Observatory for Children and Youth Rights

Support with scholarship for youth at risk of dropping out in secondary education

Guiding Document

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List of Abbreviations

VET	Vocational and Education Training
INSTAT	Institutes and Statistics
MoES	Ministry of Education and Sport
MoF	Ministry of Finance
NEET	Neither in education, employment or training
SKA 2021-26	National Education Strategy 2021-2026
SKPA 2023-30	National Employment and Skills Strategy 2023 - 2030
DCM	Decision of the Council of Ministers
ZVAP	Pre-University Local Education Office

I. Analysis of the situation

Albania faces significant demographic and socio-economic challenges today, as the 2023 census proved. The country is facing an ageing population and high immigration rates, especially among young people. In this context, the need to expand financial support for pupils at risk of dropping out of upper secondary education becomes increasingly urgent, going beyond current policies that cover only compulsory education up to the age of 15.

The argument for this enlargement is because Albania still has a more limited demographic opportunity every day with a relatively young population compared to European countries. This presents a unique opportunity to invest in development of human capital. However, the continued migration of educated young people is creating a worrying drain on this capital. The proposal to provide support to at-risk students in higher secondary education, as well as those in compulsory education, aims to address this challenge directly.

The expected benefits of this investment are multiple. A more skilled workforce would attract more foreign investment and increase productivity, generating more social security contributions - essential to meet the growing needs of an ageing population. Furthermore, improved education can help create opportunities at the local level, potentially reducing the pressure for immigration. In cases where young people choose to emigrate, a higher level of education would better position them for skilled work abroad, increasing remittances and opportunities for knowledge transfer.

Investing in upper secondary education takes on a particular significance when viewed in the prism of sustainability of the pension system. By expanding financial support for young people at this educational level, the government can build a more qualified workforce, which will be able to generate higher incomes and consequently greater contributions to social insurances. This becomes particularly critical in the context of an aging population, where the ratio between active contributors and pension beneficiaries is constantly decreasing from optimal 3:1, or even 2:1 ratios, which are still considered to provide sufficient coverage, but still limited. In Albania, at the end of 2023 the number of contributors is reported at 826,928 persons, while the number of beneficiaries was 705,000 persons, i.e. a low ratio of 1:1.17. A more educated and productive workforce would be better able to support through its contributions an increasing number of pensioners, thus helping to meet the needs for coverage and aging of old age pensions. In this way, support for higher secondary education becomes a direct investment in the long-term sustainability of the social insurances system.

From a political perspective, this expansion of education support aligns with the EU integration aspirations and growth plan and reform agenda 2024-2027. It demonstrates the government's commitment to family welfare and social mobility, with the potential to build long-term political loyalty. Gradual implementation, starting with the most vulnerable groups, would allow for proper impact assessment by managing budgetary constraints.

The expected results span several time horizons. In the short term, increased political support from families and a more positive public perception is expected. In the medium and long term, improvement of education indicators, reduction of NEET scale, a more stable demographic profile and a more competitive workforce are predicted. Above all, this policy represents a strategic investment that combines educational objectives with demographic challenges and aspiration for socio-economic development, creating a sustainable foundation for the country's future.

II. The need to determine the size of dropout in upper secondary education

Formulating policies to support children and young people who dropout, or are at risk of droping out of upper secondary education, needs a consolidated database. This is valid to understand the dynamics of this phenomenon, the extent, but also the need to mobilize the financial resources needed to update these policies. The first institution to process statistical data on dropout of higher secondary education among children and young people aged 15 to 18 in Albania is the Ministry of Education and Sports (MoES). As seen in the table below – although incomplete and in need of accompanying information at local level that could help policy-making, the data are available through the annual statistical year of the MoES, until the 2017-2018 school year.

Table 1: *Students enrolled in the first year in class X of the current school year*

The School Year	Received certificate in the current school year class IX		Registered for the first year at the current school year class X		Withdrawal in %	
	Total	Female	Total	Female	Total	Female
2011-2012 *	51317	25220	46925	22111	91.44	87.67
2012-2013 *	50380	24579	46354	21687	92.01	88.23
2013-2014 *	47823	24382	46536	21869	97.31	89.69
2014-2015 *	45462	21891	42306	19872	93.06	90.78
2015-2016 *	44001	21391	42072	19558	95.62	91.43
2016-2017 *	42828	21032	40645	19214	94.90	91.36
2017-2018 *	36546	17292	35286	16450	96.55	95.13
2018-2019 *	37985	18561	31842	15375	83.83	82.83
2019-2020 **	33618	16052			0.00	0.00
2020-2021 **	32176	15171			0.00	0.00
2021-2022 **	29911	14346			0.00	0.00
2022-2023 **						

**Table 24 from the Statistical Yearbook for Education, Sports, and Youth 2018 - 2019*
***Table 26 from the Statistical Yearbook for Education and Sports 2021 - 2022*

Another institution that provides data for children and young people aged 15-18 years is the Institute of Statistics (INSTAT), through the NEET indicator, which is among the indicators measured by this institution since 2010. NEET is defined as:

The indicator for youth in neither employment nor education and training (NEET) corresponds to the percentage of the population of a group of a certain age and gender, who are not employed and are not involved in education or any further training. This indicator refers to persons who meet these two conditions:

- they are not employed (i.e. unemployed or inactive according to the Definition of the International Labour Organization);
- they have not received any education or training in the four weeks prior to the observation. The denominator is the general population of the same age group and gender, except for respondents who have not answered the question 'participation in regular education and training'.

INSTAT data includes the percentage of young NEET individuals categorized by two age groups (15-24 and 15-29), gender and educational level. INSTAT has an optics more focused on the relationship with the labor market than within the pre-graduate education system, when measuring NEETs in Albania. Unfortunately, there is a lack of information about NEET youth who are not currently enrolled in education or training, further divided by age and gender. In fact, the 15-18 age segment belonging to children or adolescents in higher secondary education disappears within the NEET statistics that come from INSTAT.

Furthermore, the data is only at national level and identifying these young people in terms of geographical alignment (regional or local level) within the Albanian territory or socio-economic characteristics is impossible with the available public data. This makes it difficult not only to design successful policies for them, but makes it impossible to identify and implement specific and individual interventions to improve their status.

Other information that could be reinforced by adding specifications – both for the 15-18 age segment not measured by INSTAT's NEET, as well as the degree of vulnerability that leads to dropout, or the risk of dropping out of higher secondary education – can be obtained from a range of institutions operating at the local level. This would help to inform you about the current extent of the drop out of higher secondary education and the social and economic consequences that this phenomenon represents.

III. Effects of Upper Secondary School Dropout

One of the biggest challenges in addressing school dropout among the 15-18 age group is precisely the difficulty in identifying and tracking these young people, who often "disappear" within the broader NEET group statistics (young people not in education, employment or training). The transition from potential school dropout to NEET group member often occurs invisibly and progressively, starting with frequent school absences, which then turns into complete abandonment and eventually to disengagement from any form of education or training. Support for students of this age group would serve as a preventive mechanism, keeping young people engaged in the education system before they become part of NEET statistics. Moreover, since school is where these young people can be more easily identified and supported, maintaining their connection to the education system creates better opportunities for early intervention and prevention of their full social and economic exclusion.

INSTAT reports high NEET rates among young people, which especially in the context of high school dropout represents a critical socio-economic challenge that requires immediate attention and addressing.

Why is this important? - The decision to leave upper secondary education prematurely has far-reaching implications for human capital development. During the crucial ages of 15-19, individuals develop not only academic knowledge but also critical thinking skills and social competences that are fundamental to their future success. Early school dropout interrupts this development process, creating gaps that become increasingly difficult to bridge later in life.

The economic implications of dropping out of high school extend beyond individual consequences to affecting broader societal outcomes:

1. Low lifetime income: Individuals who do not complete higher secondary education face significantly lower earning potential during their careers.

2. Limited access to the labor market: In an increasingly knowledge-based economy, the absence of a graduation often serves as a barrier to many job opportunities.

3. Increased social aid dependence: Early school dropouts are more likely to seek welfare and unemployment benefits throughout their lives.

4. Lower tax revenue: Reduced earning potential translates into lower tax contributions, affecting public finances.

The social exclusion and inter-generational impact of upper secondary school dropouts is serious. The consequences of early school dropouts often create a cycle of disadvantages:

- Social mobility barriers: Low education limits opportunities for social advancement
- Intergenerational effects: Children of early school dropouts more likely to face educational challenges themselves
- Health outcomes: Lower educational attainment linked to poor, more vulnerable health and reduced life expectancy
- Civic participation: Early school dropouts often show lower rates of civic engagement and political participation

Reducing higher secondary school dropout rates requires a comprehensive approach that addresses both immediate barriers to education and fundamental socioeconomic factors. Successful implementation of these policies requires sustained political engagement, appropriate allocation of financial resources to reduce dropouts in secondary education, and continuous monitoring and adaptation of interventions. The long-term benefits of reducing dropout rates – including improving human capital, reducing dependence on social assistance and increasing economic productivity – far outweigh the initial investment required for implementation. For countries like Albania, where NEET rates remain considerable, prioritizing education retention represents a crucial step towards sustainable economic development and social inclusion.

IV. Strategic and legal framework related to the dropout in Albania

4.1 National Education Strategy 2021-2026

Current support policies mainly address students up to grade 9 compulsory education, but the need to address even higher secondary education has not remained unnoted.

The National Education Strategy 2021-2026 (SKA 2021-26) underlines that higher secondary education is not compulsory, but is characterized by a high level of pupil coming from from basic education (about 95%). The types of higher secondary education are: high school, vocational secondary education and oriented secondary education. Students who attend secondary education belong to the age group 15-18 years.

In the SKA 2021-26 document, one of the goals is *to increase participation in pre-university education* - where, despite the high participation from basic education (about 92.5%), inclusion is lower than in other countries in the region due to dropout. Special care will be given to girls and boys at risk of dropout as well as those from vulnerable groups: children with disabilities, girls and boys returning from immigration, children in conflict with the law, and members of the Roma and Egyptian minorities.

According to SKA 2021-26 this presumes the creation of a system for prevention and response to school non-enrollment and the dropout of students in primary, lower and upper secondary education. SKA 2021 – 26 provides that in 9-year and upper secondary schools, as well as in the Local Pre-University Education Office (ZVAP), is needed to create groups for prevention and response to non-registration and dropout, composed of teachers and community representatives.

SKA 2021-26 explains that the work of these groups will be guided by special protocols, they will be supported to increase identification capacities, while a reporting system is foreseen to be built for cases of non-registration and dropout of schooling. It is also envisaged to provide transport for high school students in need that meet the set criteria.

The aim of these interventions is to increase participation in higher secondary education, therefore students of this level who meet certain criteria will be offered free transport to school. It is believed that such a move will affect the increase in participation of girls from rural areas in upper secondary education.

4.2 National Employment and Skills Strategy 2023–2030

The National Employment and Skills Strategy 2023– 2030 (SKPA 2023-30) underlines that the Albanian government and institutions related to employment, education and training will ensure that every young person in the age group 15 - 29 years (NEET) has a decent offer of employment, training or education within a reasonable period of time from the moment of identification, in line with the recommendations of the European Commission. The National Employment and Skills Strategy 2023 - 2030 envisages to reduce the NEET rate to 15% in 2030, when the EU has as its target to reduce the rate of NEET youth aged 15-29 by 2030 to 9 percent from 13.1 percent in 2021.

SKPA 2023-30 envisages mapping of NEET youth as well as development of programs and instruments to prevent the increase in the number of youth NEET based on the information generated by the education and professional training system (VET) - for this will be established a monitoring system for early school dropouts and the career counselling service within educational institutions will be strengthened. In more detail SKPA 2023-30 in its action plan provides and has realized:

Table 2: *Planification and realization of the action plan of SKPA 2023-30*

PPlanification SKPA 2023-30 Priority measures 2.1.2 Supported and inclusive transition from school to work for young people (NEET) through the implementation of the Youth Guarantee scheme	**Implementation Performance During 2023-2024** (reports, information, data, online sources)	**Planned for implementation in the coming years**
Conducting (annual) assessment of NEET profile in Albania	This process has not yet begun.	Implementation time TM1 2023 - TM4 2030
Expand early warning system, which will allow risk of dropout after compulsory education to be assessed.	In the process - In cooperation with UNICEF, the National Employment and Skills Agency, as well as other ecosystem partners, is implementing the "Stay" project. The purpose of this intervention is to empower and engage students who are at risk of school dropouts and NEET, with a particular focus	Implementation time TM1 2023 – TM 4 - 2025

arsimit të detyrueshëm.	on girls. In this context, during 2023, it has been worked to establish local and national networks for identifying young people at risk of dropout and developing career orientation programs, implementing an early warning system for prevention of dropouts in pre-university education, including VET schools. For the first time in 14 vocational high schools in Albania, the Early Warning System aims to address the prevention of school dropouts in a structured and measurable way. School staff in 14 pilot schools are trained and mentored by national and international experts on the implementation of the System, better understanding the difficulties teachers face from students at risk of dropout and the challenges associated with keeping them in school. Another activity developed to address the risk of dropout is grants to schools regarding the implementation of school projects, with ideas given by vocational school students. Projects from all 14 schools include the interaction of teachers, parents, boarders, local community, local businesses and municipal institutions. Curriculum & Manual of Training & Implementation of early warning system & promoting socio-emotional learning in AFP schools • Quality assurance and self monitoring instruments for the implementation of Early Warning System in VET schools • Packages of models for projects with Early Warning System focus and socio-emotional learning to prevent dropout. These are carried out in vocational secondary schools, but not in non-vocational upper secondary education	
Providing teaching support to students at risk of dropping out	In the process - In support of students at risk of dropping out, part of the groups set up near schools are psychologists/social workers in total 33, who are appointed to schools under Order no. 414, dated 26.7.2023 "On certain additions and amendments to Order no. No. 313, dated 20.10.2020, of the Minister of Education, Sports and Youth, "On the organization and functioning of the psychosocial service, in pre-university education institutions and the procedures of appointment, suspension and removal in the psychosocial service" changed" and the bodies approved by the ministry responsible for the VET. These groups have identified cases of students at risk of retaliation; Comparative analyses on the number of abandonments during the past year and the number of cases at risk of abandonment have been conducted and are constantly kept in the attention of repeat students.	Implementation time TM1 2025 – TM4 2030

Evaluation of the implementation of social support measures to reduce disadvantages for access to education and training system	In the process, but only for secondary professional education - To increase access to professional education, measures were taken to improve the legal basis by making changes to the Decision of Council of Ministers (DCM) no.666, dated 10.10.2019 amended "On financial quotas of food in the menu and dormitories and the determination of criteria for the benefit of payment scholarships for pre-university education students in public educational institutions (where it is determined that all girls receive half scholarships, (1) For those who follow not required guidance; As well as approved by DCM no. 119, dated 1.3.2023 "On the use of public funds for transport of working educational workers and students learning outside the settlement"	Implementation time TM1 2023 – TM4 2023
Expanding the labour market information management system to track the path of youth NEET before, during and after inclusion in the Youth Guarantee scheme	In the process - During 2023, the AKPA has started designing the Youth Guarantee Tab in the Information System for Monitoring scheme and building the sub-module of monitoring through the Employment Services Information System. The system will continue to evolve in the coming year.	Implementation time TM1 2024 – TM4 2024

"Changing Lives Through Education" by Nehemiah Gateway USA. Available at: https://www.globalgiving.org/projects/in-albania-changing-lives-through-education/

V. Current support policies and their funding - how they work in practice

Currently, support policies for children or young people who dropout or are at risk of dropping out of school treat students up to the age of 15 who belong to compulsory education in the Republic of Albania In support of Article 57 of the Constitution of the Republic of Albania1, articles 6, 19 and 28 of Law no. 48/2018. On some additions and amendments to law no. No. 69/2012, "On the pre-university education system in the Republic of Albania, as well as a set of other legal acts that address specific categories of children and students attending pre-university education, on the proposal of the MoES and the Ministry of Finance (MoF), in order to help *"students, children of families in need with an impact in reducing the level of "school dropout", Who are enrolled in basic education, but financially impossible do not follow basic education", was adopted* the DCM no. 666, dated 10.10.2019 "On financial quotas of food in the cafeteria and dormitories and the determination of criteria for the benefit of scholarships and fees for pre-university education students in public educational institutions.[1]

The approval of the DCM no. 666, dated 10.10.2019,"On financial quotas of food in cafeterias and dormitories and the setting of criteria for the benefit of scholarships and fees for pre-university students in public educational institutions", *for the first time, addresses for the first time specific categories of children and students attending pre-university education, namely of students, children of families in need with an impact on the reduction of the level of "abandonment" schools, which are enrolled in basic education, but in financial inability to follow basic education.*

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[1] Legal Support Base for implementation of THE VKM No. 666, dated 10.10.2019, "On financial quotas of food in cafeterias and dormitories and the determination of criteria for the benefit of scholarships and fees for pre-university education students in public educational institutions:

1. Article 57 of the Constitution of the Republic of Albania;
2. Law no. 48/2018 On some additions and amendments to law no. 69/2012, articles 6, 19 and 28;
3. Law no. 15/2017 on vocational education and training in the Republic of Albania, of point 2, Article 32;
4. Law no. 139/2015 dated 17.12.2015 "On local self-government;
5. Law no. 10289, dated 17.6.2010, "On the manner of economic and financial treatment and for immediate assistance to the families of the employees of the State Police, the Guard of the Republic, the Internal Control Service, the Fire protection and rescue service, the Armed Forces, the State Intelligence Service and the Prison Police, who lose their lives at the head or because of duty, Articles 1 and 5;
6. Law no. 7889, dated 14.12.1994, "On the status of the disabled of work, as amended, article 2;
7. Law no. 8153, dated 31.10.1996, "On the status of orphanage" , as amended, Article 6,
8. Law no. 8098, dated 28.3.1996, "On the status of the blind", as amended, Article 8,
9. Law no. 8626, dated 22.6.2000, "Status of paraplegic and tetraplegic invalid", as amended, article 8;
10. Law no. 57/2019, "On social assistance in the RSH, Article 32;
11. Law no. 99/2018, "On the budget of 2019.

In point 2 of the DCM no.666, dated 10.10.2019 it is determined that: Students who attend full-time pre-university education and vocational secondary education in public educational institutions, receive scholarships within the following quotas and criteria (2.1 According to economic criteria):

a. Pre-university education students, who follow the learning process at a distance of over 5 km from their permanent residence and who meet the economic criteria, according to the mirror no. 1, that is related to this decision and who are accommodated in public dormitories.

b. Pre-university education students, who live in rural areas that do not have a 9-year-old school within a 5 km radius, who meet the economic criteria, according to mirror no. 1, and who are accommodated in public dormitories.

c. Students, children of families in need with an impact on the reduction of the level of "school dropout", who are enrolled in basic education, but financially inadequate to attend basic education.

In accordance with the point 4 of the DCM no.666, dated 10.10.2019, "Local Self-Government Units, for reducing the level of school dropout, for students who are enrolled in basic education, but financially impossible do not attend basic education, approve financial scholarships with beneficiaries, children of families in need after confirmation by the custodian teacher on attendance of the teaching process, by the headmaster of the school, as well as by the ZVAP."
Funding policies to reduce school dropouts in comtintent and secondary education are included in the following programs: "09120 – Basic Education (including Preschool)" and "09230 – Higher Secondary Education".

The total number of scholarships approved by MAS for all beneficiary categories, according to DCM no. 666/2019 for the 2023 – 2024 school year is as follows:

- At national level, 4,037 scholarships have been approved (of which 3,804 approved with MoES funds and 233 approved with Local Self Governance Unit funds).
- MoES has approved 3,804 scholarships for all pre-university education students, not including vocational education students.
- The funding for covering the expenses for 3,804 scholarships for all students of pre-university education for the school year 2023-2024, for 9 months x 7,320 ALL per month, is in the amount of ALL 250,060,520.

VI. Identifying children/teens who drop out of school and actors involved in the process

Available statistical data can only be of practicable value if it is reinforced and updated in real time with the involvement of institutions that have legal competence at central and especially local level, which take care of the problems of children who drop out of school or are at risk of dropping out of school in higher secondary education. The dynamics of these situations include, at least, four categories of children out of school or at risk of dropping out of it:

- *Out-of-school children visible: school-age children who do not attend school but are enrolled in educational databases; these are generally children who have dropped out of school.*
- *Semi-invisible out-of-school children: school-age children who have never attended school but their records are in one or more government databases; it is possible to identify them by linking the registration data to these government databases at the level of each child.*
- *Invisible out-of-school children: school-age children who have never attended school and who have not enrolled in any of the government's databases; therefore it is difficult for these children to be found and identified.*
- *Children at risk: school-age children who are in school but are at risk of abandoning it.*

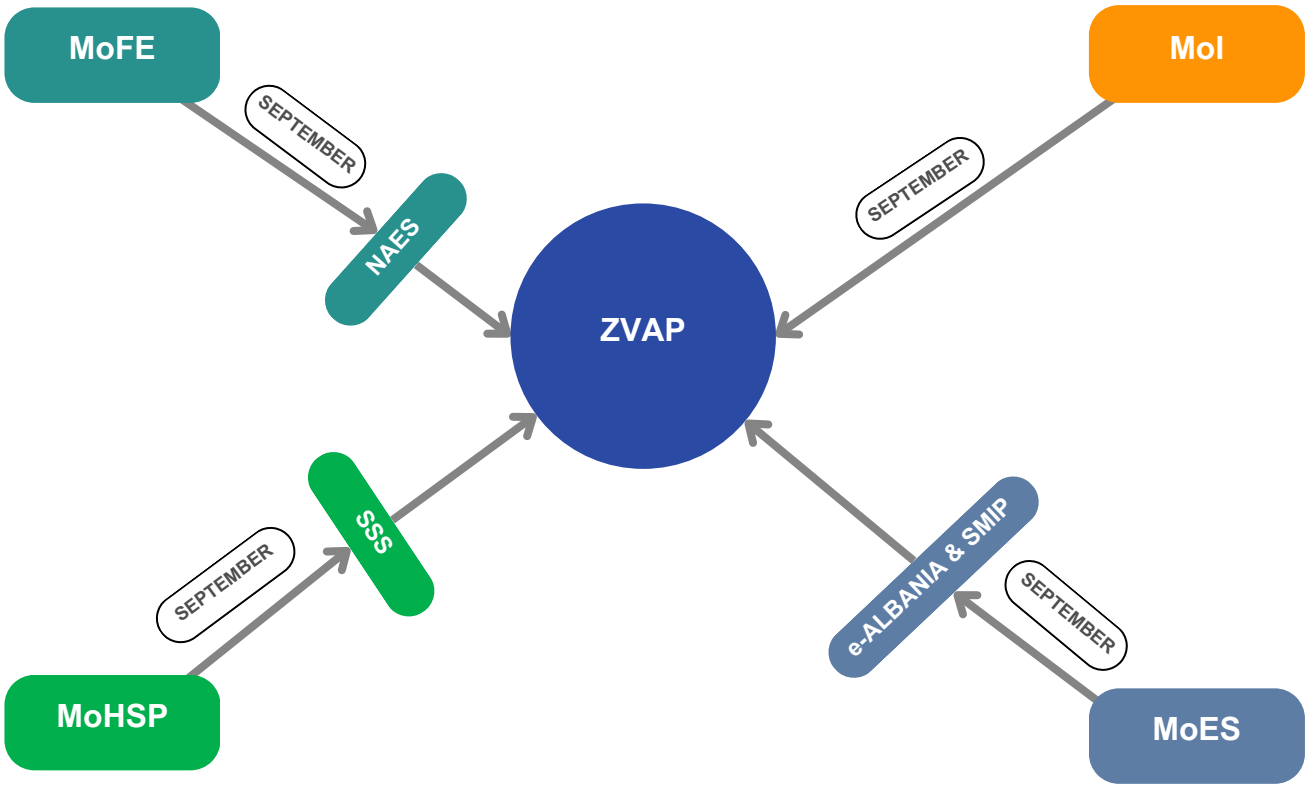
The specifics of the above groups are different and so are the ways to resolve them. Frequent migratory movements inside and outside the country further make it difficult to identify students outside school and to treat cases according to the above specifications.

Institutions at local level that may be involved in identifying children who drop out or are at risk of dropping out of school appeared in the following graphic:

Graph 1: *List of institutions at the local level that can be involved in the identification of children who drop out, or are at risk of dropping out of school*

A possible scheme of the mechanism for timely information exchange between these institutions (at central and local levels) to accurately identify children who drop out of school or are at risk of dropping out is presented in the figure below:

Graph 2: *A possible mechanism scheme for identifying children who abandon, or are at risk for NEET*



List 1: The nominal list of children aged 15–18 living within the country through the General Directorate of Civil Status

List 2: The nominal list of children and youth aged 15–16 registered in the 9th grade of compulsory education (public and private), 16–18 registered in upper secondary education (public and private) through e-Albania and SMIP

List 3: The nominal list of children in public residential social care institutions for children who are early school leavers

List 4: The nominal list of children and youth enrolled in vocational secondary schools, multifunctional VET centers, and vocational training centers

VII. Proposal to support

Amending DCM Nn.666, dated 10.10.2019, "On financial quotas of food in cafeterias and dormitories and setting criteria for the benefit of scholarships and fees for pre-university students in public educational institutions" adding to it a specific new category (2.1.d) of students pursuing pre-secondary higher education, specifically of students coming from families in need with an impact on the reduction of the level of "school drop-outs", who are enrolled in higher secondary education, but financially inability to attend higher secondary education.