

REQUEST FOR CONSULTANCY SERVICES Service Contract (SC)

“Sector Selection, Delimitation and Sectorial Skills Analysis to establish Sectorial Skills Committees”

Project Unit: RisiAlbania – Partner for Growth

Project: “Making the Labor Market work for Young People” supported by Swiss
Development Cooperation

Location: Tirana

Estimated duration: October-December 2020

1. Background

The RisiAlbania project is supported by the Swiss Agency for Development and Cooperation SDC, in partnership with the Ministry of Finance and Economy and implemented by a consortium consisting of HELVETAS Swiss Intercooperation and Partners Albania. RisiAlbania was initiated in 2013. Phase I of the project ran from November 2013 to October 2017. Currently the project has commenced with Phase II, which will last 4 years (November 2017 to October 2021). The goal of the project in Phase II is to contribute to employment of young women and men (age 15-29) in a socially inclusive and sustainable way. The goal will be achieved through (i) enhanced growth and job creation by the private sector in three selected subsectors (agribusiness, tourism and ICT), (ii) improved career guidance and job intermediation services and (iii) improved and developed skills of young women and men through market-oriented private non-formal skills training programmes.

The Government of Albania has included the designing and implementing of sector committees in the National Skills and Employment Strategy up to 2022. On 2018 the government passed the Law nr.23/2018 with some amendments on the Law No.10247 in 04/03/2010 on Albanian Qualification Framework. This law foresees also the establishment of SSCs, as one of the key mechanisms to help bridge the labour demand and supply and to involve the private sector on the definition of key

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qualifications. The specific by-law on sectorial skills committees (SSCs) was approved on 26.06.2019 and regulates the functioning of SSCs in Albania.

The SSC is established as working body regarding occupational standards and to enhance the cooperation between employers, TVET providers, and social partners.

RisiAlbania has supported the preparation of the conceptual model in consultation with representatives from public and private sectors, and in cooperation with ETF facilitated the process of preparation of the bylaw (DCM) of Sectorial Committees, that defines the modalities of functioning SSC including the financing mechanism, incentives for the members.

After the approval of Bylaw, in close cooperation with NAVETQ, Risi has supported the increase of capacities of the Task Force. Recently, Risi has developed the Road Map for establishing SSCs in Albania and the regulation of Technical Secretariat, which pave the way to establish SSCs in Albania.

Currently, following the bylaw operationalization, NAVETQ will develop the methodology for the sector selection and delimitation, and Sectorial Skills Analysis (SSA). The objective is to select the sectors with high chances of succeeding to generate a model that can attract other sectors. Risi is supporting NAVETQ in this process.

2. Objective of the consultancy

To support NAVETQ, RisiAlbania is now looking to engage the Consultant (Contractor) to provide services to developing the methodologies of 1) sector selection, 2) sector delimitation and 3) conducting SSA in close cooperation with NAVETQ. The Contractor will be required to also pilot the methodologies and provide the first results in selection of up to five priority sectors. Then, one sector will be defined for piloting and the consultant will work for the sector delimitation and conduct the SSA for this sector.

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Sector is also used in some countries to refer to a subset of occupations and skills. The term sector is used here to define specific areas of economic activity. A clear distinction between sector/industry and occupation/skill is therefore important.¹

3. Expected Output

The expected results of this consultancy include the elaboration of methodologies of the following guidelines outlined in the road map, and respective piloting's:

1. Sector selection: Development of the Methodology and the respective tools for to selection of the sector to establish the SSC, and conducting the first exercise of selecting up to 5 prioritized sectors:

The setting up of Sector Skills Committees, is assumed as a fundamental contribution to the development and affirmation of Albania's National Qualifications Framework. In this context, the sector selection methodology must ensure coherence with the National Employment and Skills Strategy 2014-2020, with the work carried out by the NAVETQ and respond to the country's economic and social development priorities.

In addition, the methodology and criteria used in choosing sectors and the pilot sector should use the available information (qualitative and quantitative) and consider the key variables in the political, institutional and technical dimensions.

The implementation of SSCs is a challenge that can only be achieved with the collaboration of a wide range of actors (national, sectoral, political, institutional, technical).

The main steps:

1.1 Criteria:

¹ European Training Foundation/European Centre for the Development of Vocational Training/ International Labour Office, *Working at sectoral level: Guide to anticipating and matching skills and jobs Volume 3*, Publications Office of the European Union, Luxembourg, 2016.

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1.1.1 Three dimensions to consider when selecting sectors in general and the pilot sector in particular:

- Political-strategic dimension

The main questions to answer are: which sectors of economic activity take strategic priority in the National Employment and Skills Strategy 2014-2022? Which sectors of economic activity have deserved political attention, and which reveal growth dynamics or growth potential? Please accompany the findings with the respective evidence.

- Institutional dimension

The main questions to answer are: which sectors are most able (interested representatives, motivated and qualified organizations) to participate in the discussion and identification of qualification needs? Which sectors made the most interesting contribution to the work meetings held under the National Employment and Skills Strategy 2014-2022 developments, the meetings held under the NAVETQ for the development of qualifications? Which sector representatives are most capable of mobilizing and responding to debates on youth employment, economic development and skills development?

- Technical dimension

The main challenge is: to define a set of indicators that reflect the importance of the sector from the point of view of its contribution to the national product and to employment, the importance of youth employment, the predictable changes in the content of jobs, the dynamics of employment hiring and skills needs.

1.1.2 The importance of subordinating the criteria to the methodology and the importance of defining the dimensions (political-strategic, institutional, technical) that will take priority in the choice.

Considering the context and the challenges, the analysis of economic and sectoral development priorities, the political and strategic focus, the territorial coverage of sectoral representation and the interest identified in the development of qualifications, should take priority over the application of technical criteria.

1.2 The path to sector selection/choice

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1.2.1 Apply political -strategic dimensions and criteria

Output: Sectors that fulfil all or most of the political criteria

1.2.2 Apply institutional dimension and criteria

Output: Sectors that fulfil all or most of the institutional criteria

1.2.3 Apply the technical criteria, assigning weighting

Output: List of sectors organized by priorities resulting from the application of technical criteria

1.3 The choice

Present a list up to 5 sectors for decision, explaining the path used. In this case, the decision will be taken by NAVETQ and supported by the technical workshop with participants that will have a crucial role in the successful functioning of the pilot SSC. They will need to be knowledgeable and unbiased to give the SSC pilot the greatest chances of success.

2. Sector delimitation: Development of the Methodology for sector delimitation and conducting the first exercise of sector delimitation in one selected sector:

The delimitation of the sector of activity is a fundamental step in the constitution of the SSC. For the sectors delimitation two approaches that are interconnected need to be considered:

- The delimitation of the sector, that is, the set of economic activities that are covered in this grouping and that should be done based on specific criteria.
- The identification of the jobs/occupation that are associated to the sector

The main steps:

2.1 Scope:

The delimitation of the sector of activity should be divided in two major steps that shape all subsequent work.

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- 2.1.1 Delimit the “whole” that will be the subject of analysis, to identify and delimit the boundary of the sector.
- 2.1.2 Identify the subsystems, i.e., determining whether there are structural differences that allow the sector to be divided into a restricted number of subsectors with greater internal homogeneity.

2.2 Criteria:

It is crucial identifying a set of criteria, like Classification of economic activities, Cluster, Value chain, Product processes, that allows to delimit, structure, organize and identify subsectors.

Using different delimitation and structuring criteria for the sector provides several advantages. The Classification of Economical Activities criterion (based on NACE) makes it possible to carry out the analysis of statistical data, in particular in the socio-economic framework, for economic indicators, business and employment structure. On the other hand, criterion such as the type of services, products, or even the end use of the products or the type of raw materials may allow to contextualize and characterize the companies in the sector. The use of the value chain may allow the identification of economic activities and jobs specific to the sector, as well as the functional areas that constitute sources of added value, which vary according to the type of enterprise and the sector or sub-sector in which they operate.

2.3 Identification of the sectoral jobs/qualifications

The jobs delimitation to be carried out, independent of the options taken to delimit the scope of the sector - narrower or wider, should:

- *Cover all jobs specific to the sector*, i.e. jobs that are related to the production process and the nature of the product manufactured or service provided, being in this sector and not in any other;
- *Determine common jobs*, i.e. those present in various sectors, but with sectoral specificities. These are jobs that may be present in several sectors, but have

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sub-sector specificities related to the production process, technology involved, product or service provided;

- *Jobs present in the sector but transversal to all sectors*, which do not, as a rule, have sector-related specificities, can also be identified.

The national classification of occupations and/or the International Standard Classification of Occupations– ISCO are the recommended sources of information to be used.

3. Sector Skills Analysis: Development of the Methodology for Sector Skills Analysis (SSA) conducting the exercise in one selected sector

A sectoral approach to skills anticipation and mismatch is defined as one which looks at changing skills needs from the perspective of a particular sector. It addresses issues like the following:

- (a) types of skills and competencies that jobs may require;
- (b) emerging jobs;
- (c) changing skill profiles of occupations;
- (d) the ability of the training system to meet the needs of industry.²

When conducting the SSA of the target sector, engaging the different stakeholders is important. Active involvement of both employers and workers (unions) is crucial for ensuring successful change. Employer involvement is the key to both understanding how skills needs are changing on the ground and making sure that any recommendations become a practical reality. Other stakeholders, such as education and training providers, bring in additional important perspectives.

² European Training Foundation/European Centre for the Development of Vocational Training/ International Labour Office, *Working at sectoral level: Guide to anticipating and matching skills and jobs Volume 3*, Publications Office of the European Union, Luxembourg, 2016.

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The guide by the European Training Foundation/European Centre for the Development of Vocational Training/International Labour Office, Working at sectoral level: Guide to anticipating and matching skills and jobs Volume 3, Publications Office of the European Union, Luxembourg, 2016 gives comprehensive information about SSA. There are key stages in developing a SSA, which are combined to three main steps here.

The main steps:

1. Planning:

The planning encompasses tasks such as

- data audit
- consulting of key stakeholders
- identifying the audience
- clarifying of key questions to be addresses
- the choice of methodology, tools and techniques.

Techniques can be: desk research, statistical analysis, workshop

2. Diagnosis – retrospective and prospective dimension

The diagnosis encompasses tasks such as

- business capability implications: gap in business capabilities required to achieve objectives
- types of skills needed: implications for types of skills needed
- quantitative need (how many workers by skill type): modelling employment and skills demand
- skills supply gap: gap between skills supply and types of skills needed

Techniques can be: desk research, statistical analysis, quantitative inquiry, qualitative inquiry.

3. Analysis, conclusions, and recommendations

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The result of the analysis is to propose a response to future skills needs in the target sector. This includes:

- List of the most demanded skills/jobs translated in new, revised and updated qualification in response to labour market needs, strategical economic and social goals and political priority.
- required capacities for training provider

Techniques can be: desk research, benchmarking studies, best practice analysis

4. Deliverables

The Consultant should deliver:

- The methodologies of Sector selection, Sector delimitation and SSA.
- Results of up to 5 prioritized sectors selection.
- Results of the piloted sector delimitation.
- Results of the piloted sector SSA.

5. Consultancy profile:

The below requirements apply to the whole team. Submitted CVs must show how these requirements are met.

- Experience with economy and policy development;
- Strong experience with skills and qualification development;
- Strong analytical skills;
- Experience in developing similar consultancy

6. Management and reporting:

For the duration of the contract, the Consultant will report to Component Team Leader and Intervention Manager (IM). The consultant will work closely with NAVETQ assigned person. The IM may accompany the Consultant in several meetings with NAVETQ and other stakeholders and will be kept informed during the research process.

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- The scope of the work of the Consultant does not foresee using the premises of the project but does not exclude the possibility when the need arises.
- Besides the expected deliverables mentioned in point 4 of these ToRs, the Consultant is expected to biweekly communicate online with the IM informing, updating on the timetable of next activities and when possible, coordinating joint ones.
- Upon completion of deliverables, respective presentations are held and after feedback from RisiAlbania, the deliverables are finalized.

7. Documents to be included in the offer submission:

- Work proposal

| Describe briefly: | |
|---|-------------|
| The reasons why you are the best candidate to successfully complete the assignment. | Free format |
| The methodology and activities you would use to successfully complete the assignment. | Free format |

- Financial proposal (free format) - The fee proposed shall include all the taxes.
- Up-to-date CV of consultant(s) / Profile of organization, documentation of relevant previous experience and contact details of the respective candidate's/team elements.

The proposals shall be submitted in English in hard copy and soft (on USB stick) in closed and stamped envelope to the address given below, by 9 October 2020 at 12.00. Only proposals handed in within the indicated timeline will be considered.

RisiAlbania,
Rr. Ismail Qemali, P.18, H.3, Ap.15,
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Tel.: +355 4 2248527

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For any questions you might have related the application, please, contact info@risialbania.al

9. Candidate assessment and selection

The selection of the Consultant will be evaluated based on a cumulative analysis of the fulfilment of the evaluation criteria. The contract will be awarded to the Consultant getting the best technical-economic combination based on the evaluation criteria below:

| Evaluation criteria | Maximum score per requirement |
|--|-------------------------------|
| Experience in developing similar consultancy | 25 |
| Financial offer | 25 |
| Accuracy and reliability of plan and activities suggested completing the assignment. | 30 |
| Technical skills, background of the team members | 20 |
| Total | 100 |

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