevant information and acts as a catalyst for the social dialogue by furnishing expert studies and background material required for accomplishing its mission. As shown in Graph 3, together with the tripartite consultation body, the secretariat is usually located between the key political authorities and the administrative level.

Graph 3: The Place of the Secretariat of a Tripartite Social Dialogue Body

The Core Tasks of the Secretariat

A sound preparation and management of social dialogue meetings require a secretariat which is usually established on a permanent basis. The core duties of the secretariat are to support the activities of the social dialogue committee (preparation of a work plan, disseminating information on the committee’s activities, etc.). In many cases, the secretariat is part of the administration unit of the ministry responsible for labour administration. At the request of the secretary-general or president of the tripartite body, the secretariat organises, convenes and prepares the meetings. As the head of the secretariat the Secretary supports the chairperson during the meetings and ensures reporting and follow-up actions after the meetings.

To provide a relevant agenda for a planned meeting, the secretariat should scan the upcoming policy making agenda and make a collection of a. draft laws that call for an opinion from the NVETC and b. social partners’ and government’s priorities, particularly in the sphere of national labour policy and labour administration. An annual workplan with indicative list of key topics can be elaborated to support efficient preparation of the meetings. This schedule will facilitate the timely and competent preparation of meetings and the planning of the required resources. In summary, both the secretariat and the secretary have a range of information management tasks to fulfil. A full list of duties of both the secretariat and its head, the secretary, is provided in Box 1 in the Annex 2. From this list it becomes clear that a minimum of resources in terms of staff, time and budget must be allocated to the Secretariat allow this office to fulfil all required tasks.

In several countries, which are compared in this project, five to twelve persons coordinate the work of the committee and they are in charge of the thorough planning and implementation of the meetings. Although the number of collaborators of the Secretariat can be more restricted
in Georgia, the workload and responsibility inherent to proper functioning of the Secretariat should not be underestimated. Usually, the secretariat convenes the meetings of the committee upon the request of the chairperson or one of the vice-chairpersons. The members of the committee should be notified at least one week or up to 15 days in advance of the meeting.\[33\] The agenda of the meeting should be prepared by the secretariat upon consultations with the chairperson and the vice-chairpersons. Lists of individuals, who should be involved in the committee meeting and to whom work documents should be sent before the meetings, are presented in the Boxes 2 and 3 of Annex 2.

**Decision-making**

In terms of decision-making procedures, it is generally accepted that two voting options are used for a comparison at the international level: many committees come to decisions through consensus, others prefer majority voting. While the latter voting modus facilitates reaching agreements, the former form of decision-making – the consensus-seeking process – has the advantage that none of the business sectors nor the constituencies, which are out-voted, lose interest in the process and withdraw from participation. The unanimity seeking process has been chosen, for instance, by the Federal Institute of Vocational Education and Training (BIBB) in Germany, the Swedish Tripartite National Employment Training Committee and the former Canadian Labour Force Development (CLFDB).

Generally, the number and the regularity of social dialogue meetings is a first adequate indicator of a sound trust-building process among social partners and the Government. The Main Committee (Hauptausschuss) of the German BIBB, for example, meets two or three times annually. However, a Permanent Commission, which is composed of eight members from each of the social party benches and drawn from the Main Committee, meets five or six times per year (for the composition of the Main Committee see Table 3 below).

In summary, aiming at providing a balanced representativeness of the NVETC members and for to provide a broad attendance in the coming meetings, a stock-taking exercise may be helpful in identifying the relevant employers’ and workers’ representatives, who have not been invited and absent to prior social dialogue events. These stakeholders may be specifically invited.

**4.5 Roadmap for Strengthening the Social Partnership in the VET Sector in Georgia**

In line with the outcomes of the discussion of the Social Dialogue Workshop and Training Event on 23-24 January 2014, the stakeholders of social partnership have proposed the following roadmap for strengthening the NVET in the coming period:

<table>
<thead>
<tr>
<th>Items</th>
<th>Time</th>
<th>Responsible</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Revised version of the charter</td>
<td>End of February</td>
<td>MoES, SPs</td>
</tr>
<tr>
<td>2. Approval of the charter (including membership)</td>
<td>March</td>
<td>GOG</td>
</tr>
<tr>
<td>3. Nomination of the members of the Secretariat</td>
<td>March</td>
<td>MoES</td>
</tr>
<tr>
<td>4. TOR of the secretariat (including communication and coordination activities (including National TCSP) operational budget and e-platform)</td>
<td>March</td>
<td>MoES, SPs</td>
</tr>
</tbody>
</table>

\[33\] ILO Guide for Improved Governance, op. cit.
However, in order to make the NVETC become a fully functioning catalyst for social dialogue favouring sound VET provisions across the country a more concrete "Work Plan 2014" needs to be jointly developed by the stakeholders of the social dialogue. To this end, a list of topics of strategic nature should be identified and circulated by the Secretariat for agreement and inclusion in the work plan for NVETC. The new VET strategy and action plan, adopted in December 2013, represents the fundamental basis for identification of the topics and issues for consultation at NVETC. Questions of operational nature are, in principle, not brought to consultation at NVETC.

## 5 Strengthening Sector Skills Councils

### 5.1 Sector Skills Councils in Georgia

Adequacy of information about future labour market needs and newly emerging skills has been a long standing concern in all countries. Sector Councils in various formats have emerged across the world, to be part of the solution to this crucial concern. The Sector Councils are composed of representatives of the government, the educational and VET institutes, the business organisations and the trade unions. The Committees fulfil the definition used by the social policy research as “Sector Skills Councils”, i.e. they:

- provide analyses of skills development on one specific labour market sector;
- they function as platforms in which at least two types of stakeholders are involved (as opposed to transversal councils, which cover two or more labour market sectors);
- they work in a continuous way (as opposed to temporary working groups which are set-up ad hoc, for instance, when an occupational profile needs to be revised).

Georgia adopted the designation “Sector Committees”. The National Professional Agency established 14 Sector Committees in 2008 and since 2009, the Committees operate under the supervision of the National Center of Educational Quality Enhancement (NCEQE). The main aim of the Sector Committees is to develop occupational standards. The VET department of Ministry of Education and Science of Georgia (MoES), which has been reorganised in 2013, envisages the possible reallocation of the coordination of all Sector Committees to the NVETC.

Currently, the objective of the Sector Committees is mainly to support development of the qualification system, catalogue of qualifications and occupational standards. They also participate, but less frequently, in the review of the catalogue of qualifications related to the national qualification framework (NQF). However, Sector Committees should engage more with the demand (employers’) and supply (learners’) side of training and improve the link between the training system and the labour market.

<table>
<thead>
<tr>
<th>5.</th>
<th>Define the areas of the Thematic Working Groups (TWGs)</th>
<th>First Council meeting (15 April)</th>
<th>NVETC</th>
</tr>
</thead>
<tbody>
<tr>
<td>6.</td>
<td>TOR of the TWGs</td>
<td>April</td>
<td>NVETC</td>
</tr>
<tr>
<td>7.</td>
<td>Plan of priority topics for the NVETC meetings and a meeting calendar</td>
<td></td>
<td>NVETC</td>
</tr>
<tr>
<td>8.</td>
<td>SCs - revision, definition, TOR (including communication and coordination activities, operational budget, e-platform)</td>
<td>Until January 2015</td>
<td>MoES, NCEQE</td>
</tr>
<tr>
<td>9.</td>
<td>Public event – information sharing with stakeholders</td>
<td>Beginning of October</td>
<td>MoES</td>
</tr>
</tbody>
</table>
The effectiveness of the Sector Committees in Georgia depends on the dynamism of the sector and its enterprises, and their readiness to participate in the activities of the committees. One of the problems is the current membership of the committees, which are predominantly composed by representatives from education institutions and experts. Most Sector Committees have insufficient representation from enterprises and professional and branch associations.

The NCEQE contributes on a systematic basis to the design and further development of the qualifications system for delivering training needs geared to labour market requirements (catalogue of qualifications, occupational standards, etc.)\(^{34}\). Hence, the committees could be more involved in demand-and-supply-side-analysis of labour market information and in the search for improving the linkages between training systems and the labour market.

<table>
<thead>
<tr>
<th>Table 3: Sector Committees under the Coordination of the National Centre for Educational Quality Enhancement (NCEQE)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Mountain &amp; Geo-Engineering</td>
</tr>
<tr>
<td>2 Mechanical Engineering</td>
</tr>
<tr>
<td>3 Arts Direction</td>
</tr>
<tr>
<td>4 Business Administration</td>
</tr>
<tr>
<td>5 Tourism</td>
</tr>
<tr>
<td>6 Health</td>
</tr>
<tr>
<td>7 Marine, Railway, Airline, Road</td>
</tr>
<tr>
<td>8 Energy and Commerce</td>
</tr>
<tr>
<td>9 Agricultural Sciences</td>
</tr>
<tr>
<td>10 Mass Communication &amp; Journalism</td>
</tr>
<tr>
<td>11 Construction &amp; Environmental Engineering</td>
</tr>
<tr>
<td>12 Computer Science &amp; Telecommunication</td>
</tr>
<tr>
<td>13 Architecture</td>
</tr>
<tr>
<td>14 (Natural) Science</td>
</tr>
</tbody>
</table>

Recently, the Georgian Employers’ Association (GEA) announced to launch the establishment of committees in the sectors of health care and finance where they have successful experience of cooperation with VET institutions and sectoral organizations.\(^{35}\) A thorough analysis is necessary to be able to assure an exchange of information between the existing Sector Committees and those Committees which the Georgian Employers’ Association (GEA) plans to establish.

Future roles and functions of the sector committees need to be defined in line with the economic sectors’ skills development agendas, and considering the wider skills and employment policies of the country. Demanding tasks will require adequate types and levels of capacity, expertise and resources. Greater autonomy from the state raises as well the requirements on enhanced capacity building of the sector committees. A combination of industry and state support is likely to remain necessary to reinforce the committees in certain sectors. Graph 4 shows the most frequent functions of sector skills committees in ETF partner countries.

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\(^{35}\) ETF Project Assessment Report, op. cit.
5.2 A Look Abroad: Sector Skills Committees at International Level

In the EU, many countries have skills councils and advising and decision-making bodies for skills development, which indicate the importance the EU Member States give to optimising skills forecast analysis and the linkage between education and employment. A study from 2010 commissioned by the European Commission (DG Employment, Social Affairs and Equal Opportunities) identified 22 Member States with active skills committees. Only in six European countries – Austria, Bulgaria, Germany, Latvia, Lithuania and Switzerland – no sectoral councils could be identified. In the EU Member States, the overall number of skills and transversal councils is estimated to be more than 2500.

Generally, all Sector Councils in the EU seek to raise skills levels and to improve the matching between labour market needs and the supply of qualified workers as their core responsibility. For this purpose, the councils analyse trends, develop policy proposals and promote cooperation and actions favouring education-employment transitions. To gain a good understanding of the diverse areas of responsibility and concrete tasks, the very wide range of types of skills bodies have to be taken into consideration. In some countries there exist only one Committee at national level with a transversal and no sectoral outreach of duties, such as that in Denmark and Germany. In other countries like France or the Netherlands, there are 14 and 140 organisations, respectively. Across the countries, the skills bodies have quite different operative levels and names: they can be titled as “Skills Committee”, “Advisory Committee”, “Industrial Training Committee”, “Skills Commission”, “Sectoral Council”, “Transversal Council”, “Bureau of Employment and Vocational Training”, “National Institute for VET”, “National Training Committee” or “Sectoral Training Fund”.

Sector Councils can operate at national or regional level, with a sectoral or transversal focus and with responsibilities for initial and/or continuing vocational education and training (IVET / CVET). They can cover both large and small business sectors. Roughly 75% of them are active at the national level. 43% of them can be categorised as Sector Councils while 57% as transversal committees.

37 Report Sector Councils on Employment and Skills at EU Level, op. cit., p.38.
As a result of different policy priorities and target groups, skills councils are coping with different tasks such as the linkage between education and employment, delivery of occupational standards, validation of (non)formal / informal learning, curricula development and assessing new qualifications. With view to the different types of councils it was found that Sectoral Councils at national level can focus on facilitating the transition from education/training to work or on providing training programmes which promote acquisition of skills needed in the respective sector. By contrast, “Transversal Councils” at national level focus on horizontal matters relevant to their respective area of skills development. Lastly, councils operating on regional level design skills development based on the needs analysis related to the regional labour market.

5.3 Skills Councils in Eastern Europe, Central Europe and Germany

An ETF-funded project “CVET in Eastern Europe” (2012-2013) has examined the policy developments of sectoral skills bodies in Georgia’s direct neighbourhood and eastern Europe; see Table 4, in which the related information about seven countries is presented.

Table 4

<table>
<thead>
<tr>
<th>Sector Skills Councils in Eastern Europe³⁸</th>
<th>Armenia</th>
<th>15 Sector Councils</th>
</tr>
</thead>
<tbody>
<tr>
<td>Azerbaijan</td>
<td>7 Sector Councils exist within DIOS project on occupational standards development: Construction-Tourism Energy-Processing industries-Agriculture-Transport-Trade and retail</td>
<td></td>
</tr>
<tr>
<td>Belarus</td>
<td>Formation of working groups on qualification development</td>
<td></td>
</tr>
<tr>
<td>Republic of Moldova</td>
<td>4 Sector Councils, linked to the Social Dialogue Commission: Construction; Agriculture and Food Processing (since 2009); Transport; Communication</td>
<td></td>
</tr>
<tr>
<td>Russian Federation</td>
<td>No experience yet. Certain work is being carried out in the metallurgy and mining sectors (in progress)</td>
<td></td>
</tr>
<tr>
<td>Ukraine</td>
<td>First Sector Council is being established in the area of Metallurgy and mining on the basis of the Federation of Metallurgy producers of Ukraine (decision of 21 September 2012)</td>
<td></td>
</tr>
</tbody>
</table>

A trend towards decentralisation³⁹ of decision-making among social partners can be observed both in eastern Europe and in other parts of the continent. In the case of Poland the reader is referred to the country study shown in Box 8 in the Annex.

³⁹ Friedrich August von Hayek, an Austrian, later British, economist known for his defense of classical liberalism, stated: “If we can agree that the economic problem of society is mainly one of rapid adaptation to changes in the particular circumstances of time and place, it would seem to follow that the ultimate decisions must be left to the people who are familiar with these circumstances, who know directly of the relevant changes and of the resources immediately available to meet them. We cannot expect that this problem will be solved by first communicating all this knowledge to a central Committee which, after integrating all knowledge, issues its orders. We must solve it by some form of decentralization.”
Being part of different national education and training systems, the composition of the Councils differ from one another. In most cases, the social partners and the ministries responsible for education, training and VET institutes are represented. Interestingly, in the cases, where the Councils focus on continuous vocational education and training (CVET), almost in all of the European countries, the bodies are linked to social partner organisations which manage and finance them. In the Federal Institute for Vocational Education and Training (BIBB) in Germany, which was founded in 1970 and has transversal competences, not only the social partners play a significant role in the work of the institute and in the management Committee but also the federal states (“Länder” at regional level). This composition reflects the decentralised character of the administrative system of Germany and it is in line with the “principle of subsidiarity”, which aims at bringing the EU and its citizens closer to each other by guaranteeing that action is taken at local level close to the citizen where it proves to be necessary. Table 5 shows the official structure of the German BIBB (Box 1 in the Annex 9 demonstrates a case study of south Germany).

Table 5

| Federal Institute for Vocational Training (BIBB) in Germany: Quadripartite Composition of Management Committee |
|-------------------------------------------------|------------------|
| Stakeholders                                      | Number of representatives/votes |
| Employer organisations                           | 8                 |
| Trade Unions                                     | 8                 |
| Representatives of the Federal Government        | 8                 |
| Representatives of the Federal States (“Länder”) | 8                 |
| 1 Representative of the Public Employment Service | Consultative      |
| 1 Representative of the national umbrella organisation representing the municipalities | Consultative |

5.4 Success factors of Sector Councils

Experts from the ILO, ETF, CEDEFOP and OECD exemplified countries such as Canada, the United Kingdom, Finland and the Netherlands as countries with sound and successful Sector Council systems. These models may provide inspiration for enhancing the capacities of the Sector Committees in other countries which have less sound tradition in institutionalized skills development. All four countries have strong culture and tradition in established skills committees. For example, Canada has more than 20 years of experience in sectoral council system. However, in the United Kingdom, the Sector Skills Councils were set up only nine years ago. The UK Commission for Skills and Employment, which is a public funded and industry led organisation providing strategic leadership on skills and employment issues, constantly assesses performance of 25 Councils across the country. The Sector Skills Development Agency provides the link between the sector skills councils and the government.

In Finland, 34 National Educational Training Committees analyse and anticipate skills development trends. In these countries, Sector Councils are seen as effective employer-led labour market intervention, because employers are best placed to know the needs they have. The Netherlands has 17 Centres of Expertise on VET and the Labour Market focusing on IVET and 140 Sectoral Training Funds which focus on CVET. In India, the Ministry of Finance has set up the National Skills Development Corporation (NSDC) which functions as the umbrella organisation for the sectoral skills councils in 20 sectors. The NSDC is financially

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40 ECORYS Report Sector Councils on Employment and Skills at EU Level, op. cit.
41 For more information see at: http://www.ukces.org.uk/about-us#sthash.MGBwJL5E.dpuf.
supported by the National Skills Development Fund which is run by professional fund managers. Lastly, in Argentina nine Sector Councils seek consensus for implementing skills development action plans with the assistance of the Ministry of Labour, Employment and Social Security. The below-mentioned factors seem to make Sector Councils a success:

**Success Factors for Sector Skills Councils**

1. As the name indicates, Sector Councils should focus on a sector rather than a specific occupation. Sector representatives are more willing to redefine occupational standards when they are dealing with a whole sector rather than with one or a few occupations.

2. There must be a recognized need for skills development, for instance a shortage of skills in a specific sector. Financial support should be maintained only as long as the Committee responds to the recognized changing training needs.

3. Success of the work of both the Council's secretariat and the supervising Committee depends on existence of a sound work plan and strategy. The number of activities should be limited. Civil society matters, which are not related to VET and skills development, should not be on the agenda. The quicker and the more visible the outputs of the Committee are, the more likely that it would have positive impact on the VET sector.

4. Successful Sector Skills Councils ensure participation of social partners and representatives of VET institutes and the government. Industry-focused outputs and pro-active leadership can only be possible when the players, who are close to the information and dynamics provided by the specific industrial sector, are involved in the social dialogue body. Companies can support the Council with updated training materials. Trade unions can contribute to HR development strategies while keeping an eye on the maintenance of decent labour standards. However, development of such strategic partnerships at sectoral level requires sufficient time to be rolled out. In addition, it is important to distinguish between ‘Sector Skills Councils’ and ‘sectoral social dialogue committees’: Sector Skills Councils should focus on their task to support skills development. These platforms should not be used for collective bargaining and negotiating general terms and conditions of employment, i.e. matters which concern contractual and labour relation aspects such as wages, health and safety at work, provisions of non-discrimination, annual leave, etc. In other words, Sector Skills Councils should not substitute conventional social dialogue negotiations, but should concentrate on those tasks which solve skills-matching problems of the respective sector.

Some experts summarise the factors of success and failure of skills committees as follows:42

“The committee members should be committed to work hard for fruitful negotiations, which indicates that they
- must be carefully chosen;
- must have the ability to commit their constituency to action;
- must have knowledge and interest in training policy and delivery;
- having an independent secretariat and budget;
- committee decisions must be accepted by and acted upon the governments.”

The following possible reasons for the failing of committees were identified to be as:
- “some committees have ambiguous mandates and few concrete powers;
- some committees have no secretariat and no independent resources; (…)
- in some countries employers’ organisations and labour unions are weak and/or do not have adequate resources; (…)
- some governments maintain tight control over education and training and are unwilling, or unable, to delegate control to training committees;

training committees which are too centralised may lose touch with the requirements of their ‘clients’, which suggest that local or decentralized committees can better manage training since they operate at a level closer to the skills training market.”

The mentioned ETF-funded project, which focuses on CVET in Eastern Europe (2012-2013), identifies five interlinked key challenges to the setting-up of sustainable SSC, which are enumerated below:

- Legal policy framework (need for new legislation; continuity also in case of a government change)
- Role, tasks and rules for the involvement of competent actors (professionalization)
- Strategies for institutionalization
- Funding of the work/activities of Sector Councils
- Provision of the right expertise

5.5 Alternatives to Sector Councils

As outlaid in section 5.2 of this paper, in six European countries no sectoral councils are identified, namely Austria, Bulgaria, Germany, Latvia, Lithuania and Switzerland, where other policy approaches are in place for matching the skills supply with labour market demands. Alternatives to a system of sectoral skills bodies can be categorized in two country groups:

a. Countries with Dual Education Systems:

Austria, Germany and Switzerland are known for their strong tradition of dual education system with strong partnerships between companies and VET schools. The European Commission has heralded the dual learning systems of Austria and Germany as being world-class systems, because they provide sound transitions for youth to the labour market with built-in mechanisms to adapt to the current and future skills needs. Supported by the influential chambers of crafts and commerce, learners gain first-hand work experience during their apprenticeships which have alternating phases of traditional vocational training at workplaces and class-room learning at VET schools. However, full-fledged dual education models require broad societal recognition – grown over decades, influential employers’ and workers’ organisations and functioning tripartite social dialogue with the government bodies. Furthermore, dual VET concepts put the heavy financial burden of training programmes in particular on small companies.

b. Countries with Special Skills Working Groups:

Other countries are setting up working groups in which social partners as well as government and VET institute representatives cooperate for the development and adjustment of training programmes. In Hungary, the National Training and Adult Education Institute coordinates the work of sectoral working groups, in which experts from VET colleges, employers’ associations and the sectoral trade unions take part. In Bulgaria, a network of similar groups provide information to the Ministry of education about labour market trends and the implications for VET programmes. In Italy, the legal and administrative responsibilities regarding VET are divided between the national and the regional governments. Recently, the regional

43 Adams, R.J., op. cit.
44 ETF Workshop in Tbilisi Working together in Sectoral Skills Councils: Some Challenges Ahead; op. cit.
governments have the lead in supervising skills development programmes. In the Lombardy Region, in north Italy, for instance, the regional government is developing a skilled workforce by creating a demand-led VET System via setting up ad-hoc expert groups. The aim is to close the skills gap affecting 800,000 SMEs, in particular the manufacturers and crafts-related enterprises.

6 Private Sector Engagement in the VET System

International evidence indicates that investing in skills development through private sector engagement often pays off in terms of higher returns of investment through better skills workforces, which are capable to provide higher sophisticated services and products. A report from the Health & Education Advice and Resource Team (HEART) provides an overview of the broad range of services private sector partners can offer in the skills development area aiming at making the economy more high-performing and the society more coherent.\(^\text{46}\)

**Graph 5: What Can a Private Sector Partner Offer**

| • Participation on alliance steering committee, secretariat or other intermediary |
| • Internships/apprenticeships/learnerships* |
| • Mentoring/job shadowing/career advice |
| • Technology/equipment |
| • Classroom space/meeting space |
| • Staff time and expertise |
| • Business connections/networks |
| • Competition program for entrepreneurs, business plans, or innovations |
| • Loan guarantee for entrepreneurs |
| • M&E systems or implementation |
| • Jobs skills needs assessment or market assessment, including capacity to train NGOs or other actors to undertake such work |


The 2013-2020 Vocational Education and Training Development Strategy of the Government of Georgia foresees to focus on the following areas of activities:

- development of curricula and teaching methods;
- strengthening management capabilities;
- providing opportunities for involvement in and experience of modern work practices and for gaining work experience in the real working environment;
- monitoring programme implementation; and
- participating in the process of awarding qualifications.

Successful functioning of VET committees and delivery of vocational training programmes requires sound coordination of trainings in private business sectors. Those countries, which have young tradition of good coordinated human capital development, often find their piecemeal training programmes inadequate. In such a context, companies often poach already-trained workers from one another rather than investing in training or recognizing the future potential in their staff. As a consequence, those companies, who invest in training, lose trained employees to those firms offering higher wages. Using another scenario, when governments provide centralised training programmes they are often criticised as being too theoretical, too costly, lacking practical orientation and failing to respond to economic changes.

The ILO drew the attention to the country case of the United Kingdom which underwent a number of policy changes in their VET-related workers-employers collaboration. When the British government and business organisations agreed to exclude trade unions from policy-making for the non-statutory training organisations (NSTOs), which replaced the Industrial Training Committees (ITBs), the result of this decision lead to the perception that the training committees lost their independence and became “enablers of the function of the existing employers’ associations” or the “arms of state policy”. In order to achieve a balanced representativeness of social partners and independent social dialogue platforms, it is therefore advisable also to fully include the interest of workers’ organisations rather than focusing exclusively on an “industry engagement strategy”. In the Vocational Education and Training Development Strategy for 2013 – 2020 of Georgia a genuine social dialogue approach is presented in “… a VET sector management that elicits full and equal participation from the social partners and civil society with the Government in the development of policy and in decision-making on the nature and operation of regulatory, promotional, financial and technical support mechanisms.” Via an even-handed social dialogue policy, equality can be attained through fair involvement of vulnerable groups such as students from low-income families, learners with special needs or minorities of migrant jobseekers and workers. The British example demonstrates that without the inclusion of the voices of the workers’ side a sustainable dialogue among VET, business and government representatives can be undermined. Another example of a successful private sector engagement from a high developed European welfare state is demonstrated in Box 1 in the Annex 9 (“A Model of Education-Business Partnerships from Germany”).

7 Conclusions and Recommendations for Action

Social dialogue and VET are of utmost importance for the future of Georgia. They are a matter of social peace and wellbeing, for individuals and the society alike. Today, the Georgian Government has acknowledged that the key goal of an enhanced social dialogue is to provide platforms for sustained dialogue among VET providers and the representatives of the

47 ILO Discussion Paper No. 110 The Effectiveness of National Training Committees, 1993; Rainbird, H., The coordination of vocational training and the effectiveness of national training Committees: A case study of Great Britain; Coventry, Industrial Relations Unit, University of Warwick, 1991.

48 In the report Private Sector Engagement in the Georgia Vocational Education System, Millennium Challenge Account – Georgia (op. cit.), the author emphasises the need for setting appropriate incentives for involving businesses in the VET management process. He does not examine, however, possible consequences of industry engagement without considering functional trade union representation.
management and of the workers. The full involvement of social partners in the comprehensive implementation process of VET has started to be perceived as a substantial opportunity for the government and the whole society.

In a comparison made at international level it can be seen that all advanced social market democracies in the world have a kind of social dialogue. There is no one ideal operative manual for social dialogue, but each country has to develop its own model of management-worker-government dialogue within its eco-political context. There are no shortcuts for developing a strong, country-specific dialogue of independent labour market players.

Some of there core challenges which have been defined at the current state of the policy process are:

- limited data about labour market dynamics and future skills requirements;
- need for a decentralized VET system which is accountable to the regional and local requirements;
- a not fully developed awareness of the potential of win-win agreements of a cooperation-based approach;
- a lack of empowerment of social partners (membership density, number of experts and leaders) which is detrimental to engage in new social dialogue measures;
- human resources capacities in the MoES and the MoLHS involved in social dialogue which needs to be further strengthened;

In the following, seventeen recommendations are provided for concrete measures regarding how to advance and strengthen the VET-related social dialogue, bearing in mind that only carefully selected features of international good practices of social dialogue – presented in the Annex 8 of this paper – may be implemented while taking into account the specific cultural and socio-economic context of Georgia with all its diverse regions.\(^\text{49}\)

**Recommendation 1: Ownership of stakeholders**

International experience proves that successful and sustained social dialogue interventions are characterised by a strong sense of ownership and commitment by the stakeholders involved. The current social dialogue process related to VET services is without precedence in the history of Georgia. It is therefore of fundamental importance that all tripartite stakeholders – the representatives of the government, the workers’ and employers’ organisations – have conferred responsibility for to maintain commitments given in mutually agreed deliberations. The MoES should support the coordination between VET providers and the employers at regional and national level. To this end, effective means of communication should be used.\(^\text{50}\)

**Recommendation 2: A bottom-up approach for tangible outputs**

Aiming at achieving an agreement on implementation of an action plan and on increasing the number of social partner meetings, policy measures must raise awareness about the importance of both tripartite and bipartite social dialogue and about implementing concrete collaborations for VET for to reach out to more young learners, apprentices and potential jobseekers. Only by developing a “bottom-up approach” in social dialogue and entering in a mutual learning and cooperation process, can the social partners achieve tangible results,

\(^{49}\) A strategy paper of the German government from July 2013 lays out the success factors for a bilateral international cooperation in the field of VET, which is summarize in the Annex 7.

\(^{50}\) See also the recommendations of the Performance Audit Report of the State Audit Office of Georgia, *Vocational Education System in Georgia*, 2013, pages 19 and 28.
make significant contributions to support beneficial VET and employment policies and provide new impulses to the government for making progress in developing a high-qualified workforce to the benefit of the economy and the society.

**Recommendation 3: Need to legislate the institutional framework**

For further institutionalization of the social dialogue structure, a comprehensive legislative and regulatory framework needs to clearly set out what each of the key stakeholders will be responsible for. No strategy can be implemented successfully unless the key stakeholders know what they need to do complementarily and understand how and why they should do it. Engaging employers and workers’ unions in the delivery of vocational training means setting-up interconnected institutions at national, regional and sector levels, with clear division of roles in different tasks in the VET system. National legislation or by-laws should enable social dialogue committees to modernise VET and labour market practices by indicating
- the approximate number and administrative level (provincial, district, local level) of Sector Councils;
- the degree of autonomy, i.e. whether the national and Sector Councils have advisory or decision-making powers; and the possible path from advisory role to partner in decision making.
- whether decisions are achieved through consensus or by majority-voting;
- the representativeness and composition of the committees (tripartite structure)
- how members are to be selected;
- the length of services of committee members.

**Recommendation 4: From consultation to decision-making**

At the current stage of the policy development, the representatives of the employers and workers, who participated in the Social Dialogue Workshop and Training on 23-24 January 2014, expressed their will to focus on a formalisation of clear consultative functions and the possibility to provide advice and recommendations to the government. An international benchmark analysis of social partnerships show that formal consultation is only the first level of involving social partners in policymaking. In a mid- and long-term perspective, a more inclusive way of working is to invite social partners to contribute to committees that make (legal) proposals for policy decision makers. This would allow social dialogue players to contribute from the outset, instead of giving them an opportunity to only react on already finalised proposals.

**Recommendation 5: Social acceptance through a network of social dialogue practitioners**

In order to increase awareness about the benefits of a functioning social dialogue, mentality of change and behaviours in line with these, the participants of the Social Dialogue Workshop and Working Groups should perceive themselves as members of a new “Network of Social Dialogue Practitioners and Experts”. As was shown in section 3., the ILO has successfully implemented projects supporting social dialogue dynamics in countries where such a network has been implemented. A network of social dialogue practitioners, supported by the MoES and the MoLHS, would make it clear for the industry that social dialogue has become a key policy objective. It would become evident that the NVETC is a well-known “entry point” not only for public sector officials but also for VET teachers, HR managers and career guidance counsellors from the private sector. The sense of belonging to a group and the mutual responsibility to stick to agreements within a policy dialogue process triggers ownership for making meaningful decisions.

**Recommendation 6: Composition of the NVETC according to objective criteria of representativeness**
It seems appropriate to extend the number of social partners organisations in order to assure a full coverage of all training and industrial sectors. All representative social partner organisations should be entitled to be fully involved in VET policies, because when left out of the process complaints may arise both in terms of quantitative aspects of training (shortage of skills) and qualitative aspects of training (inappropriateness). Such a multi-level governance structure is appropriate for taking into account the diverse needs of VET and labour market stakeholders. According to the international policy standards, whether social partners’ organisations can fulfil the criteria of representativeness depends on a range of objective factors such as the number of members of the social partner organisation, the geographical / industrial coverage, financial / organisational independence and the number of years of experience and the available infrastructure for communication (website, etc.).

The partners should have full clarity on the policy and social questions and agenda they represent at the NVETC. In doing so they avoid confusing association with other strands of their activity that could lead to bias and mistrust in the dialogue at the NVETC.

**Recommendation 7: Role of civil society organisations**

At the current stage of the social dialogue process applying a “tripartite plus” approach, i.e. to involve civil society organisations (various kind of NGOs), does not seem to be appropriate. As laid out in paragraph 4.1, for the sake of the operability of the social dialogue the number of stakeholders should be limited to those players who are directly concerned with matters related with employment and VET. This policy is fully in line with the principle of subsidiarity, according to which only employers’ and workers’ organisations represent the appropriate level to discuss labour-related matters. However, upon agreement of all tripartite stakeholders civil society organisations may be invited to provide their opinions and expert advice on a more ad hoc basis, and according to the changing needs of the education and employment policies at national and regional level.

**Recommendation 8: Management of social dialogue meetings by the Secretariat**

The tripartite stakeholders are accountable for attending social dialogue events in a prepared manner. To this end, the process of prior opinion building and decision making within each of the tripartite parties must be enabled by having due access to all relevant information and a thorough preparation organised and supervised by the Secretariat. For a sound management of social dialogue meetings, the number of staff of the Secretariat should be increased. An overview about the numerous tasks to be undertaken by the Secretariat see Annex 2.

**Recommendation 9:**

**Industry engagement**

Employers truly understand the needs of the labour market; they must have the opportunity to make social dialogue decision (structural engagement rather than involvement in ad-hoc meetings).51 In a tripartite setting, the government needs to reflect the interests of those who best understand the situation. At times, he industry lacks information about the planned education policy actions and has a pivotal interest in hiring adequately qualified staff. Hence, information asymmetry should be decreased and trust in learning outcomes and Sector Council outputs should be increased. All in all, sectoral bodies must prove to be useful to the industry in a short period of time. Social dialogue platforms are the appropriate tool to engage also the “stakeholders on the ground”. The case of the United Kingdom shows that engagement of industry in training programmes – without involvement of trade unions – may lead to a lack of independence of vocational training committees (see under Section 6.).

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51 See also the ETF Report *Making Better Vocational Qualifications: Vocational Qualifications System Reforms in ETF Parter Countries*, 2014, recommendation “Engage the labour market” on page 90.
order to enhance the quality of VET services, vocational colleges and institutes should be encouraged to install course advisory groups composed of industry and trade union representatives.

**Recommendation 10: Decentralisation of social partnerships**

New school-work-transitions and work-based training programmes need to be developed and disseminated to all social dialogue stakeholders not only at the national level, but also at the sectoral and regional level. Decisions regarding training delivery should be as much closely related with the context of the beneficiaries as possible.

**Recommendation 11: Support for Sector Skills Councils**

Most EU member states already have established Sector Councils or bodies responsible for skills development policies. With regard to the existing Sector Skills Councils in Georgia, some core challenges of the concern the clarity and adequacy of their mandate and tasks. The committees are not able to work on all tasks related to VET but need to focus their deliberations. Further challenges to be tackled by the Sector Skills Councils are the technical capacity to perform their tasks, the engagement of industrial associations in the committees and the preparation of more autonomous operations related to occupational standards and qualifications defined in the NQF. Since knowledge-based industries are on the rise at global scale, Sector Skills Councils should be strongly supported for enabling them to contribute to a well-functioning national qualification framework and to improve attractiveness of VET.

**Recommendation 12: Tripartite approach for Sector Councils**

Since social partners are in the driver seat for accessing labour market information, it is important to include them – together with regional VET providers and government representatives – in the Sector Skills Councils. This approach would ensure accountability (for balanced outputs), sustainability (continuity also in case of any force majeure), coherence (with the regional/sectoral employment needs) and credibility (vis-à-vis stakeholders both at regional, national and international level such as VET students, chambers, NGOs, donor organisations, etc.).

**Recommendation 13: Trend towards work-based learning**

There is broad evidence for an international trend towards the enhanced use of work-based learning practices. Learning at the workplace facilitates recruitment of qualified workers by allowing employers and potential employees to get to know each other (“what you see is what you get”). At the same time trainees contribute to the output of the training firm. However, quality apprenticeships require thorough management and planning by employers, VET providers and – as the experience in Western European countries indicate – the collaboration of trade unions and chambers of commerce and industry. Without the institutional support of these stakeholders, work-based training programmes may remain suboptimal with the consequence of a not sufficiently competitive workforce in Georgia; see also the good practice from Germany in Box 1 of Annex 9.

**Recommendation 14: Capacity development for the social dialogue and VET sectors**

Substantial efforts have to be put in improving the knowledge and skills of the stakeholders who will need to implement the VET system at the regional or local level. Capacity building

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events such as trainings, study visits and working group meetings facilitating exchange of experiences should be delivered for enterprise tutors or trainers, vocational teachers, curriculum developers, HR practitioners, employer and trade union representatives. This ETF project is initiating a training programme to which all social dialogue stakeholders are invited to exchange experiences and elaborate relevant social dialogue policy goals.

**Recommendation 15: Involvement of international stakeholders**

Involvement of international stakeholders, especially the ETF and the ILO, should be strengthened throughout the project cycle (phases of design, implementation, monitoring and evaluation), as this would increases ownership of the policy dialogue and sustainability of social dialogue actions. Capacity-building activities in the field of social dialogue are at the heart of many ILO interventions.

**Recommendation 16: Mid- and long-term strategy**

Completing a social dialogue strategy requires creating tangible, proximate goals which connect to the mid- and longer-term strategy. Many countries have experimented several systems to support and deliver training, often with shifts from one extreme (privatisation) to another (centralisation and overburdened state control) and triggering questionable outcomes. By contrast, successful social dialogue eschew zigzag changes of direction or philosophy. As stated in ILO reports, however, “the key objective of training policy must be to create mechanisms which encourage establishment of a long-term approach to planning and development, underpinned by institutional stability”. In this perspective, the collaboration among donor organisations such as the ETF, the ILO and the USAID should be systematically enhanced. In order to join forces in all capacity building initiatives and for to try to benefit from synergies among all stakeholders involved, all existing pilot and grassroot-level projects should be published on a website, which in turn should be managed and updated by the Secretariat.

**Recommendation 17: Need for resilience**

The road to success for achieving a well-functioning social dialogue is a long step-by-step avenue, at times with only moderate concrete results being achieved. However, even the modest progress may require sound long-term objectives and a new perception of the actors in the social dialogue arena. Strategic choices often involve big changes over long periods of time (three- to five-year time frames). Social policy evidence shows the need for taking a resilient policy approach when designing social dialogue interventions which should “build on lessons learned and good practices from previous experiences”. In Turkey, for example, parameters of cooperation such as legislation, actors and procedures are in place. However, when compared with social dialogue at EU level, worker-employer-partnerships in Turkey do not produce satisfying results. In conclusion, vocational training policies should be embedded in social dialogue and should increasingly be perceived not as a form of social welfare policy but as an investment in the economic development and competitiveness of the country.

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8 ANNEXES

ANNEX 1

DRAFT CHARTER
FOR A NATIONAL VET COMMITTEE (NVETC)

RULES OF PROCEDURE

Preliminary remark: This Draft Charter indicates the current status quo of the deliberations of representatives of the government, the workers’ and employers’ organisation who have been participating in the ETF project “Supporting Social Partnership in VET in Georgia” (September 2013 – March 2014). The negotiations on the rules of procedure are ongoing. The draft charter takes into account the Georgian Law on Vocational Education, the VET Development Strategy for 2013-2020 of Georgia as well as experiences from the Tripartite Social Partnership Committee. In addition, the document draws from the International Labour Organisation Guide for Improved Governance, National Tripartite Social Dialogue, pp. 178-179, 2013, and Lecuyer, N., Guide for Secretariats of National Tripartite Consultation Bodies in English-speaking African Countries, InFocus Programme on Social Dialogue, Labour Law and Labour Administration, African Regional Labour Administration Centre (Harare, ILO).

Role and Mandate

1. The Committee shall act as an independent consultative body. Its role is to give advice/recommendations to the Government, on the matters outlined in the sections below.

2. The mandate of the Committee shall carry out the following tasks before discussion at the parliament:
   a. to consider and advise upon any proposed legislation affecting on the VET related issues;
   b. to consider and advise on any policy measures that fall within the VET system;
   c. to consider and advise on the ratification and implementation in the country of any relevant international labour standards related to VET system, including Conventions and Recommendations of the International Labour Organization (ILO);

3. The Committee may also, on its own initiative, undertake studies on formulation as well as implementation of national policy related to strategic issues of VET.

Composition and number of members

4. The Committee shall consist of: three independent parties, the government and the most representative unions and organisations of employers and workers (criteria: number of members, financial and organizational independence, international recognition/membership).

5. Each party will have a speaker nominated respectively from among the workers’ members and the employers’ members of the Committee. He/she will represents the whole party at the NVETC meetings.
6. Each party will have the equal number of members at the NVETC.
7. The chair of the Committee will be a high-ranking official from the Government of Georgia. The speakers of a workers' and employers parties will be vice-chairpersons.
8. Each member of the Committee shall have an alternate member, who shall, in the absence of the regular member, replace the regular member and have the same rights and functions as the regular member.
9. The members and alternate members shall be appointed by the chairperson by legal act.
10. Aiming at efficient decision making, each party shall have five to six members, so that the NVETC consists in total of fifteen or eighteen members.

**Term of Office**

11. Members appointed shall serve for a term of three years. They shall remain in office until they resign or are either reappointed or replaced. Any vacancy arising in the course of the member's term in office shall be filled in accordance with the procedures prescribed for such appointment.

**Advisors, Experts**

10. The chairperson may, after consultation with the Committee, invite experts and advisors to a Committee meeting to give their expert views and opinions on specific matters. Such experts shall not be entitled to vote.

**Rules of Procedure during the deliberations**

11. The chairperson must keep order during the deliberation. Interventions must be courteous and polite. The chairperson may determine the duration of each intervention, S/he is authorised to interrupt a speaker who exceeds the time allotted.
12. During the meetings, delegated are called to speak in the order in which requests are recorded.
13. The use of mobile phones is not tolerated during the meetings. They have to be kept muted.
14. Any breach of discipline may incur one of the following penalties: a call to order; withdrawal of the right to speak; in cases of serious misconduct and at the proposal of the Committee, the suspension or replacement of the offender.

**Meetings and Agenda**

15. The Committee shall meet regularly and at least once every three months. It may meet in an extraordinary session upon a request submitted to the chairperson by half of the members of the Committee.
16. The secretary shall convene the meetings of the Committee at the request of the chairperson or one of the vice-chairpersons. The members of the Committee shall be notified at least 15 days in advance of the meeting.
17. The agenda of the meeting shall be prepared by the secretary following consultations with the chairperson and the vice-chairpersons.

**Quorum**

18. The quorum shall consist of x members, of which there should be an equal number of employers' and workers' members. If these conditions are not met, the meeting shall be postponed by at least x calendar days.
Decision-making

19. The Committee’s decisions shall normally be taken on the basis of *consensus*. Where this is not possible, decisions shall be taken by a simple majority of the members present and voting.

Committees

20. The Committee may, as it considers appropriate, establish specialized committees as standing committees or ad hoc committees. These committees shall comprise an equal number of members representing employers’ and workers’ interests. The opinions and decisions of such committees shall be presented to the Committee for final decision.

Secretariat

21. The Committee shall have a permanent secretariat responsible for preparing the meetings (date and venue, agenda) of the Committee and its committees, organizing them, drafting the minutes and other records of decisions taken and undertaking follow up, managing the secretariat itself, running the documentation and filing services, and for furnishing information about this tripartite body and ensuring a certain relationship among the members of the Committee.

22. The permanent secretariat shall be headed by a *secretary* appointed by the Minister from among senior labour administration officers. The secretary shall assist the chairperson in his/her duties, but shall not have voting rights. Subject to the laws governing the public service, the Government shall provide the Committee with a sufficient number of staff for the performance the Committee’s mandate.

Executive office

23. The Committee may establish an executive office which shall consist of the chairperson, the vice-chairpersons and the secretary.

24. The role of the executive office is:
   a. to prepare the *yearly programme of work* for approval of the Committee;
   b. to monitor the implementation of the Committee’s yearly programme of work, including the financial and staffing resources;
   c. to act in urgent cases and report in writing on such actions to the Committee as a whole.

Spokesperson

25. The Committee may consider appointing an official spokesperson.

Training

26. Arrangements shall be made between the public service and the representative employers’ and workers’ organizations to secure the necessary training for members of the Committee, as well as for the secretariat.
ANNEX 2: Functions of the Secretariat

Box 1: Functions of the Secretariat

The secretariat is headed by a secretary or a Secretary-General. It supports the activities of the Committee by:

1. assisting the Board's chairperson in his/her work
2. maintaining an updated list of members of the body;
3. drawing up and maintaining a schedule of activities;
4. furnishing background material (e.g. opinions, research services or other information needed for the preparation of topics for discussion);
5. conducting or commissioning studies or research;
6. preparing meetings;
7. providing the logistics for meetings;
8. following up decisions;
9. producing draft conclusions/resolutions for submission to the Government;
10. producing reports (minutes, final documents, other reports, etc.)
11. providing an annual report on the Board's activities.

It acts as a catalyst for social dialogue by:

1. ensuring the sustainability of the Board's activities;
2. maintaining contacts with members of the Board's (informing, communicating and consulting);
3. keeping available and disseminating information on the Board's activities (documents, conclusions, reports, website, etc.);
4. attending to information requests from the public and the media; being pro-active in discussing the agenda with the chairperson.

Functions of the Secretary

Under the authority of the chairperson of the Board:

A. The head of the secretariat acts as secretary to the Board and as such is responsible for organising and coordinating the various activities to be conducted in the framework of the functions assigned to the secretariat before, during, and after the sessions of the consultation body (See Annex 5, Functions of the secretariat). S/he executes or delegates the following tasks:

Before the session

1. Prepares the agenda, in consultation with the chairperson;
2. Requests opinions or information needed for the preparation of topics;
3. Conducts or commissions studies or research; establishes comparative papers;
4. Prepares the documentation (copies of new draft law, opinions for discussion, research studies, working papers, other background material, minutes of the previous meeting);
5. Maintains an updated list of members of the body and alternates (including telephone, email, fax and addresses);
6. Sends out invitation letters (often hand-delivered) to all members of the Board well ahead of time while attaching all relevant background material as far as possible;
7. Sends out invitations to experts and other resource persons, as necessary;
8. Prepares the budget for the sessions;
9. Maintains contacts with members of the body (informing, communicating and consulting);
10. Prepares for the holding of meetings (organising the venue, refreshments, allowances, parking places and having spare copies of documentation available).

During the session
1. Supports the chairperson;
2. Provides the logistics for the meeting (including paper and pencil, ad hoc copies);
3. Takes record of proceedings (verbatim or summary of discussions).

After the session
1. Drafts reports (minutes, final document, etc.);
2. Ensures payment of allowances to members (according to national practice);
3. Follows up decisions, in particular with the governmental structure (and the Central Statistics Office);
4. Keeps documents, opinions, reports, etc. available;
5. Maintains a filing system (e.g. in chronological order, or by subject);
6. Replies to information requests from the public and the media;
7. Prepares the consultation body’s annual report;
8. Promotes the consultation body’s aims and activities;
9. Carries out missions, if necessary.

B. The head of the secretariat manages the secretariat’s staff, budget, and material and information resources (allocation of relevant documents). Some of these managerial tasks can actually be done in cooperation with the competent divisions of the supervisory ministry.

C. Lastly, the head of the secretariat may act as a spokesperson of the consultation body, if this is explicitly foreseen as one of his/her duties.


Box 2: List of Individuals Involved in Social Dialogue Meeting

Board members
1. Chairperson and vice-chairperson(s);
2. Government members, including from other line ministries;
3. Members of workers’ organizations;
4. Members of employers’ organizations;
5. Other members pursuant to the founding document (as far as applicable);
6. Alternate members.

Members of Subcommittees (examples)
1. From subcommittee on working conditions;
2. From subcommittee on employment;
3. From subcommittee on occupational health and safety;
4. From subcommittee on international standards,
5. From subcommittee on industrial relations;
6. From subcommittee on gender;
7. From subcommittee on ...

**Non-members or opted members**

1. Consultants;
2. Specialists, Experts.

**Staff of the secretariat**

1. Head of the secretariat (secretary or Secretary-General);
2. Supporting staff;
3. Others.


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**Box 3: Working Documents sent to Members prior to a Social Dialogue Meeting**

Together with the invitation letter, the following working documents shall be sent to the members of the Board meeting prior to the meeting (as mentioned earlier, the invitation is often hand-delivered). In the rare case that not all working documents are available at that time (generally two weeks before the meeting itself), these documents should be sent as soon as they become available. This will enable a better preparation for the meeting on the side of the members, and ensure a smoother functioning of the meeting itself. The names of the documents below are given as an example. As it may happen that members do not bring the documents to the session, some spare copies should be at hand or quickly and easily be made available on the spot. The secretariat may keep a set of documents in a folder for this purpose.

**Working documents**

1. Agenda
2. Minutes from the previous session
3. Documents on each agenda item
4. Papers prepared by consultants
5. Proposals from social partners
6. Related legislative texts
7. Other relevant documents

Obstacles to Success | Factors of Success | Common Features of Successful Interventions
---|---|---
- Interventions targeting very broad objectives, such as fostering social dialogue in general, tend to work less well due to a lack of clarity related to what actually constitutes social dialogue and tripartism. | - Interventions that have been evaluated as working well have been based on very concrete and targeted objectives and expected outcomes with adequate qualitative and quantitative indicators - which then allows for monitoring and evaluation of results. | - There should be active involvement of key actors at ILO level (i.e. various HQ departments and field staff), as well as constituents and stakeholders on the ground, in the design and implementation of the project. This, in particular, characterizes capacity-building interventions. |
- Good project management will not compensate for poor design in terms of defining a realistic time frame, providing sufficient resources, and involving different actors at all stages | - In projects with social dialogue as a key objective, as well as those where social dialogue is only a component, a number of additional factors are also important for successful interventions: clear entry points (not only for governments and other constituents but also for companies); the skills and competences of staff both centrally and in the field; and the need to be flexible with regard to different modes of implementation in different national contexts. | - Successful interventions addressing complex themes and different ILO goals (e.g. HIV/AIDS prevention at the workplace, migration/trafficking, gender mainstreaming, poverty reduction, child labour) are characterized by collaborative and integrative approaches which are built on previous experience and lessons learned, arising from both the ILO and external institutions. |
- An insufficient and unrealistic time frame is a particular issue for projects that address complex issues, are implemented in countries with weak social dialogue and/or legal structures, and in countries in transition situations. |  | - Sustainability is directly linked to the level of commitment and sense of ownership of the key actors involved on the ground, as well as the existence of a longer term vision. |


### ANNEX 4

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<th>Thematic Working Groups of the National VET Council (NVETC)</th>
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ANNEX 6

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<th>Name of participants</th>
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<tbody>
<tr>
<td>1 Oliver Raisner</td>
<td>Attaché, EU Delegation Tbilisi</td>
</tr>
<tr>
<td>2 Nino (Nika ) Kochishvili</td>
<td>Project Manager, EU Delegation Tbilisi</td>
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<tr>
<td>3 Ketevan Natriashvili</td>
<td>Deputy Minister, MoES</td>
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<tr>
<td>4 Tamar Kitiashvili</td>
<td>Deputy Head of the VET development Department, MoES</td>
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<tr>
<td>5 Nikoloz Meskhishvili</td>
<td>Head of the Social Partnership Division, MoES</td>
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<tr>
<td>6 Ana Mchedlishvili</td>
<td>Senior Specialist, MoES, Social Partnership Division</td>
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<td>7 Eleni Jibladze</td>
<td>Director, NCEQE</td>
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<td>8 Marina Zhvania</td>
<td>Head of Program Division, NCEQE</td>
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<td>9 Misha Kordzakhia</td>
<td>Executive Director, Georgian Employers Association (GEA)</td>
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<td>10 Elguja Meladze</td>
<td>President, Georgian Trade Unions Confederation (GTUC)</td>
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<td>11 Irakli Petriashvili</td>
<td>Chairman, Georgian Trade Unions Confederation (GTUC)</td>
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<td>President, Welder's and Material Engineers Union</td>
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<td>Chairman, VET Students, Teachers and Workers Qualified Preparation Trade Union</td>
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<td>20 Kakha Baindurashvili</td>
<td>President of GCCI</td>
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ANNEX 7

<table>
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<tr>
<th>Checklist of Topics for Tripartite Social Dialogue</th>
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<td>Possible issues of tripartite discussion at the national level</td>
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The following checklist is not intended to be comprehensive, but offers some examples of the range of issues amenable to tripartite social dialogue at the national level.


i) **Labour and employment relations**
   - labour legislation and labour law compliance
   - wage setting, including minimum wage determination
   - settlement of labour disputes of national importance
   - freedom of association
   - procedures of collective bargaining

ii) **Economic policy issues**
Supporting Social Partnership in VET in Georgia
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- macroeconomic policy framework and economic growth
- structural change and transformation of the economy
- monetary policy
- productivity and economic competitiveness
- taxation and fiscal policy
- transition to a market economy
- regional integration
- structural adjustment programmes
- poverty reduction strategy processes
- trade policy

iii) **Employment creation**
- education and training policy
- labour market policy (also as an integral part of wider socioeconomic policy issues)
- job creation in small and medium-sized enterprises
- sustainable enterprises
- employment policy
- migration policy

iv) **Gender equality**
- elimination of gender discrimination in employment (including gender pay gap)
- sexual harassment and gender-based violence in the workplace

v) **Social security and social protection**
- HIV and AIDS and the world of work
- social welfare and pension reforms
- social protection
- maternity protection

vi) **Working conditions**
- occupational safety and health
- hours of work
- working time
- work-family measures
- parental leave

vii) **International labour standards and ILO programmes**
Any topic which is the subject of international labour standards (ILS) should be suitable as a subject for NTSD.

For those countries that have ratified the ILO Tripartite Consultation (International Labour Standards) Convention, 1976 (No. 144) - i.e. 133 member States as of May 2013 - procedures should be in place to discuss matters related to ILS (see Chapter IX on International Labour Standards and Social Dialogue).

Most prominently, Decent Work Country Programmes (DWCPs) - i.e. the programmes of work and cooperation of the ILO in a country - are an appropriate topic for tripartite social dialogue. DWCPs should be subject to tripartite discussion at the national level at all stages: formulation, implementation and evaluation. Once adopted, DWCPs also constitute a channel through which a country can receive technical cooperation in establishing or strengthening processes and institutions for tripartite social dialogue.
ANNEX 8

Success Factors for Bilateral Measures of the International Vocational Education and Training Cooperation


Essential for the success of bilateral measures are

- request from a partner country for a cooperation with German partners of VET cooperation and a respective will for change in the partner country,

- appropriate political and legal framework conditions such as a national VET strategy and the political will for modernisation and reform,

- the availability of the key stakeholders, especially social partners and business organisations, to participate in once own responsibility in the reform endeavour,

- an openness of the state actors for the involvement of social partners and business organisations,

- the orientation of VET at the current and future demand of the economy,

- the support of German vocational education and training providers for the strengthening of cooperative and business-oriented VET systems,

- a joint commitment of German enterprises and organisations in the economy and the development cooperation,

- the sustained quality of the system of general education and the permeability of the entire education system,

- sustainable information about the labour market which allows to deduce the needs for reform and qualification,

- a sufficient potential and strength of the economy,

- connectable educational cultures and traditions, an appropriate societal acceptance, also in comparison to higher education,

- effective actors which are offering and financing VET services as well as institutions and structures which are guaranteeing VET standards,

- an existing governmental cultures of promoting education, science and innovation.

Translated by R. Hessel; notions emphasised in italic by the ETF team
Box 1: A Model of Education-Business Partnerships from Germany

Functioning education-business partnerships often provide work-based learning schemes. Social partners can play an important role in aligning apprenticeship programmes with the vocational training provided by the VET schools. For good dual learning system a common approach regarding the design of training contents, delivery and quality control should be adopted. Furthermore, central to the governance of education-business partnerships and work-based learning is a sound quality assessment and certification. An international comparison shows that chambers of commerce and industry and/or social partner organisations can evaluate the standards, which have been met, and certify that the learning outcomes have been attained.

As laid out in 5.4, the European Commission highlights Germany, Austria and Switzerland as as countries with very good VET systems, because they have built-in mechanisms to adapt to current and future skills needs. These EU member states became famous for their "Dual Education Model". There is social research evidence that training programmes in these countries are more demand-driven, because the social partners have traditionally a strong stake in the legal and administrative framework for VET delivery. These countries have fewer problems with skills mismatches and better youth employment rates than other countries in Europe. The dual education model allows learners to gain first-hand work experience in apprenticeships while benefiting from traditional school or university teaching. This offers numerous advantages to learners, to companies and to the societies. On one hand, learners obtain skills more effectively through work-based learning, and on the other hand they can apply this knowledge to the real world of work under the supervision of a mentor.

Lessons may be drawn from the good practice case of the Baden-Württemberg Cooperative State University, which is Germany's first "Dual Education Model" at the university level. The Land (Federal State) Baden-Wuerttemberg is one of the strongest economies in Europe. Based on a long, established practice of 40 years, this unique dual education model integrates higher education into workplace training. In a country where public bodies are traditionally self-governing, the State University with 16 locations in and around Stuttgart provides six three-months periods of classroom-learning (theoretical phase), which alternates with six three-months periods of on-the-job-training (practical phase). Right from the beginning in 18 months out of 36 the students learn on-the-job. The most innovative features of this dual model in the economically advanced south-west part of Germany are:

- **Selection of students**: First, the students apply for a training position at a company cooperating with the university. The cooperation between the university and its partner companies is intense thanks to long-established personal contacts and institutionalised collaboration in committees. The students go through interviews and assessment centres. Only after having been offered a three-year training contract are the students entitled to enrol in the university programme. The Baden-Wuerttemberg Cooperative State University, funded by the Government of the Land, has thus delegated the selection of students to the private sector – with the support of workers' and employers' organisations.

- **Funding of studies**: The partner companies of the university fund the students throughout the three-year study programme, as well as during the theoretical phases when they are learning at the university and cannot contribute to the companies' productivity as apprentices. The private
sector in South Germany is ready to invest heavily in HR development.\textsuperscript{57} Clearly, businesses are well aware of the value of high-qualified workers especially at times of skills shortage. Their cost-benefit analysis shows that productive returns from apprenticeships outweigh training costs. In addition, research shows that offering workplace-learning avenues can enhance the corporate image of companies, which in turn can increase the productivity of businesses.

- **Close business cooperation**: The University is called a “Cooperative University” because it designs the courses according to the needs of some 9000 training companies and partner institutions. One of the tasks is to realize cooperative research projects. That means that in one of the most dynamic, thriving business environments of Europe academic studies are continuously up-dated according to the needs of cutting-edge drivers in sectors such as automotive, mechanical engineering and health technology.

Up to 60\% of the students are taken-over by their training company, which represents a remarkably high retention rate. 20\% obtain a job at another company, which 18\% continues their studies (mostly enrol in full-time Master programmes) and only the remaining 2\% is registered as “neither in employment nor in education”.

However, the German Dual Education Model cannot be exported one-to-one to Georgia. The full-fledged theory-and-practice-model relies on a number of framework conditions. A dual education culture requires a broad societal recognition – grown over decades, strong links between the university and its partner companies, influential employers’ and workers’ organisations and a functioning **tripartite social dialogue** with the government bodies. Furthermore, in other countries dual education concepts are facing obstacles such as financial burden of training programmes in particular on small companies, a lack of regulatory framework for the status of apprentices/trainees and in-company trainers/mentors lacking the required pedagogical skills. Further barriers are weak quality control mechanisms for informal/non-formal workplace-learning outcomes and the complex task for the government to provide the right policy support for dual education schemes where the private sector has a key role to play.

In conclusion, countries with strong apprenticeship systems have better youth employment patterns. Dual learning systems keep dropout rates low and has, thus, the potential to produce intrinsic benefits for the society in terms of social inclusion. For the time being, different forms of dual education models are mushrooming at universities across Germany and in other regions of Europe and abroad.

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**Box 2: The Skills Development Model in Lombardy / Northern Italy**

The **Italian VET and apprenticeship system** is based on a mixed model that includes work, on-the-job and off-the-job training. The apprenticeship contract – combining work and training – is an effective tool to ease transitions of young people in the labour market.\textsuperscript{58} Italian legislation stipulates that apprenticeship is a “permanent employment contract”: after an initial training, the contract continues unless the apprentice or employer decides to terminate it. According with the training to be provided – lasting from 6 months up to 3 years – collective agreements can set the apprentice’s wage maximum two levels lower that the wage of skilled employees. In order to promote this employment contract, at the **Baden-Wuerttemberg Cooperative State University** students receive 500–900 Euro per month over a study period of three years.

\textsuperscript{57} At the Baden-Wuerttemberg Cooperative State University students receive 500–900 Euro per month over a study period of three years.

\textsuperscript{58} Framework of Actions on Youth Employment, European Social Partners’ document, June 2013.
reduced social security contributions are provided for apprenticeships. At work, apprentices work the same hours as normal workers; they must be assisted by a company tutor.

The Decentralized Skills Model of Lombardy / Northern Italy

In Italy, the 20 regions are in charge of the regulation of vocational training of the large parts of apprenticeship contracts. With approx. 10 million inhabitants and more than 800.000 SMEs, Lombardy is Italy’s largest region in terms of economic strength and innovative regional policies. Based on its strength in traditional crafts and manufacturing-based businesses, the region – which has Milan as its capital – represent the country’s export engine. 36% of all Italians patents registered at the European Patent Office come from Lombardy, which will host the World Expo 2015. In line with the principle of subsidiarity, the central government has engaged in a process of devolution of competences from Rom to decentralised authorities and regions. As of 2009, Lombardy has spearheaded a reform of its regional skills development strategy. This change process is characterized by a shift away from centralised public services towards decentralised, self-directed services. The regional government in Milan intends to empower the potential of the individual citizen rather than to provide top-down assistance. This paradigm change is based on the following principles:

- Decentralisation of the provision of VET and HR services
- Pluralism of HR and VET services providers
- Freedom of choice for the beneficiary of social services
- Responsiveness of training providers to learners’ needs
- Self-responsibility of the individual
- Enhanced social dialogue and trust-building measures among labour market operators (trade unions, employer organisations, regional / provincial chambers of commerce and industry, private HR and temporary work agencies, VET institutes), cooperatives NGOs and the regional government

A flexible, demand-led voucher system called “DOTE” in the area of vocational education/training and employment services (job placement guidance, job-assistance) has been put in place. This system, co-financed by the European Social Fund (ESF), allows to freely choose between individualised training and counselling, integration in the labour market, vocational re-qualification courses and promoting entrepreneurial education for start-up businesses. The overall policy objectives are

- to give all citizens a direct voice in shaping the service they want and to receive the money to back-up the services received
- to close the gap between (technical) VET services and the skills requirements of companies (with a focus on craft-related occupations)
- to increase the image of VET schemes
- to facilitate the free choice among services such as personalized training, career counselling, vocational re-qualification courses and entrepreneurial education for start-up businesses

Assessment / Results

Convinced that competitiveness depends on the performance of persons, Lombardy region has increasingly delegated tasks to a large range of privately run VET providers: over 620 VET and labour market operators have been registered and accredited according to their experience and quality of provided services. Details of offered services are published in a Joint Educational Catalogue which is available only on the regional government’s website. Evidence indicates that this vanguard “DOTE reform process” serves as a role model and has triggered multiplier effects to other regions in Europe.

At national level, about 574.000 youngsters in Italy were employed with apprenticeship programmes in 2011. The apprenticeship contract was reformed by the government, the social partners and the

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59 For further information regarding this European policy principle laid down in the EU Treaties see: http://europa.eu/legislation_summaries/institutional_affairs/treaties/lisbon_treaty/al0017_en.htm

60 For further information see the region’s “Cataloghi dell’offerta formativa”: http://www.ifl.servizirl.it/OFFERTE/index.php
regions so as to enhance the role of quality apprenticeship contracts with the objective of making them become the main “transition contract” into the labour market for young people.

Box 3: Tripartite Social Dialogue at Subnational Level – The Case of Poland

In Poland, regional social dialogue was institutionalized in July 2001 by the “Act on Tripartite Commission for Social and Economic Affairs and on regional social dialogue commissions”. This Act established Regional Social Dialogue Commissions (RSDC-WKDS) involving representatives of:

- regional structures of the most representative workers' and employers' organizations;
- regional government (Marshall Office) and
- the central government in the region (voivodship).

Representatives of districts and municipalities from across the region are also invited to attend the meetings of regional commissions in accordance with Cabinet ordinance of 22 February 2002. The ordinance specifies that RSDC-WKDS sessions must be held at least once per quarter.

RSDC-WKDS have been assigned by legislation of the right to formulate opinions with respect to all issues within the ambit of workers' and employers' organizations, insofar as they were included in the authority of the state administration and local government within the region. Accordingly, potential topics for discussion by the RSDC-WKDS are wide and varied, relating to all economic and social matters connected with regional development (e.g. employment and business promotion, social assistance, infrastructure, and the like). In practice, RSDC-WKDS are consulted on policies and instruments related to regional and local developments before they are adopted by the State administration and the regional government. This includes development programmes financed by EU structural funds.

Since 2003, RSDC-WKDS saw the scope of their competencies expand in the area of industrial relations. It now also includes the monitoring of company agreements concluded between an employer and a representative of employees (in the absence of trade unions) in derogation of the law, and justified by the poor financial situation of the company.

In delivering their assessment of policies and instruments presented by the regional public authorities, RSDC-WKDS aim to reconcile the social and economic interests of employers, employees and the public good. As such, they bear the fundamental responsibility of promoting peace and social cohesion at regional and local levels, which is a precondition for a harmonious regional development. RSDC-WKDS have been able to solve conflicts in many regions to date; however, the culture of social dialogue is still not well rooted in every region in Poland.

On top of their role in the promotion of a culture of participation and policy concertation at sub-national levels, RSDC-WKDS have also contributed to the fight against corruption, hence enhancing transparency in the governance of public affairs at regional and local levels. The role of the 16 commissions is formally a consultative one. Their work is highly regarded by the social partners and by the regional authorities.

Box 4: The Turkish Business Organisation TÜSİAD

**Background:** TÜSİAD is a voluntary business organization established by Turkish industrialists and businessmen in 1971. The establishment was the reaction of the business world to the crisis-ridden period which lasted from 1950-1980 and was shaken from the Vietnam war and two oil shocks. Industrialists saw the freedom of entrepreneurship at stake and intended to institutionalize the defence for a secular state of law, a participatory democracy, the rules and regulations of a competitive, liberal market economy and environmental sustainability as well as equal opportunities for men and women in the economy (currently, two of the 13 members of the Committee of directors are women), politics and education.

**Membership:** Some 600 members represent Turkey's industrial and service sector institutions; these members in turn represent some 3,500 companies. Firms linked to TÜSİAD members employ about 50% of the registered workforce in Turkey (the agricultural and public sectors excluded).

**Organisational structure:** TÜSİAD's work is conducted through the structure of the Secretariat General, based in Istanbul, and its 55 administrative staff. TÜSİAD's presence in Europe is realized through its EU-Brussels Representative Office in Brussels, and its offices in Berlin and Paris. Its membership in the European private sector representative organization BUSINESSEUROPE contributes to the process of developing the EU acquis, and assists in the smooth progress of the EU harmonization process. Further representative offices are located in Washington, D.C. and Beijing.

**Decision-making:** TÜSİAD’s positions are generated through the work of 11 committees chaired by members of the Committee of Directors, 33 working groups under the umbrella of these committees, and ad-hoc “task force” groups, all of which meet regularly.

A special emphasis is given on the promotion of a functioning education-work-transition through “University Partnership Forums”. The contribution of the organisation to Turkey’s economy and a profile of the business activities can be seen in the Charts below.
Box 5: Country Case Belgium – Representativeness Criteria in the Law on the National Tripartite Institution

The members representing the most representative employers’ organizations in industry, services, agriculture, commerce, crafts and non-profit sectors are selected on the basis of a double list of candidates presented by these organizations, provided that a number of the candidates represent small and medium-sized enterprises and family businesses. The 13 mandates of the most representative employers’ organizations are distributed as follows:

1. Eight mandates for the most representative employers’ organization established at the national level - representing the employers of the absolute majority of the following sectors: industry, trade and services - provided that the majority of workers are also represented;
2. Three mandates upon presentation by the High Council for the self-employed and small and medium-sized enterprises;
3. One mandate for the most representative employers’ organization representing agricultural employers;
4. One mandate for the most representative employers’ organization that is established at the national level and which represents the employers of the non-profit sector.

The members representing the most representative workers’ organizations are selected on the basis of a double list of candidates presented by these organizations. To be considered as the most representative workers’ organizations, they should meet all the following criteria:

1. be established at the national level and have an interprofessional functioning
2. represent the absolute majority of sectors and categories of staff in the private and public sectors, provided that the majority of workers are also represented
3. during the four-year period preceding the appointments [of the representatives], have on average a minimum of 125,000 paying members, including members of affiliated or associated organizations;
4. have the protection of workers’ interests as a statutory purpose.

Source: Law of 30 December 2009, modifying the Law of 29 May 1952 on the National Labour Council (Article 2, paras 3 and 4 (excerpts))
# ANNEX 10: Glossary of Key Terms in the Field of Social Dialogue

## “Sharpen the Terminology”

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<tr>
<th>Term</th>
<th>Definition</th>
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<tr>
<td>Bipartism</td>
<td>Bipartite social dialogue is when two parties – one or more employers and/or one or more employers’ organizations, and one or more workers’ organizations – exchange information, consult each other or negotiate together, without government intervention. This could, for instance, pertain to wages, working conditions or health and safety at work, but it could also address broader policy issues. While the government is not a partner in the bipartite process, it may provide assistance to the social partners in their bipartite negotiations.</td>
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<tr>
<td>Chambers of Commerce and Industry</td>
<td>With regard to the definition and the models of chamber of commerce and industry see Box 4 in the Annex.</td>
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<td>Collective bargaining</td>
<td>Collective bargaining is a process of negotiations between employers and a group of employees aimed at reaching agreements that regulate working conditions. The interests of the employees are commonly presented by representatives of a trade union to which the employees belong. The collective agreements reached by these negotiations usually set out wage scales, working hours, training, health and safety, overtime, etc.</td>
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<td>Consultation</td>
<td>Consultation is the most widespread practice of national social dialogue. It is a means by which the social partners not only share information but also engage in more in-depth dialogue on the issues raised. While consultation itself does not carry decision-making power, it can take place as part of such a process. Consultation is asking others for their views and involving them openly in discussion.</td>
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<td>Cooperation in Vocational Education and Training</td>
<td>In January 2009, the EU Member States agreed to coordinate their vocational education and training (VET) policies in order to enhance the quality and efficiency of VET. They identify four priority areas for the period 2008-10 that need to be dealt with, in addition to priorities / guidelines set out in the Copenhagen process: 1. Implementing common European tools and schemes to promote cooperation in VET; 2. Promoting the quality and attractiveness of VET systems; 3. Developing the links between VET and the labour market, 4. Enhancing European cooperation. For further information see: <a href="http://europa.eu/legislation_summaries/education_training_youth/vocational_training/ef0011_en.htm">http://europa.eu/legislation_summaries/education_training_youth/vocational_training/ef0011_en.htm</a></td>
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<td>Council of Europe</td>
<td>On 27 April 1999, Georgia became the 41th member state of the Council of Europe, which is the continent’s leading human rights organisation. It includes 47 member states, 28 of which are members of the European Union. All Council of Europe member states have signed up to the European Convention on Human Rights, a treaty designed to protect human rights, democracy and the rule of law. The European Court of Human Rights (ECHR) – the Council’s backbone – oversees the implementation of the Convention in the member states. Individuals can bring complaints of human rights violations to the Strasbourg Court once all possibilities of appeal have been exhausted in the member state concerned. The European Union is preparing to sign the European Convention on Human Rights, creating a common European legal space for over 820 million citizens. The Council of Europe has its headquarters in Strasbourg, France. For further information regarding the ECHR’s case law and pending cases related to Georgia see: <a href="http://www.echr.coe.int/Pages/home.aspx?p=press&amp;factsheets&amp;c=#n1347951547702_pointer">http://www.echr.coe.int/Pages/home.aspx?p=press&amp;factsheets&amp;c=#n1347951547702_pointer</a></td>
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<td>Decent Work Agenda</td>
<td>The Decent Work concept was formulated by the ILO’s constituents – governments and employers and workers – as a means to identify the Organization’s major priorities. It is based on the understanding that work is a source of personal dignity, family stability, peace in the community, democracies that deliver for people, and economic growth that expands opportunities for productive jobs and enterprise development. Decent Work reflects priorities on the social, economic and political agenda of countries and the international system. Decent work sums up the aspirations of people in their working lives. Putting the Decent Work Agenda into practice is achieved through the implementation of the ILO’s four strategic objectives, with gender equality as a crosscutting objective: 1. Creating Jobs, 2. Guaranteeing rights at work, 3. Extending social protection , 4. Promoting social dialogue.</td>
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<td>European</td>
<td>The European Foundation for the Improvement of Living and Working Conditions</td>
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Foundation for the Improvement of Living and Working Conditions (EUROFOUND) is a tripartite European Union Agency, whose role is to provide knowledge in the area of social and work-related policies. EUROFOUND was established in 1975 by Council Regulation (EEC) No. 1365/75 to contribute to the planning and design of better living and working conditions in Europe. The Agency provides the monitoring instrument European Industrial Relations Observatory (EIRO) offering news and analysis on European industrial relations. For more information see: http://www.eurofound.europa.eu.

European Industrial Relations Observatory (EIRO) is a monitoring instrument offering news and analysis on European industrial relations, primarily through its web-based database EIROOnline. A project managed and coordinated by the European Foundation for the Improvement of Living and Working Conditions (Dublin), EIRO began its operations in 1997. The purpose of the project is to collect, analyse and disseminate high-quality and up-to-date information on key developments in industrial relations in Europe. It aims primarily to serve the needs of national and European-level organisations of the social partners, governmental organisations and EU institutions. Website: http://www.eurofound.europa.eu/areas/industrialrelations/dictionary/definitions/europeanindustrialrelationsobservatory.htm.

European Social Dialogue sees social dialogue as encompassing both the bipartite and the tripartite processes between the European social partners themselves and between the two sides of industry and the Commission. These processes are rooted in Articles 154 and 155 Treaty on the Functioning of the European Union (TFEU) and may lead to legally or contractually binding agreements. At European level, social dialogue takes two main forms: a bipartite dialogue between the European employers and trade union organisations, and a tripartite dialogue involving interaction between the social partners and the public authorities. Article 152 TFEU highlights the Union’s commitment to promoting the role of the European social partners and to supporting an institutionalized social dialogue at the European level, the “European social dialogue”. The European social partners use a narrow definition, since they reserve the notion of social dialogue for their bipartite, autonomous work. Whenever European public authorities are involved, the social partners prefer to speak of tripartite concertation.

Freedom of association is the right freely to form and join groups for the promotion and defence of their occupational interests. Freedom of association and collective bargaining are among the founding principles of the ILO., in 1951 the ILO set up the Committee on Freedom of Association (CFA) for the purpose of examining complaints about violations of freedom of association, whether or not the country concerned had ratified the relevant conventions.

Independence in the context of the dialogue between ‘management and labour’ means autonomy in decision making. Independent employer organisations and trade unions are neither formally nor informally attached to governments or a ruling party. They also reflect the democratic nature of societies. All independent social partner organisations receive their legitimacy and mandate from their members. These organisations can be legitimate even if a government is not willing to enter into dialogue with them.  

Negotiation is the most formal and binding form of social dialogue, which in most cases is institutionalized. Tripartite negotiations aim at achieving agreements between the government and the social partners.

Representativeness is a political issue. As a consequence, national rules for representativeness are different from one country to another and a cross-national definition does not exist. The Tripartite Consultation Convention from the ILO (1976, No. 144) lays out that the term ‘representative organisations’ means ‘the most representative organisations of employers and workers enjoying the right of freedom of association’. Table 2 in Section 4.3 shows a range of representativeness criteria for social partners from selected countries.

Right of collective bargaining is the most formal and binding form of social dialogue, which in most cases is institutionalized. Tripartite negotiations aim at achieving agreements between the government and the social partners.

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| Social Dialogue | Social Dialogue describe the processes between social partners at various levels of industrial relations. Social dialogue as defined by the ILO includes all types of negotiation, consultation or exchange of information between, or among, representatives of governments, employers and workers, on issues relating to economic and social policy, including child labour, and to terms and conditions of work and employment. How social dialogue actually works varies from country to country and from region to region. It can exist as a tripartite process, with the government as an official party to the dialogue or it may consist of bipartite relations between labour and management, with or without indirect government involvement. It can be informal or institutionalised. It can take place at the national, regional or at enterprise level; it can be inter-professional, sectoral or a combination of these. |
| Social Pact | Strictly defined, social pacts exist in widely publicized tripartite agreements between government and the social partners in the area of employment and incomes, the labour market, or economic or social policies. In many European countries, social pacts (strictly defined) became an important instrument in dealing with the economic and social challenges of globalization and economic restructuring. |
| Social Partners | Social partners are organisations representing the interests of workers and employers, i.e. employers’ associations and trade unions or their representative organisations. This definition is used both by the EU Institutions and the ILO. The European industrial relations dictionary developed by EUROFOUND (see def. in the Glossary) defines ‘social partners’ as a term generally used in Europe to refer to representatives of “management and labour” (employers’ organisations and trade unions). Freedom of association, independence and representativeness (see definitions in the Glossary) are important quality attributes of a social partner organisation. The characteristic of social partners is that they can negotiate and make binding agreements on behalf of their members. At European level, the main cross-industry organisations representing social partners are the European Trade Union Confederation (ETUC), the Union of Industrial and Employers’ Confederations of Europe (BUSINESSEUROPE), the European Association of Craft, Small & Medium-sized Enterprises (UEAPME) and the European Centre of Enterprises with Public Participation (CEEP). At international level, the majority of national social partner organisations are affiliated to the International Organisation of Employers (IOE) and the International Trade Union Confederation (ITUC). |
| Social Partnership | The term ‘social partnership’ is used for the specific dialogue between employers’ and workers’ organisations, i.e. cooperations which bring together both sides of industry. It can take place at national, regional or sectoral level. |
| Strategic Framework for European Cooperation in Education and Training (ET 2020) | The EU’s strategic framework for European cooperation in education and training (ET 2020) emphasizes countries working together and learning from each other. With each EU Member State responsible for its own education and training systems, Union-level policies are designed to support national actions and help address common challenges such as: ageing societies, skills deficits among the workforce, and global competition. These areas demand joint responses and countries can benefit from sharing experiences. The long-term strategic objectives of EU education and training policies are: |
| | • Making lifelong learning and mobility a reality; |
| | • Improving the quality and efficiency of education and training; |
| | • Promoting equity, social cohesion and active citizenship; |
| | • Enhancing creativity and innovation, including entrepreneurship, at all levels of |


64 See the EUROFOUND website: http://www.eurofound.europa.eu/areas/industrialrelations/dictionary/definitions/europeansocialpartners.htm.
### Subsidiarity, principle of

The principle of subsidiarity regulates the exercise of powers in the European Union. It is intended to determine whether, in an area where there is joint competence, the Union can take action or should leave the matter to the Member States. The subsidiarity principle is based on the idea that decisions must be taken as closely as possible to the citizen: the Union should not undertake action (except on matters for which it alone is responsible) unless EU action is more effective than action taken at national, regional or local level. For further information see the ETF Report *Good Multilevel Governance for Vocational Education and Training*. Glossary of key terminology on governance, p. 45.

### Torino Process

The Torino Process – launched by the ETF in 2010 – is a biannual participatory analytical review of the status and progress of vocational education and training in the ETF partner countries. The objective of the Torino Process is twofold: to acquire up to date knowledge about the policies and their results in a country; and to strengthen the ownership, participation and evidence-base of policy making to improve the performance of policies. More specifically, the Torino Process is a vehicle for:

- developing a common understanding of a vision, priorities and strategy for VET development and exploring options for implementing this vision;
- designing and evaluating home-grown and affordable VET policies, based on evidence or knowledge and collaboration;
- providing opportunities for capacity development and policy learning within and among partner countries and with the EU;
- empowering countries to better coordinate the contributions of donors to achieving agreed national priorities.


### Tripartism

Tripartism is one of the main forms of social dialogue. It is a foundational principle and fundamental value of the ILO and the EU Social Dialogue. Tripartism is “the interaction of government, employers and workers (through their representatives) as equal and independent partners to seek solutions to issues of common concern” (ILO Thesaurus). Tripartism fully involves the government as one of the three partners in the consultations/negotiations. Tripartism in this sense should therefore not be mixed with another form of dialogue between three partners often referred to as “civil dialogue”. Civil dialogue involves representatives of workers’ and employers’ organizations along with a selection of civic and social interest groups (i.e. not with the government). By contrast, tripartism refers to the involvement of employers’ and workers’ organizations, alongside the government, on an equal footing, in decision-making. This does not mean that employers’ and workers’ organizations and the government should systematically have equal numbers of representatives, but it does require that the views of each side be given equal consideration.

### Tripartism "plus"

The three traditional core actors of national tripartite social dialogue (triptatism) are the social partners and the government, since social dialogue has its origins in issues related to the world of work. Employers' and workers' organizations are distinct from other civic society groups in that they represent the actors of the “real economy” and drew their legitimacy from their membership. However, in some cases the term "triptatism 'plus'" is gaining popularity in situations where the traditional tripartite partners choose to open up the dialogue and engage with other civil society groups, to gain a wider perspective and consensus on issues beyond the world of work (such as the protection of the environment or the needs of specific or vulnerable groups). The term “multilevel governance” or “partnership” can be used, when NGOs, municipalities or other actors are involved in an employment-related dialogue. To sum up, there is evidence that the purpose of involvement with other “advocacy groups” is to strengthen tripartism, not to weaken or dilute it.

### Vocational education and training

Vocational education and training (VET) is education that prepares people for specific trades, crafts and careers at various levels from a trade, a craft, technician, or a professional position in engineering, accountancy, nursing, medicine, architecture, pharmacy, law etc. Craft vocations are usually based on manual or practical activities.
traditionally non-academic, related to a specific trade, occupation, or vocation. It is sometimes referred to as technical education as the trainee directly develops expertise in a particular group of techniques.

ANNEX 11

Models of Chambers of Commerce and Industry in International Comparison

A chamber of commerce is a form of business network, e.g., a local organization of businesses whose goal is to further the interests of businesses. A chamber of commerce is not a governmental body or institution, and has no direct role in the writing and passage of laws and regulations that affect businesses. It may however, act as a lobby in an attempt to get laws passed that are favorable to businesses. Membership in an individual chamber in an area can range from a few dozen to well over 300,000 (Paris Chamber of Commerce and Industry). Some chamber organizations in China report even larger membership numbers. Broadly, there exist four different forms of chamber models:

Continental / private law chambers

Under the private model, which exists in English-speaking countries like the United Kingdom, Sweden, Finland, Norway and Denmark or USA and Canada companies are not obligated to become chamber members. However, companies often become members to develop their business contacts and, regarding the local chambers (the most common level of organization), to demonstrate a commitment to the local economy. Though governments are not required to consult chambers on proposed laws, the chambers are often contacted given their local influence and membership numbers.

Compulsory / public law chambers

Under the compulsory or public law model, enterprises of certain sizes, types, or sectors are obliged to become members of the chamber. This model is common in European Union countries (France, Germany, Italy, Spain), but also in Japan. Main tasks of the chambers are foreign trade promotion, vocational training, regional economic development, and general services to their members. The chambers were given responsibilities of public administration in various fields by the state which they exercise in order management. The chambers also have a consultative function; this means the chambers must be consulted whenever a new law related to industry or commerce is proposed.

In Germany, the chambers of commerce and industry (IHK) and the chambers of skilled crafts (HvK) are public statutory bodies with self-administration under the inspectorate of the state ministry of economy. Enterprises are members by law according to the chamber act of 1956. Because of this, such chambers are much bigger than chambers under private law. (IHK Munich, for instance, has over 350,000 member companies.) Germany also has compulsory chambers for “free occupations” such as architects, dentists, engineers, lawyers, notaries, physicians and pharmacists.

Local and regional chambers

Chambers of commerce in the US can be considered local, regional, state, or nationwide (US Chamber of Commerce). Local Chambers work on the local level to bring the business community together to develop strong local networks, which can result in a business-to-business exchange. In most cases, local Chambers work with their local government, such as their mayor, their city council and local representatives to develop pro-business initiatives.

State chambers

State chambers of commerce are different from local and regional chambers of commerce, as they work on state or federal issues impacting the business community. Just as the local chamber is critical
to the local business community, state chambers serve a unique function, serving as a third party voice on important business legislation that impact the business community and are critical in shaping legislation in their respective state. State Chambers work with their Governor, state representatives, state senators, US congressional leaders and US Senators. In comparison with state trade associations, which serve as a voice and resource to a particular industry, state chambers are looked to as a respected voice, representing the entire business community to enhance and advocate for a better business environment.

9 Bibliography


