

# Hungary

## **Overview of the Vocational Education and Training System**

**2007**

**eKnowVet – Thematic Overviews**

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**Abstract:**

This is an overview of the VET system in Hungary. Information is presented according to the following themes:

1. General policy context - framework for the knowledge society
2. Policy development - objectives, frameworks, mechanisms, priorities
3. Institutional framework - provision of learning opportunities
4. Initial vocational education and training
5. Continuing vocational education and training for adults
6. Training VET teachers and trainers
7. Skills and competence development and innovative pedagogy
8. Accumulating, transferring and validating learning
9. Guidance and counselling for learning, career and employment
10. Financing - investment in human resources
11. European and international dimensions, towards an open area of lifelong learning

This overview is part of a series produced for each EU Member State (plus Norway and Iceland). Each report is prepared by Cedefop's national network member (ReferNet) and is updated on an annual basis: the reference year of this report is, 2006. Later editions can be viewed from December 2008 onwards at: [http://www.trainingvillage.gr/etv/Information\\_resources/NationalVet/](http://www.trainingvillage.gr/etv/Information_resources/NationalVet/) where more detailed thematic information on the VET systems of the EU can be found.

**Keywords:**

training system; training policy, initial training, continuing vocational training, training of trainers, skill development, vocational guidance, recognition of competences, validation of non formal learning; financing of training

**Geographic term:**

Hungary

## THEMATIC OVERVIEWS



### 01 - GENERAL POLICY CONTEXT - FRAMEWORK FOR THE KNOWLEDGE SOCIETY

#### 0101 - POLITICAL AND SOCIO-CULTURAL/ECONOMIC CONTEXT

The political system of Hungary has been a parliamentary republic since 1989. Its main legislative body is the Parliament whose 386 members are elected by the people for four years. The Parliament elects the President, the representative head of the state, and the Prime Minister, the head of government exercising the executive power.

The process of decentralization in public administration has been ongoing since the change of the political system in 1989, and local governments are now empowered with extensive rights and duties in organizing the life of local communities, including the field of education and training. The traditional mid-level public administration units are the 19 counties and the capital city of Budapest. Since 1999, pursuant to EU requirements, seven NUTS II level regions have been created for planning-statistical and development purposes. Within each of these regions, altogether 168 statistical sub-regions were identified covering settlements of similar socio-economic background.

The establishment of a regional level institutional system has thus begun but only in respect of territorial development. The main decision-making bodies of the regions are the regional development councils (*regionális fejlesztési tanács*). At regional level currently there are hardly any decentralized institutions and only a few examples of de-concentrated organisations. Nevertheless, in the field of vocational education and training, regional development and training committees of the latter type play an increasingly important role, and from 1 January 2007, county labour centres supporting the training of the unemployed and other target groups are replaced by regional labour centres (*see also section 0302*).

The prime educational policy objective concerning the development of VET is to serve the needs and demands of the labour market that underwent a major restructuring in the 1990s (*see section 0103*), facilitate employment and reintegrate the large number of working-age inactive people to the labour market, and to contribute to the development of a knowledge-based society. Planning and forecasting that should serve as the bases of policy development are, however, rather underdeveloped and also limited due to several factors, including significant differences in labour market needs and demands according to the size of enterprise and region, fast development of alternative employment forms, size and openness of the economy (dependency on foreign capital), and weakness of social partner mediation.

#### 0102 - POPULATION AND DEMOGRAPHICS

The area of Hungary is 93 030 km<sup>2</sup> and its population was 10 097 549 on 1 January 2006 (10 064 000 on 1 January 2007). The vast majority of people are ethnically and linguistically Hungarian (Magyar), but there are also Gipsy, German, Croatian, Slovak, Romanian and other minorities.

In line with European trends, the population of Hungary is ageing, and, owing to declining birth rates and relatively high death rates, has also been decreasing since 1981. Natural decrease has been partly counterbalanced by migration gain since the early 1990s. These demographic trends have their implications on education and training. On the one hand, the number of students studying in vocational training schools within public education has decreased, although it was partly compensated by the expansion of secondary education (the growing number of students in secondary vocational schools, *see section 0104*). This leads to the problem of making effective use of existing school capacities and to increasing competition between schools. On the other hand, the demand for adult education programmes is expected to grow considerably in the future.

Table 1: Age-specific demographic trends for 2006, baseline scenario until 2025 (in thousand)

	2006	2010	2020	2025
<b>TOTAL</b>	10 067 581	9 976 792	9 741 229	9 613 265
<b>AGED 0-24</b>	2 856 098	2 711 971	2 453 059	2 413 589
<b>AGED 25 -59</b>	5 063 226	5 019 445	4 742 278	4 657 660
<b>AGED 60+</b>	2 157 257	2 245 376	2 545 892	2 542 016

Source: Hungarian Central Statistics Office (*Központi Statisztikai Hivatal*)

Another special characteristic of Hungarian population having an effect on VET is the low level of internal mobility within the country due to factors such as regional differences in the cost of housing, deficiencies of the transportation system and the network of public roads. This limits labour market planning based on mobility and the regional level planning of VET.

#### 0103 - ECONOMY AND LABOUR MARKET INDICATORS

The structure of the economy and of the labour market has undergone a major transformation since the change of the political system in 1989, and as a consequence, the proportion of employment has decreased in agriculture and the industry and increased in the service sector. In 2005 the majority of the employed population worked in the services (62.85%), 32.3% in industry, and 4.85% in agriculture (the figures for 2006 are: 62.53%, 32.31% and 5.16%, respectively).

The transformation process was accompanied by dramatically increasing unemployment rates in the 1990s: it was the highest in 1993 when it reached 11.9% of the economically active population, and then it stabilized in the second half of the decade at around 5-6%. Although unemployment rates increased in the past years (from 6.1% in 2004 to 7.2% in 2005, 6.9% for men, 7.5% for women; figures for 2006 are: 7.5%, 7.2% and 7.8%, respectively), currently the greatest challenge is the low employment rate of the population (in 2005 it was 57.3% for men, 44.2% for women, and 50.5% for the total 15-74 aged population; figures for 2006 are: 58%, 44.4% and 50.9%, respectively). The unemployment rate of young people (aged 15-24) has been rising for the past years; in 2005 it was 19.4% (decreased to 19.1% in 2006).

In 2005 public expenditure on education was 5.31% of the GDP (1.07% for upper secondary and 0.98% for higher education). In terms of total public expenditure, 10.42% was spent on education in 2005.

#### 0104 - EDUCATIONAL ATTAINMENT OF POPULATION

The educational attainment of the population has been improving in the last decade and the average level of educational attainment of the economically active population has approached that of the EU average (see Table 1 for the current figures of Hungary). The proportion of people with at most ISCED 2 level qualifications is lower, while of those with upper and post secondary qualifications is higher than the EU average, although the rate of people having the maturity certificate (*érettségi*)

*bizonyítvány*, ISCED 3A) awarded at the secondary school leaving examination is only 48.2%.

Table 1: Population aged 25-64 by highest level of education attained, 2005<sup>1</sup>

	PRE-PRIMARY, PRIMARY AND LOWER SECONDARY EDUCATION (ISCED LEVELS 0-2)			UPPER SECONDARY AND POST-SECONDARY NON-TERTIARY EDUCATION (ISCED LEVELS 3-4)		TERTIARY EDUCATION (ISCED LEVELS 5-6)	
	TOTAL (1000)	TOTAL (1000)	%	TOTAL (1000)	%	TOTAL (1000)	%
<b>EU-25</b>	250 265	75 551	30	115 186	46	58 020	23
<b>HUNGARY</b>	5 565	1 233	22	3 342	60	990	18

<sup>1</sup> Educational attainment level: From 1998 data onwards ISCED 3c levels of duration shorter than 2 years do not fall any longer under the level upper secondary but under lower secondary

Source: Eurostat, EU Labour Force Survey; on-line database, download date 22/11/2006

Currently, the vast majority (around 95%) of students complete the eight grades of primary school (*általános iskola*, ISCED 2A) by at most 16 years of age which may in part be due to the extension of compulsory schooling to this age (which is to be further extended to 18 years concerning those who started primary education in 1998 and later) and the possibility of repeating every school grade. There was a significant expansion of secondary education in the 1990s, initiated primarily by the growing social demand for upper secondary school types awarding the maturity certificate and the interest of secondary schools to maintain the same number of students in spite of the demographic decline. The proportion of people with tertiary level qualifications has been continuously increasing in line with the expansion of higher education which was even more extensive than that of secondary education, but their rate in the active population is still lower than in most member states.

The proportion of early school leavers - percentage of the population aged 18-24 with at most lower secondary education and not in further education and training – is somewhat lower than the EU average (see *Table 2*). In addition to reasons mentioned above, this may in part be explained by the opportunity to obtain the first (and in the period of 1999-2005 also the second) vocational qualification until the age of 23 free of charge in full time public education and (from 2003 to 2007) also in adult training supported by state per capita funding. However, the high number of drop-outs is a very significant problem for certain disadvantaged groups and in certain institution types, especially in the upper secondary level vocational schools (*szakiskola*).

Table 2: Percentage of the population aged 18-24 with at most lower secondary education and not in further education or

training <sup>1</sup>							
	2000	2001	2002	2003	2004	2005	2006
<b>EU-25</b>	17.3 <sup>(e)</sup>	17.0 <sup>(e)</sup>	16.6	16.2 <sup>(b)</sup>	15.6	15.2	15.1
<b>HUNGARY</b>	13.8	12.9	12.2	11.8 <sup>(b)</sup>	12.6	12.3	12.4

<sup>1</sup> ISCED 97, level 0, 1, 2, 3c short; respondents declared not having received any education or training in the four weeks preceding the survey

<sup>(e)</sup> Estimated value

<sup>(b)</sup> Break in series. In 2003 there was a methodological change in the collection of the data in terms of sample design in Hungary. Until 2002 the sampling frame of the Labour Force Survey (LFS) consisted of the 12 775 enumeration districts (EDs) of the 1990 census. From January 2003 to June 2004 the sample of the LFS consisted of two parts. One part still kept using the EDs of 1990 census, while the other part got sampled from the address register of 2001 census. From June 2004 all of the sampled addresses come from the register of the 2001 census.

Source: Eurostat, EU Labour Force Survey; on-line database, download date 23/11/2006

## 02 - POLICY DEVELOPMENT - OBJECTIVES, FRAMEWORKS, MECHANISMS, PRIORITIES

### 0201 - OBJECTIVES AND PRIORITIES

#### STRATEGIES

In the past years the comprehensive renewal and modernization of vocational education and training in line with the changing socio-economical needs and demands has been gaining strategic importance in Hungarian educational policy. The major current challenges of VET include:

- discrepancy between VET and labour market demands in both quantitative and qualitative terms;
- inadequate practical training;
- inadequate information/statistical systems to provide data for planning and forecasting;
- falling prestige of VET and especially of vocational schools, high number of drop-outs due to inadequate content and methodology of training;
- low participation rates in continuing vocational education and training and lifelong learning.

The development objectives and measures regarding the improvement of the system and content of VET - including training awarding state recognized vocational qualifications in public education, higher education and adult training - have been defined in various sectoral strategies and government resolutions.

Higher education is currently under a major transformation in relation with the Bologna process and the Hungarian Universitas Programme (see section 0407). The most immediate tasks of the development of adult training - aiming at a qualified labour force that can easily adapt to the changes of society and the challenges of the labour market, thus facilitating the development of a knowledge-based and competitive economy and also the realization of equal opportunities for everyone - have been defined in the 1069/2004. (VII.9.) government resolution. Strategies concerning the development of VET and lifelong learning are described in more detail below.

### STRATEGY OF THE DEVELOPMENT OF VOCATIONAL EDUCATION AND TRAINING 2005-2013

The Strategy of the Development of Vocational Education and Training concerning VET awarding state recognized qualifications of the National Qualifications Register (*Országos Képzési Jegyzék, OKJ*) within or outside the formal school system as well as other vocational trainings was accepted in 2005. Its main objective is to ensure the provision of high quality VET in accordance with the individual and social demands of the 21st century that will contribute to the socio-economic development of Hungary and prepare the individual for a successful career through the development of her/his capacities. The reform measures defined in the 1057/2005. (V. 31.) government resolution target:

1. Providing quality VET for everyone through restructuring the VET system according to the needs of the users, improving the accessibility of VET, creating modern teaching/learning materials for VET, and modernizing the training of teachers and trainers;
2. Developing a more cost efficient system of financing and governance through improving users' opportunities to advocate their interests, making more efficient use of resources and improving the allocation of capacities, and developing the institutional system of VET; and
3. Developing the information and statistical system of VET.

### STRATEGY FOR THE ENHANCEMENT OF LIFELONG LEARNING

The Strategy for the enhancement of lifelong learning accepted by the Hungarian government in 2005 for the period ending in 2013 provides for an overall development programme focused on the development of individual competences. It abandons the sectoral approach linked to the existing institutional systems in favour of one that proposes government responses to social and economic problems as a whole. The LLL strategy and the related 2212/2005. (X.13.) government resolution aim at constituting a consensus-based ground for the action programmes and action plans of a variety of sectors that would provide for development in a system-like manner.

Please see [here](#) for the priorities and the key areas of development defined by the LLL strategy.

#### Development programmes

The measures defined in the above strategic documents are to be implemented through legislative amendments, administrative reforms and development programmes. The renewal of the content and system of VET is currently supported primarily through two major development programmes:

- the Vocational School Development Programme (*Szakiskolai Fejlesztési Program, SZFP*) financed from national funds, and
- the Human Resources Development Operational Programme (HRD OP) of the I. National Plan of Hungary which governed the utilization of EU Structural Funds assistance in the period of 2004-2006.

### VOCATIONAL SCHOOL DEVELOPMENT PROGRAMME

The *SZFP* originally planned for the period of 2003-2006 but extended to 2006-2011 and to more schools aims to improve the competences of vocational school graduates, increase the market value of their qualifications and the prestige of vocational schools. 90 vocational schools participated in the first phase of the programme which involved 4 general components and 4 thematic projects as follows:

- (A) General education and vocational grounding
- (B) VET Methodology
- (C) Reintegration of disadvantaged students
- (D1) Self-development of schools and (D2) Quality improvement

The thematic projects were called Foreign languages (English and German), Vocational school Measurement-evaluation, Vocational school career orientation, and

Information technology in vocational schools. Component A, B and C all included (in accordance with the profile of the given component):

- content development: developing curricula, teaching materials, background materials for teachers (study guides, exercises, dictionaries, etc.);
- human resources development: offering further training, study tours and training support for teachers, trainers, and school managers; and
- equipment development: establishing and upgrading the material conditions for training (equipment procurement).

Component D had links to all the other three components.

70 new schools are currently involved in *SZFP II* which – building on the products and developments of the first phase - aims at:

- reintegrating disadvantaged students in the 9th grade;
- renewing general and pre-vocational education in the 9th-10th grades;
- developing the methodology applied in the VET grades; and
- developing vocational school measurement-evaluation, self-development and quality improvement in all grades.

#### **HUMAN RESOURCES DEVELOPMENT OPERATIONAL PROGRAMME**

The HRD OP encompasses developments in the fields of employment, education and training, social and health services. Its measures are related to the development of education and training within and outside the formal school system, implemented through central programmes or tendering. (Please see [here](#) for the list of measures.)

One of the most influential projects was implemented within HRD OP Measure 3.2.1. (component called The new vocational training structure) aiming at the renewal of the content and structure of VET awarding OKJ qualifications, based on an extensive analysis of the Hungarian employment structure and job profiles. The major objectives of the programme were to strengthen links between education and training and the economy and to promote lifelong learning through adjusting the OKJ and VET outcome requirements to labour market demands and introducing a modular system of qualifications, focusing on the development of professional and other (method, social and personal) competences (see also 0703). The new OKJ published by the 1/2006. (II.17.) decree of the Minister of Education decreased the number of vocational qualifications from 804 to 416, and introduced a system of VET in which participants may receive a complete qualification upon the completion of a pre-defined group of training modules within or outside the school system, and which also facilitates lifelong learning through providing for continuing training periods awarding partial and specialised 'built-on' qualifications as well.

VET in accordance with the new OKJ was first introduced from September 2006 in 13 vocations in the member schools of the newly established regional integrated vocational training centres (*térségi integrált szakképző központ, TISZK*) and will be launched in all other OKJ qualifications following the publication of their outcome requirements by 2008. The creation of TISZKs that would serve in the future as modern, flexible and fully utilized centres of vocational practical training and examination and would coordinate and harmonize the training offer and operation of their member (6-8) schools – thus improving the efficiency of VET - was supported through HRD OP Measures 3.2.2. and 4.1.1.

The further development of VET and lifelong learning – including the improvement of the systems of quality assurance, career follow-up, vocational examination, measurement-evaluation, and career guidance and counselling - will be supported by Structural Funds assistance in the period of 2007-2013 through the Social Renewal and Social Infrastructure Operational Programmes.

### 03 - INSTITUTIONAL FRAMEWORK - PROVISION OF LEARNING OPPORTUNITIES

#### 0301 - LEGISLATIVE FRAMEWORK FOR VOCATIONAL EDUCATION AND TRAINING

The provision of vocational education and training – except for higher education degree programmes and so-called trainings regulated by public authorities (*hatósági jellegű képzés*) - is regulated by Act LXXVI of 1993 on Vocational Education and Training. Its provisions are related to both IVET and CVET, and are irrespective of whether it is provided within or outside the formal school system (i.e., in public/higher education or in adult training). This law defines:

- the training providers of VET;
- the content of the National Qualifications Register (*Országos Képzési Jegyzék, OKJ*) which – published in ministerial decrees – lists all state recognized vocational qualifications at each available level;
- the administrative structure of VET with the tasks, rights and duties of each concerned ministries, public authorities, agencies and consultative bodies;
- the content of the professional and examination requirements (*szakmai és vizsgakövetelmény*) of OKJ qualifications and general rules concerning the vocational examination;
- the special regulations concerning the provision of school-based VET (vocational theoretical and practical training, apprenticeships, study breaks and student allowances); and
- the financing of VET.

The operation, administration, and financing of institutions providing VET within public and higher education are regulated by Act LXXIX of 1993 on Public Education and Act CXXXIX of 2005 on Higher Education, respectively. The provision of adult training programmes outside the formal school system (which may be either IVET or CVET) – including the definition of the concept of adult training, its administrative and institutional system, content requirements (accreditation of institutions and programmes, content of adult training contracts, etc.), and state support schemes - is regulated by Act CI of 2001 on Adult Training.

Two other most significant laws concerning VET are:

- Act LXXXVI of 2003 on The vocational training contribution and the support of the development of training which regulates the conditions of the payment and allocation of this contribution and the distribution of sources available for development from the training sub-fund of the Labour Market Fund (*Munkaerő-piaci Alap, see section 1001*), and
- Act IV of 1991 on Facilitating employment and provisions to the unemployed which regulates the provision of training for the unemployed and other target groups.

Collective agreements do not in general play a significant role neither in IVET nor in CVET, though in some companies they can provide for and/or regulate employees' participation in further training opportunities.

#### 0302 - INSTITUTIONAL FRAMEWORK: IVET

The administrative system of vocational education and training in Hungary is rather complex due to several reasons:

- both IVET and CVET can be provided either within or outside the formal school system, but regulations concerning VET offered in adult training differ from those concerning school-based VET;
- VET within the formal education system can be provided both in public and higher education whose administrative structures are different;

- the administrative system of public education is highly decentralized;
- the definition of the outcome requirements of state recognized qualifications listed in the National Qualifications Register (*Országos Képzési Jegyzék, OKJ*) falls under the competence of several ministries.

Although IVET in Hungary is provided mainly within the formal school system, in public or higher education, adults can obtain their first *OKJ* qualification also in an adult training programme. Therefore, this section presents the administrative framework of VET including both IVET and CVET which can be provided in three different sub-sectors of education: public education, higher education and adult training.

#### ROLE OF THE EUROPEAN UNION

The policy initiatives and directives of the EU have a significant impact on national policy development, as manifested, for example, in the priorities of educational strategies of the past years (see section 0201). The planning, implementation and monitoring tasks related to the utilization of EU Structural Funds assistance since 2004 have led to the establishment of new agencies, and contribute to the development of strategic policy planning and cooperation with the social partners and among various concerned ministries.

#### ROLE OF THE CENTRAL GOVERNMENT

The sectoral governance of VET and adult training was unified in 2006, in order to establish a closer relationship between VET and employment policy. Since then, the overall responsibility for VET lies with the Minister of Social Affairs and Labour (*Szociális és Munkaügyi Miniszter, SZMM*) who is charged also with the sectoral management tasks of adult training. The National Institute of Vocational and Adult Education (*Nemzeti Szakképzési és Felnőttképzési Intézet, NSZFI*, existing from 1 January 2007 as the successor of the two formerly independent institutes of VET and adult training) assists in the development, coordination, research, information and counselling services of VET and adult training, including the management of the registers of the vocational examination and of accredited adult training institutions and programmes.

While the *SZMM* is responsible for the content regulation of VET, it issues its relevant decrees with the assent of the Minister of Education and Culture (*Oktatási és Kulturális Miniszter, OKM*) who is in charge of the sectoral management of public and higher education. The *OKM* is responsible for the regulation of VET within the formal school system, but it must issue its decrees related to school-based VET with the assent of the *SZMM*. The Education Office (*Oktatási Hivatal, OH*) and its regional offices perform public authority tasks in public and higher education, including the organization of the maturity examination (*érettségi vizsga*) and national surveys, performance of quality assurance functions, or the recognition of foreign qualifications.

Other ministers have responsibilities mainly regarding the content of VET: they are in charge of defining the professional and examination (i.e., the outcome) requirements (*szakmai és vizsgakövetelmény*) and developing the central curricula of *OKJ* qualifications of their sector.

#### ROLE OF THE REGIONAL/LOCAL GOVERNMENT

The traditional mid-level public administration units, the counties are charged with the provision of public education services that local governments are not obliged to provide, including upper-secondary VET, and the medium-term planning and coordination tasks of public education. A school maintainer county or local government is responsible for the lawful operation of the school and it approves its internal regulations as well as its educational and pedagogical programmes. It must also operate a quality improvement system and develop a quality management programme defining its expectations towards schools and the order of their professional, legal and financial inspection.

Concerning adult training, training providers and programmes have to be registered at the regional labour centres (*regionális munkaügyi központ*) of the Public Employment Service (*Állami Foglalkoztatási Szolgálat, ÁFSZ*) which are charged with the inspection of their lawful operation afterwards.

## ROLE OF THE SOCIAL PARTNERS

The social partners are involved in the decision- and policy making processes of VET primarily through various advisory councils set up by the law, serving as forums for dialogue and the conciliation of interests. The most significant national consulting bodies are:

- National Council for the Conciliation of Interests (*Országos Érdekegyeztető Tanács, OÉT*), set up to cooperate in defining strategies for VET;
- National Vocational and Adult Training Council (*Nemzeti Szakképzési és Felnőttképzési Tanács, NSZFT*), a consultative-advisory body of the minister responsible for VET and adult training;
- Higher Education and Scientific Council (*Felsőoktatási és Tudományos Tanács, FTT*), a professional advisory board of the minister responsible for education in development, financing and research and development matters of higher education.

At national level, the Hungarian Higher Education Accreditation Committee (*Magyar Felsőoktatási Akkreditációs Bizottság, MAB*) and the Adult Training Accreditation Body (*Felnőttképzési Akkreditáló Testület, FAT*) involving representatives of the social partners and professional associations perform tasks related to institution and programme accreditation and quality assurance functions in the field of higher education and adult training, respectively. The social partners have been involved in the development of VET outcome requirements also through the *OKJ* qualification committees established in the 21 occupational groups (*szakmacsoport*, see *Table 1 in section 0403*) in 2001, to be replaced by a non-sectoral *OKJ* committee in 2007 (see *section 0701*).

At regional level, the regional development and training committees (*regionális fejlesztési és képzési bizottságok*), operated by the Education Office, prepare regional strategies of the development of VET and assist in the tendering of sources from the decentralized section of the training sub-fund of the Labour Market Fund (*Munkaerőpiaci Alap, MPA*). The labour councils (*munkaügyi tanács*) serve as forums for the regional level conciliation of interest concerning the training of unemployed and other target groups supported by the labour organisation.

At local level, professional consultative boards of 9-15 representatives of the maintainer and the teaching staff, the local chambers of economy, employer and employee associations, and enterprises providing practical training to students were established in 2006 in every vocational training school training more than 500 students as an average in the past 3 years and in the newly established regional integrated vocational training centres (see *section 0201*). These bodies shall advise the maintainer and management of the school in any questions regarding VET, including the range of vocational qualifications offered and the vocational programme (curricula) of the school.

## ROLE OF OTHER NON-GOVERNMENTAL ORGANISATIONS

The two chambers of economy – the Hungarian Chamber of Commerce and Industry (*Magyar Kereskedelmi és Iparkamara, MKIK*) and the Hungarian Chamber of Agriculture (*Magyar Agrárkamara, MA*) – are assigned by the law to perform various tasks in VET at national, sectoral and also local level. The chambers - in cooperation with the national economic interest representative organizations - participate in the development of the professional and examination requirements of *OKJ* qualifications and the organization of level and vocational examinations. They perform also quality assurance tasks related to IVET within the school system (monitoring apprenticeship and other kinds of practical training), and develop the requirements of and organize master examinations as a form of CVET.

Professional chambers and associations can advise VET policy strategies and development programmes and participate in the development of outcome requirements.

Adult training institutions have to set up a professional consultative board (of representatives of professional organisations and other stakeholders and adult training experts) only if they want to receive public subsidy.

#### TYPES OF VET PROVIDERS

Upper and post secondary IVET is offered in vocational schools (*szakiskola*) and in secondary vocational schools (*szakközépiskola*), respectively, while higher level VET courses are organised by higher education institutions (colleges, universities), though may also be provided in secondary vocational schools.

VET school maintainers include local and county governments, state agencies, churches, foundations, etc. The maintainer is responsible for the lawful operation of the school and it approves its internal regulations as well as its educational and pedagogical programmes, but otherwise public education institutions enjoy autonomy in professional-pedagogical matters, supervised by the principal.

In higher education, the maintainer (the state, churches, foundations, etc.) supervises the operation and effectiveness of the professional work of colleges/universities, which otherwise enjoy wide-ranging autonomy in both administrative and pedagogical matters.

Adult training providers – including public and higher education institutions and other budgetary or state-supported institutions (e.g. regional training centres of the *ÁFSZ*), training companies, non-profit organizations, the workplace (internal training), chambers, etc. - are free to develop and provide their training programme if registered at the regional labour centre. Their institution and/or training programme has to be accredited by the FAT only if they want to receive public subsidy.

Table 1: Summary of the most significant bodies involved in the administration system of VET

	<b>VET IN PUBLIC EDUCATION</b>	<b>VET IN HIGHER EDUCATION</b>	<b>VET IN ADULT TRAINING</b>
<b>CENTRAL LEVEL</b>	Ministry of Social Affairs and Labour Ministry of Education and Culture sectoral ministries responsible for <i>OKJ</i> qualifications <i>NSZFI</i> OH advisory councils ( <i>OÉT, NSZFT, OKJ</i> committees) chambers of economy ( <i>MKIK, MA</i> )	Ministry of Education and Culture Ministry of Social Affairs and Labour sectoral ministries responsible for <i>OKJ</i> qualifications <i>MAB</i> <i>NSZFI</i> OH advisory councils ( <i>OÉT, NSZFT, FTT, OKJ</i> committees) chambers of economy ( <i>MKIK, MA</i> )	Ministry of Social Affairs and Labour Labour sectoral ministries responsible for <i>OKJ</i> qualifications FAT <i>NSZFI</i> advisory councils ( <i>OÉT, NSZFT, OKJ</i> committees) chambers of economy ( <i>MKIK, MA</i> )
<b>REGIONAL LEVEL</b>	regional offices of OH county local governments regional development and		regional labour centres of the <i>ÁFSZ</i> labour councils

	training committees		
<b>LOCAL LEVEL</b>	professional consultative boards school maintainers (local and county governments, state agencies, churches, foundations, etc.) vocational schools/secondary vocational schools local chambers	maintainers of higher education institutions (the state, churches, foundations, etc.) colleges/universities local chambers	adult training providers (public and higher education institutions, regional training centres, training companies, non-profit organizations, workplace, chambers, etc.) professional consultative boards

### 0303 - INSTITUTIONAL FRAMEWORK: CVET

A significant sector of CVET in Hungary is provided within the framework of adult training, but further training opportunities are offered also within the formal school system (in public and higher education) - similarly as IVET is offered primarily in school-based education but can also be provided in adult training. The administrative framework of IVET and CVET is therefore described jointly in section 0302. For more information, please refer to *section 0302*.

## 04 - INITIAL VOCATIONAL EDUCATION AND TRAINING

### 0401 - BACKGROUND TO THE IVET SYSTEM AND DIAGRAM

Education in Hungary is compulsory from the age of 5 (last year of kindergarten, *óvoda*) until the age of 16 in the case of students who began their primary school studies before 1 September 1998, and - pursuant to an 2003 amendment of the Act LXXIX of 1993 on Public Education - until the age of 18 for those who began their studies in 1998 or later. Compulsory education at pre-primary, primary and secondary levels is provided within the system of public education (*közoktatás*) whose provision operation is the duty of the state, although school maintainers include local governments as well as churches, foundations, individuals, etc. Tertiary level education is offered in higher education (*felsőoktatás*) which is available to everyone subject to capabilities and performance. The different types and levels of public and higher education programmes are presented in [Annex 1](#).

#### PATHWAYS OF IVET

Since 1998, in accordance with the 1996 amendment of the Act on Public education, vocational education and training can be commenced in the 11th grade, i.e., at the age of 16 at the earliest.

There are two types of vocational training schools (*szakképző iskola*), both of which are part of the public education system: vocational schools (*szakiskola*) and secondary vocational schools (*szakközépiskola*). They admit pupils typically upon completion of the 8 grades of primary school (*általános iskola*) at the age of 14; however, in compliance with the new regulations, they can provide only vocational preparatory/pre-vocational programmes in their first two or four general education grades. The vocational qualifications (*szakképesítés*) obtainable in these schools are those listed in the National Qualifications Register (*Országos Képzési Jegyzék, OKJ*). Students of vocational schools enter VET in the 11th grade, at the age of 16, and can obtain ISCED 3C or 2C level OKJ qualifications typically in 2 or 3 years, at the age of 18 or 19. Secondary vocational schools provide VET only to students who have already obtained the maturity certificate (*érettségi bizonyítvány, ISCED 3A*) – awarded at the maturity examination (*érettségi vizsga*) organized at the end of the 12th grade in this school type and in grammar schools (*gimnázium*) -, or completed the 12th grade.

These schools award ISCED 4C level *OKJ* qualifications in their post-secondary (the 13th and possible higher) VET grades.

A new form of IVET, the so-called higher level vocational education and training (*felsőfokú szakképzés*) was introduced in 1998. These non-degree, tertiary level programmes are organized by higher educational institutions, although they may be provided also by secondary vocational schools based on an agreement between the institutions. The precondition of participating in such courses is the maturity certificate, and these typically 4-term-long programmes provide VET to students older than the age of 18 to obtain an ISCED level 5B qualification listed in the *OKJ*.

Higher education degree programmes awarding a tertiary level graduation certificate and qualification (*szakképzettség*) are offered in (public, ecclesiastical and private) colleges (*főiskola*) and universities (*egyetem*) where the general entry requirement is the maturity certificate. The system of higher education is currently under a major transformation: the new multi-cycle training and the BSc/BA-MSc/MA-PhD/DLA qualification structure was introduced in September 2006, as the major outcome of the Bologna process (see also section 0407).

Although some *OKJ* vocational qualifications are obtainable only within the formal school system, most are offered also within the framework of adult training (*felnyittképzés*) available for those who have already completed their compulsory schooling. Such VET courses provided by training enterprises, non-profit organizations as well as by public and higher education institutions or state agencies engaging also in adult training (as defined by the Act CI of 2001 on Adult Training) may be classified as IVET in case the participant has not earned a vocational qualification in public or higher education.

However, the state provides for obtaining the first *OKJ* vocational qualification in public education and in state or ecclesiastical universities/colleges free of charge, and there are also part-time adult education programmes available within the school system at a typically much lower price than adult training courses. IVET in Hungary is therefore provided primarily within the school system in public and higher education. For this reason, and also because the regulations concerning the provision of adult training differ from those regulating public and higher education, the characteristics of VET provided outside the school system are discussed in *section 0502*.

#### **DIFFERENCES BETWEEN IVET AND GENERAL EDUCATION**

The system of IVET provided within the school system in public education is similar to that of secondary level general education offered in grammar schools in so far as both are regulated by the Act on Public Education, and differs from it in so far as the provision and content of VET is regulated by Act LXXVI of 1993 on Vocational education and training. Therefore, although there is not much difference between IVET and general education in terms of administrative/institutional structure, and of responsibilities, curricula, assessment, etc. related to general education provided in both types of vocational training schools, they do differ in the curricula and qualifications offered in the VET grades of vocational training schools.

There is more similarity between secondary vocational schools and grammar schools in that both types of schools prepare students for taking the maturity examination (*érettségi vizsga*), a prerequisite of studies at higher level, in the 12th grade (therefore only these school types are referred to as 'secondary schools', *középiskola*). Secondary vocational schools, however, offer also VET in their 13th and possible further grades preparing students for the vocational examination (*szakmai vizsga*) that awards an *OKJ* vocational qualification. In vocational schools students can obtain only vocational qualifications. Their graduates therefore have to complete three more years of a full or part time general education programme within the framework of adult education (*felnyitktatás*) in order to pass the maturity examination, before they can continue studies in higher education or obtain another *OKJ* qualification of a higher level.

#### **0402 - IVET AT LOWER SECONDARY LEVEL**

This level of IVET is nonexistent in Hungary since the Act on Public Education defines the 11th grade and the age of 16 as the earliest time when vocational educational and

training can be commenced. There is only one exception identified in the law: in vocational training schools preparing students for the vocational examination in a branch of art, VET may be provided parallel to general education. However, although VET thus may start in the 5th, 7th or 9th grade in such schools, a vocational qualification is obtainable only in the 10th grade of vocational schools of art (*művészeti szakiskola*) in case of parallel education, and after passing the maturity examination (*érettségi vizsga*) in secondary vocational schools of art (*művészeti szakközépiskola*).

#### **0403 - IVET AT UPPER SECONDARY EDUCATION (SCHOOL-BASED AND ALTERNANCE)**

##### **PATHWAYS**

Initial vocational education and training at secondary level is provided by two types of vocational training schools (*szakképző iskola*) which are both part of the public education system (*közoktatás*, for an explanation see section 0401):

- vocational school (*szakiskola*), offering 2 years of (primarily) general and typically (depending on the qualification awarded) 2 or 3 years of VET to students aged 14-18/19; and
- secondary vocational school (*szakközépiskola*), offering 4 years of (primarily) general, and an additional (and optional) 1 or more years of VET to student aged 14-19 (or older).

Vocational education and training awarding a state-recognized vocational qualification of the National Qualification Register (*Országos Képzési Jegyzék, OKJ*) is offered only in the VET grades of these schools, but they may provide vocational preparatory/pre-vocational programmes already in their general education grades (mandatory in vocational schools since 2006). The operation of these schools and the content of education and training they provide are regulated by Act LXXVI of 1993 on Vocational education and training as regards the provision of VET and by Act LXXIX of 1993 on Public education in every other aspect. Pursuant to the latter, vocational training schools may operate with VET grades only.

The major difference between the two school types is in their objectives and the qualifications they offer. Secondary vocational schools prepare students first for the maturity examination (*érettségi vizsga*) awarding the maturity certificate (ISCED 3A) that is a prerequisite of higher level studies, and then students can choose to continue studies in the VET grades (i.e., at post secondary level) to take the vocational examination (*szakmai vizsga*) and obtain an ISCED 4C level *OKJ* vocational qualification. Students studying in vocational schools, however, can take only the vocational examination and in lack of the maturity certificate they can attain only an ISCED 3C or 2C level *OKJ* vocational qualification.

In spite of these important differences, the general access requirements and characteristics of the curricula of their general education and VET grades, and the forms of assessment do not differ significantly in these two types of vocational training schools, therefore these will be discussed together for both types in the following paragraphs.

IVET pathways in public education do not differ according to the form of practical training: school-based, alternance and apprenticeship trainings (in their Hungarian versions) are all available in both types of schools. Current education policy aims to encourage students, schools and enterprises alike to organize practical training in such a way that its first phase focusing on mastering basic vocational skills should be provided in a workshop (maintained by the school, one or more enterprises, or a regional training centre, *regionális képző központ*). This should be followed by training at a real workplace in the final vocational grade to provide specialized vocational skills and competences.

Although the Act on Vocational education and training permits two (legal) forms of practical training organized at an enterprise, the form preferred by the law and education policy is apprenticeship training based on a student contract (*tanulószerződés*, see section 0404). This can be replaced by alternance training only under certain conditions (e.g. if the training is provided at a workshop or the workplace in a budgetary institution). In such cases the vocational training school contracts an

economic organization for cooperation to provide practical training for its students (official name: *együttműködési megállapodás*, cooperation agreement).

In school year 2006/2007, the majority of full time students (74%) in the VET grades of secondary vocational schools received their practical training (in whole or a part) in a school workshop, 18% participated in alternance training (within the framework of a cooperation agreement), and only 9% in apprenticeship training. Students of vocational schools participated in practical training outside the school much more often, 46% of them in apprenticeship training and 14% in alternance. For more statistical data on practical training provided in IVET within public education please see [Annex 2](#).

Pathways, type of learning outcome and providers of IVET within the school system do not differ according to economic sectors either.

In school year 2005/2006, vocational schools offered VET in 279 different OKJ qualifications (special vocational schools in 65, see section 0405) and secondary vocational schools in 288 qualifications. The most popular fields of study included building and civil engineering, hotel, restaurant and catering, wholesale and retail, computer use, management and administration, and mechanics and metal work.

### ACCESS REQUIREMENTS

To gain entry to a vocational training school students typically must have their (primary and) lower secondary general education (the eight grades of primary school, *általános iskola*, ISCED 1A-2A) completed, and further access requirements may be defined by the school principal (although the school maintainer may order the school to admit every applicant of compulsory school age from its district). Schools may admit students based on their performance in primary school and they may also organize an entrance examination with a form and content defined by the school principal. This can be, for example, a centrally regulated written entrance exam based on nationally uniform test questions in maths and the mother tongue. In addition, the access requirements of OKJ qualifications may include vocational/career aptitude tests or certain medical requirements, as specified by the professional and examination requirements (see below) of the OKJ qualifications offered.

### CURRICULA

Since 1998 only vocational preparatory/pre-vocational training can be provided to students younger than the age of 16. General subjects in the general education grades of both types of vocational training schools are taught in compliance with the requirements of the National Core Curriculum (*Nemzeti Alaptanterv*), the recommendations of framework curricula, and the school's local pedagogical programme based on these. Schools must develop the curricula of vocational preparatory/pre-vocational training in accordance with the central programmes of OKJ qualifications (see below) and the requirements of the maturity examination (in secondary vocational schools), assisted by the guidelines of framework curricula developed for each of the 21 occupational groups (*szakmacsoport*, see Table 1 below). Such preparatory programmes include:

- career orientation (*pályorientáció*) and practical training in the 9th, and “vocational grounding theoretical and practical training” (*szakmai alapozó elméleti és gyakorlati oktatás*) in the chosen occupational group in 10th grade (in at most 40% of the mandatory teaching hours) of vocational schools, where the provision of such training is mandatory since 2006, and
- vocational orientation (*szakmai orientáció*) from the 9th, and “grounding training in an occupational group” (*szakmacsoportos alapozó oktatás*) from the 11th grade of secondary vocational schools.

The framework curricula for vocational schools recommend 74 teaching hours of career orientation and 222 hours of vocational grounding theoretical and practical training per school year in the 9th grade (total teaching hours: 1017.5), and 296-370 hours of the grounding training per school year in the 10th grade (total teaching hours: 1017.5). In secondary vocational schools they recommend 185 teaching hours per school year of grounding training in an occupational group in the 9th-10th grades (total

teaching hours: 1017.5), 296 in the 11th grade (total: 1110) and 256 in the 12th grade (total: 960).

1.	Health	2.	Social services	3.	Education
4.	Art, cultural education, communication	5.	Mechanical engineering	6.	Electro-technology/electronics
7.	IT	8.	Chemical engineering	9.	Architecture
10.	Light industry	11.	Wood industry	12.	Printing
13.	Transport	14.	Environmental protection-water management	15.	Economics
16.	Administration	17.	Commerce-marketing, business administration	18.	Catering and tourism
19.	Other services	20.	Agriculture	21.	Food industry

The curricula of VET grades, called vocational programmes (*szakmai program*), are also developed by the schools based on the professional and examination requirements (*szakmai és vizsgakövetelmények, SZVK*) of the awarded OKJ qualification and the guidelines of the central curricula (*központi program*) of its vocational subjects (modules), both types of documents published by the minister of the relevant field. The SZVK of each OKJ qualification define:

- its access requirements (the required competences, a school graduation or vocational certificate, medical or vocational/career aptitude requirements);
- the maximum duration of the training programme (number of vocational grades);
- the balance of time devoted to vocational theory and to practical work (this varies greatly, from 15%-85%, e.g. in the training of 'clock makers', to 80%-20%, e.g. in the training of 'technical business-organizer technician');
- the professional (learning outcome) requirements (in the case of qualifications of the new OKJ, the professional competence modules specifying the task profile and the related professional, method, social and personal competences, see section 0703); and

- the preconditions, parts and content of the vocational examination (in the case of qualifications of the new *OKJ*, the examination requirements modules specifying the characteristics of the vocational examination).

The Act on Vocational education and training prescribes that practical training should alternate with theoretical education within a week during the study period, and shall be provided uninterrupted during the summer vacation time. Typically, however, during the school year one week of theoretical instruction alternates with one week of practical training which may be delivered in the school workshop and/or at an enterprise workshop or the workplace (see also [Annex 2](#)).

#### ASSESSMENT AND LEARNING OUTCOMES

The performance of students is assessed continuously by their teachers/trainers as well as at national examinations. The requirements and forms of assessing and grading students, including oral and written tests, and the conditions of progression to higher grades are defined in the pedagogical programme (*pedagógiai program*) of the school. Teachers assess students' performance and advancement in every subject on a regular basis by giving marks during the school year, and by awarding final grades at the end of the term and of the school year. This system of continuous assessment includes applying a 'work log' (*foglalkozási napló*) to monitor practical training: the provider of practical training has to administer this book which includes the exercises to be assigned, the time provided for them, and the evaluation of students, and the trainer also has to record here the attendance or absence of students every day.

A national examination of general education – the maturity examination - is conducted only in secondary vocational schools at the end of the last (12th) general education grade, in front of an examination board comprised of school teachers and a president delegated by the ministry of education. This secondary school leaving examination awarding an ISCED 3A level certificate which is the prerequisite of higher level studies is based on nationally uniform requirements. Since school year 2004/2005 it can be taken at either intermediate or advanced level, in five subjects of which four are compulsory (mathematics, Hungarian language and literature, history and a foreign/minority language) and one is optional (which may be a vocational preparatory subject).

In the VET grades, students' achievement in practical training may be assessed by the training provider (with the assistance of the relevant local chamber of economy in cooperation with the national economic interest representative organisations and the vocational training school) at a level exam (*szintvizsga*) in a growing number (currently 16) of vocational qualifications. The objective of the complex exercise assigned at this exam (which is based on the database of exercises, procedural regulations and examination requirements developed by the Hungarian Chamber of Commerce and Industry, *Magyar Kereskedelmi és Iparkamara*) is to measure competences necessary for working under supervision and the professional and technological skills the student has mastered so far.

At the end of the vocational training programme, the *OKJ* vocational qualification - which provides access to the occupation named in its *SZVK* - is awarded at the national vocational examination, conducted in front of an independent examination board (see section 0801).

#### STATISTICS

As Table 2 below shows, the distribution of participants between IVET and general education is rather unbalanced. Indeed, it has changed considerably since 1990 when the majority of full time students at upper secondary level (around 75%) participated in a vocational training programme. As a consequence of the extension of general education (until the 11th grade of vocational schools and the 13th grade of secondary vocational schools) and the falling prestige of vocational schools, currently only around 12% of students studying full time at upper-secondary level participate in VET proper.

However, it should be emphasized that students participating in vocational preparatory/pre-vocational programmes - which are typically part of the curricula of the general education grades of both types of vocational training schools - are not included in this figure. In fact, as Table 3 shows, in school year 2004/2005 two thirds (65.5%) of

full time students at upper secondary level studied in one of the two types of vocational training school.

Table 2: Students in upper secondary education by programme orientation, 2004<sup>1</sup>

	TOTAL	MALE	FEMALE	VOCATIONAL PROGRAMMES			GENERAL AND PRE-VOCATIONAL PROGRAMMES		
				TOTAL	MALE	FEMALE	TOTAL	MALE	FEMALE
				%			%		
<b>EU-25</b>	24 65 56	11 737 110	12 428 347	55.4	57.1	53.9	44.6	42.9	46.1
<b>HUNGARY</b>	543 778	275 952	267 826	12.1	14.8	9.4	87.9	85.2	90.6

<sup>1</sup> ISCED 97, level 3 (excl. ISCED 3c short)

Source: Eurostat, *UOE* data collection; on-line database, download date 23/11/2006

Table 3: Number and distribution of students in full time upper (and post) secondary education by school type (2004/2005)

		NUMBER	% OF SUBTOTAL
<b>VOCATIONAL SCHOOL</b>	general education grades (9th-10th)	56 014	11.8
	VET grades (11th-12th and possibly higher)	62 589	13.2
	<b>TOTAL:</b>	<b>118 603</b>	<b>25.0</b>
<b>SPECIAL</b>	general education grades (9th-10th)	4 279	0.9

VOCATIONAL SCHOOL	VET grades (11th-12th and possibly higher)	4 090	0.8
	<b>TOTAL:</b>	<b>8 369</b>	<b>1.7</b>
SECONDARY VOCATIONAL SCHOOL	general education grades (9th-12th)	178 069	37.5
	VET grades (13th and possibly higher)	61 345 <sup>1</sup>	n/a (1.0 <sup>2</sup> )
	<b>TOTAL:</b>	<b>239 414</b>	<b>N/A</b>
<b>GRAMMAR SCHOOL (9TH-12TH AND POSSIBLY 13TH GRADES)</b>		165 182	34.8
<b>SUBTOTAL (UPPER SECONDARY LEVEL):</b>		474 807	100.0
<b>TOTAL:</b>		<b>531 568</b>	<b>N/A</b>

<sup>1</sup> Including 4 584 students participating in IVET (art education) provided parallel to general education in the 9th-12th grades, and 4 655 students studying at a vocational school pursuing a vocational qualification of ISCED 4 level (it was possible to organize such training programmes in vocational schools before 2006).

<sup>2</sup> Referring to those 4 584 students participating in IVET (art education) provided parallel to general education in the 9th-12th grades.

Source: statistics of the Ministry of Education and the Central Statistical Office

#### 0404 - APPRENTICESHIP TRAINING

##### DEFINITION

Apprenticeship training in Hungary as a form of practical training provided by an enterprise on the basis of a student contract (*tanulószerződés*) concluded between the student and the enterprise is not a separate pathway in IVET. It is rather one form of delivering the practical training part of a vocational training programme provided within the school system available at:

- upper secondary level in the VET grades of vocational schools (*szakiskola*, see section 0403),
- post secondary level in the VET grades of secondary vocational schools (*szakközépiskola*, see section 0406), and
- (since January 2006) at tertiary level in higher level VET programmes (*felsőfokú szakképzés*, see section 0407).

Therefore, the structure, content and learning outcome of the vocational education and training of students participating in this kind of apprenticeship training is ultimately the same as that of other students studying in a vocational training school (*szakképző iskola*, or a higher level VET course) who receive their practical training in the school workshop and/or at an enterprise based on a cooperation agreement (*együttműködési megállapodás*, see section 0403). However, training based on a student contract indeed has some important special features and is increasingly promoted by the education policy (especially in the last VET grade, see section 0403) as the form of practical training most convenient to strengthen the relationship between VET and the economy. In order to further increase the number of apprentices, Act LXXVI of 1993 on Vocational education and training has recently been amended so that since 1 January 2007 practical training outside the school can be organized based only on a student contract (instead of a cooperation agreement between the school and the enterprise), in case more than 50% of the duration of practical training is provided at an economic organization. Therefore, the most important special characteristics of practical training based on student contract are discussed in this chapter.

Although the law does not differentiate apprenticeship schemes according to sectors/occupation areas/professions, the availability of this form of practical training does vary according to these factors as well as to geographic area. In school year 2005/2006, students of vocational training schools participated in student contract-based trainings in a total of 190 professions; more than 51% of the apprentices, however, were studying in vocational schools to obtain an ISCED 3 level qualification in one of 10 vocations as presented in table 1 below.

Table 1: Distribution and number of students by qualification studying in apprenticeship training in school year 2005/2006

VOCATION	STUDENTS	
	NUMBER	%
FOOD AND HOUSEHOLD RETAILER	2 924	9.1
COOK	2 462	7.67
WAITER	1 920	5.98
HAIRDRESSER	1 873	5.83
PAINTER AND WALLPAPERER	1 676	5.22
CARPENTER	1 562	4.86
BODY IRONER	1 216	3.79

<b>BRICKLAYER</b>	1 211	3.77
<b>GARMENT RETAILER</b>	852	2.65
<b>ELECTRICIAN</b>	850	2.65
<b>SUBTOTAL:</b>	16 546	51.52
<b>TOTAL:</b>	32 114	100.00

Source: Hungarian Chamber of Commerce and Industry (*Magyar Kereskedelmi és Iparkamara*)

#### **APPRENTICESHIP CONTRACT AND OTHER SPECIAL CHARACTERISTICS**

A major distinction of apprenticeship training is that apprenticeship (student) contracts are concluded between the student (not the vocational training school) and the enterprise, under the supervision of a representative of the relevant local chamber of economy who will also continuously monitor the conditions and quality of the training afterwards. The preconditions and content of the contract are regulated by Act LXXVI of 1993 on Vocational education and training. Through this contract the enterprise is obliged to provide adequate practical training for the student at a safe and healthy workplace, in accordance with the professional and examination requirements (*szakmai és vizsgakövetelmények, SZVK, see section 0403*) of the vocational qualification pursued. The student is likewise obliged to comply with the training scheme of the enterprise and obey its orders related to the training, and observe the safety and medical regulations. The student contract establishes a legal relationship between the student and the enterprise and it can be terminated only by mutual agreement or under conditions specified by the law.

Another important feature of apprenticeships is that the practical training provider has to pay regular monthly payments to the student (during vacation times as well; in school-based or alternance training it is only optional but not compulsory, except for the time of the summer continuous practical training). The amount of this payment is currently 15% of the compulsory minimal wages in the first term of the first VET grade, which will be increased to 20% from 2007 (and supplemented by another 20% from school year 2007/2008 in case of vocations in shortage in the labour market, see *section 1001*). This amount had to be increased by at least 10% in each of the following terms, but from 2007 the training provider will decide on the amount of increase, based on the performance and diligence of the student. In addition, students are entitled to receive social security benefits through their apprenticeship contract, and the time of apprenticeship training is counted in the time spent in work which is used to calculate pension.

Enterprises and vocational training schools are also encouraged by various financial incentives to enter/favour apprenticeship training (see *section 1002*).

#### **MAJOR CHARACTERISTICS**

Apart from the above peculiarities, there is no difference between apprenticeship and school-based/alternance training discussed in *section 0403* in terms of the age of students, programme duration, access requirements, curricula, or assessment procedures, as these are all defined uniformly in the vocational programme (*szakmai program*) of the vocational training school in accordance with SZVK and framework curricula of the awarded vocational qualification. Students can enter an apprenticeship

contract to receive practical training at an enterprise in the VET grades of vocational training schools, i.e., at the age of 16 at the earliest (in vocational schools, and at the age of 18 in secondary vocational schools). Access requirements are the uniformly defined pre-qualification and medical requirements of the given vocational qualification, and the enterprise can also organize vocational aptitude tests.

Qualifications obtainable by apprentices are likewise the same as those available to the other students of vocational training schools. Apprenticeships, however, are often considered to provide students a better chance to get a job, primarily because they are usually provided in more marketable occupations and also because prospective employers are aware that apprentices had the chance to master the professional and social skills at a real workplace.

#### **0405 - OTHER YOUTH PROGRAMMES AND ALTERNATIVE PATHWAYS**

Keeping young people in some kind of education and training and ensuring that everyone, and in particular disadvantaged students obtain a marketable vocational qualification in order to facilitate their integration in the labour market have been important educational policy objectives in the past decade. State support provided for young people disadvantaged due to mental or physical disabilities or social status, to ensure equal chances for them in the labour market through VET, includes:

- an opportunity to extend the duration of the VET programme of students with special education needs, ensured by Act LXXIX of 1993 on Public education;
- an opportunity for disadvantaged students to obtain their 2nd vocational qualification of the National Qualifications Register (*Országos Képzési Jegyzék, OKJ*) in public education free of charge;
- provision of higher amount of per capita funding to vocational training schools and training providers to educate them;
- provision of adult training courses outside the school system free of charge to unemployed young people and those without an OKJ qualification, and central state programmes and tenders targeting early school leavers and unemployed young people to train or re-train them in marketable vocations in adult training (see section 0503).

The 2003 amendment of the Act on Public education provides for launching 1- or 2-year "catching-up" programmes (*felzárkóztató oktatás*) in vocational schools (*szakiskola*) to help students who could not finish the 8 grades of primary school (*általános iskola*) until the age of 16 catch up with their age group and prepare them for entering the VET grades. In 2004 such programmes were provided in 17 schools for 370 students.

A related legal measure effective from school year 2005/2006 is the modification of the access requirements of VET so that OKJ vocational qualifications at the level 31-34 (ISCED 3C) may be obtained even by those having no formal school certificate but gained the necessary competences by participating in a VET preparatory programme. The competence-profiles have been developed in 10 occupational groups within the framework of the Vocational School Development Programme (*Szakiskolai Fejlesztési Program, see section 0201*) and 1-year long catching-up courses were piloted in school year 2005/2006 in 23 schools participating in the programme. From school-year 2006/2007 such courses can be introduced in every vocational school in which there is a demand for it; currently the number of participants of catching-up programmes is around 1000 studying in about 50 schools.

There are special and special skills developing vocational schools (*speciális szakiskola, készségfejlesztő speciális szakiskola*) available for students in need of special education due to mental or other disabilities, preparing them for the vocational examination awarding an OKJ qualification or providing skills necessary to start working and begin an independent life. Education in special vocational schools is conducted by special education teachers (*gyógypedagógus*) using special curricula, training materials and methods.

The modularization of the *OKJ* qualification structure, the introduction of partial qualifications and the permission of competence-based access requirements (see *section 0201*) will further increase the flexibility of VET, thus facilitating access to disadvantaged people.

Young people without a vocational qualification can currently obtain their first *OKJ* qualification free of charge:

- in regular full time education (available until the age of 23, or for students in need of special education until the age of 26) and in full time adult education (see *section 0502*) in either type of vocational training schools, where disadvantaged students can acquire also their second *OKJ* qualification free of charge; and
- at adult training providers receiving per capita state support (see *section 0503*).

There is also an increasing number of state financed programmes provided outside the school system, offering training or re-training in marketable occupations for young unemployed and disadvantaged people with or without a qualification (see *section 0503*).

#### **0406 - VOCATIONAL EDUCATION AND TRAINING AT POST-SECONDARY (NON TERTIARY) LEVEL**

Although secondary vocational schools (*szakközépiskola*) may provide vocational preparatory training in their general education (9th-12th) grades, they offer VET awarding an ISCED 4C level vocational qualification of the National Qualification Register (*Országos Képzési Jegyzék, OKJ*) only in the 13th and possible higher grades. The duration of the vocational training programme depends on the *OKJ* qualification awarded and is defined in its professional and examination requirements (*szakmai és vizsgakövetelmény*).

After passing the maturity examination (*érettségi vizsga*) organized at the end of the 12th grade, secondary vocational school students can choose to continue studies in the VET grades of their school or move on to higher education. Alternatively, those who did not obtain the maturity certificate can still continue studies in the VET grades to obtain an *OKJ* qualification that requires only the completion of the last grade of secondary school as access requirement. The vocational competences gained through vocational preparatory training in the general education grades can be recognized which may reduce the duration of their training, typically by half a year or one year in case of a two-year-long training programme. This kind of IVET is available also to graduates of grammar schools (*gimnázium*) that provides only general education at upper secondary level and prepares students for the maturity examination.

The general access requirement of studying in the VET grades of secondary vocational schools is the maturity certificate (*érettségi bizonyítvány*, ISCED 3A) or completion of the last (12th) general education grade, and there may also be medical/vocational aptitude or vocational pre-qualification requirements as defined in the professional and examination requirements of the given qualification. Otherwise, however, the curricula of VET awarding the *OKJ* qualification, the available forms of practical training and the forms of assessment correspond to those discussed in *section 0403*. The ISCED 4C level *OKJ* vocational qualification awarded at the vocational examination (*szakmai vizsga*) allows access to the labour market in occupations defined in its professional and examination requirements.

Pursuant to Act LXXIX of 1993 on Public Education, secondary vocational schools may also operate with VET grades only, if they prepare students having the maturity certificate for the vocational examination.

#### **0407 - VOCATIONAL EDUCATION AND TRAINING AT TERTIARY LEVEL**

Tertiary level education offered by higher education institutions includes:

- higher level VET programmes (*felsőfokú szakképzés*) awarding an ISCED 5B level vocational qualification (*szakképesítés*) of the National Qualification Register (*Országos Képzési Jegyzék, OKJ*), and

- higher education degree programmes (*felsőfokú végzettséget adó felsőoktatási programok*) awarding an ISCED 5A level degree and qualification (*szakképzettség*) which allows access to a given occupation, although Hungarian legislation does not categorize this latter type as vocational education and training (*szakképzés*).

#### HIGHER LEVEL VOCATIONAL EDUCATION AND TRAINING

Higher level VET is a relatively new form of VET in Hungary. It is available since school year 1998/1999 as the outcome of a PHARE project aiming at strengthening the relationship between tertiary education and the economy and the diversification of the higher education system.

Higher level VET can be organized only by colleges (*főiskola*) and universities (*egyetem*), but it may be provided also in secondary vocational schools (*szakközépiskola*), based on an agreement of the institutions (thus the legal status of participants and the administrative, financing and statistical systems vary according to the type of training provider). The provision of VET is regulated by the Act LXXVI of 1993 on Vocational education and training, other aspects of education are governed by Act CXXXIX of 2005 on Higher Education. There are full- as well as part-time higher level VET courses available which may be state-supported or fee-charging. The minimum duration of training is 4 terms, and the same or longer in alternative delivery modes.

The general precondition of pursuing studies in higher level VET is the maturity certificate (*érettségi bizonyítvány*, ISCED 3A) and there may be other (e.g. medical or vocational aptitude) requirements specified in the professional and examination requirements (*szakmai és vizsgakövetelmény*, SZVK) of the given OKJ qualification. Higher education institutions define their access requirements based on the results achieved at the two-level maturity examination and in secondary school.

The curricula of higher level VET courses are developed by the institutions in accordance with the SZVK of the given OKJ vocational qualification published by the minister of the relevant field. As in the case of all OKJ vocational qualifications, the SZVK define the maximum duration of the training programme, the balance of time devoted to theoretical and practical training, the competences to be mastered, and the requirements of the vocational examination (*szakmai vizsga*). Curricula of these courses are of a modular structure, involving a basic education/competence developing, a mandatory vocational and an optional (specialization) module. Practical training is provided in similar forms as described in section 0403 (student contracts, *hallgatói szerződés*, are also available from 1 January 2006 in case the practical training is provided uninterrupted in at least 25% of the duration of the training).

The ISCED 5B level OKJ vocational qualifications (*felsőfokú szakképesítés*) obtainable upon passing the vocational examination (their number is currently 63) do not provide a higher education graduation degree, but give access to the labour market in occupations defined in their professional and examination requirements. Although higher level VET is becoming more well-known and its prestige is increasing, still a large number of graduates tend to continue their studies in a higher education degree programme where a number of credits (minimum 30, maximum 60) obtained in higher level VET must be recognized in a BA/BSc programme of the same field.

#### HIGHER EDUCATION DEGREE PROGRAMMES

In relation with the Bologna process the Hungarian higher education system is under a major transformation. A new Act on Higher Education (Act CXXXIX of 2005) is effective from 1 March 2006 and the new multi-cycle training structure is introduced gradually from September 2006.

In the previous dual system there was a basic difference between college and university education in so far as university undergraduate programmes typically provided deeper theoretical education, while college undergraduate programmes were more practice oriented. Accordingly, college programmes typically lasted for 6-8 terms and awarded a college degree and qualification (*főiskolai végzettség és szakképzettség*, ISCED 5A) equivalent to the international BA/BSc qualification, while

university programmes lasted for 10-12 terms and provided participants with a university degree and qualification (*egyetemi végzettség és szakképzettség*, ISCED 5A) corresponding to an MA/MSc qualification. As regards the fields of study (humanities, natural sciences, agriculture, medical science, economics, information technology, legal and social administration, technology, social, military, public order, art studies, physical education, and teacher training), training programmes often existed at both levels, but college and university education did not build directly on each other and transfer to a higher level programme even in the same field was rather difficult.

In the new multi-cycle training structure colleges and universities may offer training programmes in every training cycle in full and part time (evening, correspondence) education and distance learning in both state-supported and fee-charging forms.

The first cycle of higher education (6-8 terms) provides a BA/BSc degree and qualification (ISCED 5A). To gain entry applicants must have the maturity certificate, and other admission requirements are defined by the higher education institution based on the applicant's achievement at the maturity examination (higher education institutions providing training in the given training field together specify the subjects which have to be taken at advanced level) and in secondary school. Medical and vocational aptitude tests as well as a practical examination may be organized by the institutions in certain training programmes.

Master level education (2-5 terms) awarding an MA/MSc degree and qualification (ISCED 5A) will be available only for those having a BA/BSc degree and qualification. In six training programmes (medical doctors, veterinaries, pharmacists, dentists, lawyers, and architects), however, students will continue participating in non-divided training, i.e., their training programme of 10-12 terms will directly award an MA/MSc degree. In the field of art education the introduction of the multi-cycle training structure is delayed by one year.

Pursuant to the 289/2005. (XII. 22.) government decree, the curricula of the first and master cycle programmes, including the study and examination requirements, are defined by the higher education institutions in their "training programmes" (*képzési program*), based on the training and outcome requirements (*képzési és kimeneti követelmények*) of each programme published by the Minister of Education in decrees. These requirements specify the level of degree and name of qualification (*szakképzettség*) obtainable, duration of the programme in terms, the number of credits to be gained, the training objective, the vocational competences to be mastered, the main fields of study, and the requirements concerning foreign language skills.

BA/BSc programmes include a training phase common to all programmes of the given training branch (*képzési ág*) and may provide training in various specializations (*szakirány*). Practical training is part of every training programme and the government specifies those in which 1-term long external professional practice must be organized. The curricula of MA/MSc programmes include mandatory subjects, subjects chosen on a mandatory basis as well as optional subjects, and practical training. The training and outcome requirements of these programmes define the first cycle programmes whose total credit value is recognized and specify the special conditions of recognizing prior learning achieved in other BA/BSc programmes.

Forms of assessment are defined by the higher education institutions in line with the study and examination rules (*tanulmányi és vizsgaszabályzat*) of the institution. Students' performance may be assessed during the study (*szorgalmi időszak*) and the examination period (*vizsgaidőszak*) that together make up a term. As a general rule, periodic (usually mid-term and end of the term) assessment is typical in theoretical subjects, while assessment is continuous in practical subjects. Since 2003 the use of the European Credit Transfer System (ECTS) is mandatory in higher education.

First and master cycle programmes award BA/BSc and MA/MSc degrees and qualifications that qualify graduates for the occupations defined in their training and outcome requirements. The criteria to be met to obtain these qualifications include a state recognized foreign language proficiency certificate, and the attainment of the final certificate (*abszolutórium*) upon fulfilling all study and examination requirements and

accomplishing the professional practice prescribed in the curriculum. The final examination (*záróvizsga*) is conducted in front of an examination board involving a president and at least two other members (one university/college professor or associate professor and at least one member not employed by the institution). The final examination includes defending a thesis/diploma work and may have oral, written and practical parts.

## 05 - CONTINUING VOCATIONAL EDUCATION AND TRAINING FOR ADULTS

### 0501 - BACKGROUND INFORMATION ON CONTINUING VOCATIONAL EDUCATION AND TRAINING

There is a main legal differentiation among the currently available forms of adult education and training between school based adult education (*iskolai rendszerű felnőttoktatás*) and adult training provided outside the school system (*iskolarendszeren kívüli felnőttképzés*). The major difference between the two forms is that participants of general education or VET provided within the school system are students in respect of their legal status and that school based adult education is offered by state-recognized public and higher education institutions whose operation is governed by Act LXXIX of 1993 on Public Education and Act CXXXIX of 2005 on Higher Education, respectively. People can participate in adult training provided outside the school system only if they have already completed their compulsory schooling, and they do not have the legal status of students; their consumer rights are protected by a training contract, pursuant to Act CI of 2001 on Adult Training which provides a general regulatory framework for this sector of education.

In both forms – except for higher education which is not considered as part of *szakképzés* (vocational education) and the so-called trainings regulated by public authorities (*hatósági képzés*) - the provision of VET is governed by Act LXXVI of 1993 on Vocational education and training. Pursuant to it, the National Qualification Register (*Országos Képzési Jegyzék, OKJ*) was set up to include all state recognized vocational qualifications obtainable within or outside the school system, thus providing a unified qualification system linking IVET and CVET.

Adult education within the school system offers full and part-time learning opportunities for adults who could not obtain a formal school graduation certificate of a certain level or an *OKJ* qualification during their compulsory schooling, or who want to attain a higher level or more specialized qualification. This kind of education is offered by public and higher education institutions at primary, secondary and tertiary levels. Their training programmes offered to adults do not in general differ from the regular full time courses in terms of objectives, structure, main content, or the awarded state recognized qualifications, except for the postgraduate programmes. Postgraduate specialized programmes and doctoral degree programmes target higher education graduates to provide them more specialized or higher level training.

Adult training outside the school system covers many different types of learning opportunities, not all of which award a state recognized qualification. According to their objectives, the various types of adult training programmes can be grouped as follows (*Zachár, 2003*):

- IVET (if the participant obtains her/his first *OKJ* vocational qualification in adult training),
- CVET,
- IVET or CVET facilitating the employability of unemployed people and others vulnerable to exclusion in the labour market, and
- supplementary trainings (general education providing skills required to enter VET, career orientation and guidance, foreign language, ICT, communication and other skills developing courses helping adults to perform their job at a higher level).

Accordingly, the Act on Adult training that for the first time in Hungary regulated this sector of education in 2001 differentiates between vocational, general and language training. Adult training providers include the 9 regional training centres (*regionális*

*képző központ*) of the Public Employment Service, private training enterprises, non-profit organizations, employers, public and higher education institutions, etc.

As a special type of adult training, master examinations (*mestervizsga*) awarding a higher level vocational qualification based on the OKJ qualification obtained in IVET was introduced in 1996. Pursuant to the Act on Vocational education and training, master examinations are organized by the chambers of economy that develop also their qualification requirements.

In addition to the above, there are various kinds of more non-formal learning opportunities offered by community cultural centres (*művelődési ház*), non-profit organizations or by the media, including learning circles, courses, lectures offered in folk arts and crafts, popular science, foreign languages, ICT, etc.

As regards CVET at the initiative of enterprises and the social partners, it underwent a major transformation after the change of the political system and has shrunk considerably in the last decade, in parallel with the privatisation of the former large state companies and the proliferation of micro, small and middle-sized enterprises. It currently shows significant differences in amount and form of training provision across sectors and company size, and training opportunities especially for the employees of SMEs need to be extended and supported by the state.

Adult education and training opportunities are available for everyone and participation may be initiated by the individual or the employer, but the government accords high priority to responding to the training needs of unemployed people and those vulnerable to exclusion in the labour market. The state finances their training through the Public Employment Service (*Állami Foglalkoztatási Szolgálat, ÁFSZ*) and by per capita funding, and supports the development and provision of special training programmes tailored to their needs through central programmes and tenders from national and/or EU funds.

In spite of the wide range of learning opportunities available for adults, participation rate in adult education and training is still considerably lower (4.2% in 2005) than the EU average (10.8%). Educational policy - defined in the strategies of the development of adult training, VET and lifelong learning discussed in section 0201 - therefore aims to enable and motivate more adults to enter the LLL process as well as to strengthen the link with the economy and enhance the role of education and training in promoting equal opportunities for everyone through promoting:

- more flexible delivery modes (e-learning) and new learning venues (e.g. involving public cultural institutions in vocational adult training),
- more adequate and modularized content of adult education and training programmes based on an improved system of forecasting labour market needs and the needs of specific target groups, and
- the development of the systems of prior learning assessment and recognition of non-formal/informal learning.

These objectives are to be met through various development programmes financed from national and/or EU Structural Funds assistance, most importantly by the various measures and tenders of the Human Resources Operational Programme (HRD OP, see section 0201). Two of its most relevant measures include:

- HRD OP central measure 3.2.1. (see section 0201) developing a modular structure of the OKJ that would ensure a better structure and linkage between IVET and CVET and a uniform system of validating and recognizing prior learning; and
- HRD OP central measure 3.5.1. (Development and application of up-to-date adult training methods) supporting the overall development of adult training, involving the development and piloting of new curricula and learning materials in line with the local/regional labour market demands or the special needs of disadvantaged people, to be used in the regional training centres; a model of the further training of adult trainers; and an all inclusive adult training database involving statistical information, accredited

and e-learning training programmes, a digital library of training materials, relevant legal documents, etc.

#### **0502 - PUBLICLY PROMOTED CVET FOR ALL**

Publicly promoted CVET in its narrowest sense covers state-financed (or financially supported) adult education (*felőttoktatás*) opportunities offered in public and higher education within the formal school system. In a broader sense it includes self-financed programmes available in higher education as well.

In its broadest sense, however, it may relate also to all CVET opportunities offered outside the school system, in adult training (*felőttképzés*), inasmuch as this sector of education is regulated by the state through Act CI of 2001 on Adult Training that defines a regulatory framework of training provision. A distinct category of adult training providers are state subsidized institutions, and up to recently the state also provided indirect financial support for everyone to promote participation through the personal income tax reduction opportunity (see section 1003).

Please see [Annex 3](#) for the participation rates in publicly promoted CVET.

#### **I. ADULT EDUCATION WITHIN THE SCHOOL SYSTEM**

Adult education in public education

Adult education as a sub-sector of public education (see section 0401) targets primarily those young people who for social, personal or other reasons could not obtain a formal school graduation certificate or a state recognized vocational qualification in the course of their regular, compulsory schooling. Its primary function is therefore to provide participants a “second chance” to obtain a formal school certificate that is a prerequisite of continuing studies at a higher level, and/or a vocational qualification of the National Qualification Register (*Országos Képzési Jegyzék, OKJ*) that allows access to the labour market.

The primary target groups thus include:

- disadvantaged people dropped out of initial education or forced to continue studies in part time education (adults can study only in the framework of adult education over the age of 17 in primary school, *általános iskola*, and over the age of 23 in secondary and vocational schools);
- graduates of vocational schools (*szakiskola*) who aim to obtain the maturity certificate (*érettségi bizonyítvány*) - available only in grammar schools (*gimnázium*) and secondary vocational schools (*szakközépiskola*) - which is the precondition of pursuing higher level studies; and
- grammar school graduates who received only general education through their initial training and aim to obtain a vocational qualification.

Pursuant to Act LXXIX of 1993 on Public Education, adult education can be provided in various delivery modes, including full time education (when the number of class hours is at least 90% of the number of mandatory class hours defined for the given school type and programme), evening (50-90%), correspondence education (10-50%), and other, e.g. distance learning (when the number of class hours is at most 10% of the mandatory number). In school year 2005/2006 (as well as in 2006/2007) the most popular type of delivery mode in both types of vocational training schools was evening education (with around 50% of students), and only a very few adults choose the “other” delivery mode.

Apart from the differences in curricula resulting from the peculiarities of the delivery mode, the type and duration of training programmes, content requirements, and the types and levels of outcomes (formal school graduation certificates and/or *OKJ* vocational qualifications) in adult education are the same as in regular full time education. Adult education is typically provided at departments/groups/classes of schools providing regular, full time education, although there are also some adult education schools established specifically to train adults.

General and vocational adult education is financially supported by the state through per capita funding. Young people without a vocational qualification can participate free of charge in full time VET (until the age of 23) to obtain their first *OKJ* qualification. Part-time general and VET programmes charge some fees to cover a part of training costs, but all types and forms of adult education are available free of charge for students with special needs, and disadvantaged students can obtain also their second vocational qualification free of charge.

The Act on Public Education defines the same quality standards and evaluation mechanisms for adult education as for regular full time public education. The external evaluation of the quality of education is the duty of the school maintainer and the process of quality monitoring is assisted by a national professional expert network upon the request of the school or the maintainer. The law provides also for developing a quality management system in every public education institutions, although due to the highly decentralised institutional structure of public education, reliable procedures for continuously monitoring the quality of education have not yet been developed.

#### Adult education in higher education

There was a considerable expansion in higher education between 1990 and 2004 concerning both the number of students and the types of training programmes on offer. In addition to the introduction of various new types of postgraduate programmes, the proliferation of alternative delivery modes and financing forms has all contributed to making tertiary education more accessible for adults. The number of participants studying in part-time or distance learning has increased considerably - from 25 786 in 1990/1991 to 196 008 in 2004/2005 -, suggesting that more and more adults choose this type of CVET. This expansion, however, seems to have stopped by 2004; in academic year 2005/2006, 192 679 students studied in part-time or distance learning (177 685 in 2006/2007), and especially the number of students in distance education has decreased (by a third) in the last three years.

Higher education institutions currently offer the following learning opportunities for adults:

- non-degree programmes available also in part time education to obtain an ISCED 5B level *OKJ* higher level vocational qualification (*felsőfokú szakképesítés*, see section 0407);
- undergraduate programmes (ISCED 5A, partly in the previous dual system of higher education, see section 0407) to obtain a degree and qualification (*szakképzettség*), including:
  - a. undergraduate training (*alapképzés*) awarding the first higher education (in the new system: BA/BSc) degree and qualification available also in part time or distance learning,
  - b. supplementary undergraduate training (*kiegészítő képzés*) targeting college graduates to obtain a university level degree and qualification, or
  - c. so-called undergraduate programme available for higher education graduates (*felsőfokú oklevéllel rendelkezők számára meghirdetett alapképzési szak*) targeting graduates to obtain a second (or further) higher education degree and qualification (the rate of students studying in such courses, typically in correspondence education, was 22% in academic year 2004/2005);
- postgraduate specialized programmes (*szakirányú továbbképzés*), usually four-term-long courses typically offered in correspondence delivery mode awarding a new, specialized ISCED 5A level qualification built on the degree and qualification obtained in undergraduate training; and
- 6-term-long ISCED 6 level doctoral degree programmes (typically offered in full time education, the majority in state financed forms).

Pursuant to Act CXXXIX of 2005 on Higher education, colleges and universities can offer their training programmes of any type in full time, part time or distance learning delivery modes. By definition, part time education is offered either in evening (*esti képzés*) or correspondence (*levelező*) form that include 30-50% of the number of class hours in full time education, while distance learning provides less than 30% of that number. In academic year 2005/2006 (as in 2006/2007), part-time education and distance learning courses (the latter with the exception of higher level VET, MA/MSc, non-divided and PhD/DLA programmes) were available at every level and in every type of training, the correspondence form being by far the most popular.

Pursuant to current regulation, the first higher level OKJ qualification can be obtained free of charge in every delivery mode, and the state covers also the costs of the training of mothers on child care support in every type of training programme. There are also student loans available for both state supported and self-financed students, and disadvantaged students can get extra points added to their admission scores to facilitate access.

The assessment of the quality of education in every type and delivery mode of training programmes and the evaluation (at least once in every 8 years) of the quality development systems to be developed by every higher education institution are the tasks of the Hungarian Higher Education Accreditation Committee (*Magyar Felsőoktatási Akkreditációs Bizottság, MAB*).

## II. ADULT TRAINING OUTSIDE THE SCHOOL SYSTEM

VET provided outside the formal school system is regulated by Act CI of 2001 on Adult Training and (except for the so-called trainings regulated by public authorities) by Act LXXVI of 1993 on Vocational education and training. These laws and the related decrees define the general preconditions, and, in the case of courses awarding an OKJ qualification, also the more detailed conditions of training provision. Adult training opportunities are available for everyone, and participation can be initiated and financed by the individuals (cf. section 0505), their employers (cf. section 0504), or, in the case of specific target groups, by the state (cf. section 0503).

Adult training providers include:

- public and higher educational institutions engaging in adult training as a supplementary activity and other budgetary or state-supported institutions (most importantly, the regional training centres, *regionális képző központ*, focusing on the training of the unemployed and disadvantaged people, see section 0503),
- private training enterprises,
- NGOs (non-profit organizations, professional associations, etc.), and
- employers providing in-company (internal) training for their employees.

Pursuant to the Act on Adult training, adult training providers have to be registered at the regional labour centre (*regionális munkaügyi központ*), but otherwise they are free to develop and provide their (vocational, general or language education) courses. The law prescribes only that they have to conclude a training contract with the participant and prepare a training programme specifying:

- the competences that can be mastered,
- the preconditions of participation,
- the duration and methodology of the training,
- the modules of curricula (including their objective, content and duration),
- the maximum number of participants,
- the methods of assessment,

- the preconditions of issuing a certificate about the completion of the training or of its parts (modules), and
- the means of ensuring the human resources and material conditions of the training.

This sector of CVET offers (in addition to language and general, skills developing courses) a wide range of vocational training programmes for adults, including:

- programmes that award a state recognized *OKJ* vocational qualification;
- so-called trainings regulated by public authorities (*hatósági jellegű képzés*) awarding nationally or internationally recognized qualifications, licenses which are not included in the *OKJ*, primarily in the fields of road, water and air transportation, plant and veterinary health inspection or food hygiene; and
- courses of various types and duration that do not award a nationally recognized qualification.

According to available adult training statistics, in terms of the number of training programmes, qualifications and participants, the majority of courses offered in adult training award an *OKJ* qualification, typically requiring at most an ISCED 2A or 3A school qualification as access requirements.

In the case of training programmes awarding an *OKJ* vocational qualification, the objectives, duration, content requirements and type of outcome are specified in the professional and examination requirements (*szakmai és vizsgakövetelmények, SZVK*) of the given qualification, published by a decree of the minister of the relevant field. While in public education the local school curricula of *OKJ* training programmes must observe the mandatory elements of its central programme (*központi program*) published by the relevant ministry, adult training providers can prepare their own curricula based only on the *SZVKs*. In fact, the system of programme accreditation introduced in 2003 aimed also to facilitate the development of *OKJ* training programmes that (in terms of time and expenses) are more efficient than courses based on the central programmes. The high proportion of curricula developed by the training providers – 63% in the case of *OKJ*, 71% in other courses in 2002 - is the key to the ability of VET provided outside the school system to accommodate flexibly to economic needs.

Pursuant to the Act on Adult Training, adult training providers can be inspected by the competent regional labour centres which, however, may check only whether

- the adult training institution is registered, and
- its activities comply with the legal regulations.

The quality of education in the case of courses awarding a state recognized *OKJ* vocational qualification is ensured indirectly by the nationally uniform state vocational examination that awards the qualifications. The vocational examination can be organized by (besides vocational training schools and higher education institutions providing VET within the school system) institutions authorized by a decree of the minister of the relevant field. Otherwise, quality assurance is provided primarily by the accreditation of adult training institutions and/or programmes which is not, however, mandatory, although a prerequisite of receiving public subsidy and increasingly an attractive marketing asset as well. Accredited training programmes are exempt from VAT, and up to recently participants could also apply for personal income tax deduction but only if they enrolled in an accredited institution.

Accreditation of adult training institutions and training programmes is awarded by the Adult Training Accreditation Body (*Felnőttképzési Akkreditációs Testület, FAT*, see section 0303) for a definite period of time (four years in institutional, 2-5 years in programme accreditation), based on the evaluation of an expert committee.

Institutional accreditation introduced in 2002 aims to validate the quality of training provision (curriculum development, education, assessment) and other adult training services and the rules concerning the management and decision-making processes of

the institution. Accreditation of providers ensures a quality assurance system based on self-assessment that includes the definition of quality targets and the development of an evaluation system. Legislation also provides for continuous quality monitoring to be performed by the FAT with the help of external experts, due to lack of financial sources, however, such monitoring activities have only begun.

The accreditation of training programmes – from July 2007 a precondition of institutional accreditation is having at least one accredited programme - aims to validate that the programme is adequate for the training objectives, realizable, and its content and methodology is in compliance with the pedagogical requirements. Training programmes developed for trainings prescribed by a legal regulation and those issued by the minister responsible for a given *OKJ* vocational qualification are considered as already accredited.

#### **0503 - TRAINING FOR UNEMPLOYED PEOPLE AND OTHERS VULNERABLE TO EXCLUSION IN THE LABOUR MARKET**

Assisting unemployed people and others endangered by unemployment is the prime duty of the Public Employment Service (*Állami Foglalkoztatási Szolgálat, ÁFSZ*) whose regional labour centres (*regionális munkaügyi központ*) support the training of these target groups from sources of the employment sub-fund of the Labour Market Fund (*Munkaerő-piaci Alap, MPA*, see section 1001). In addition, the training of unqualified adults and older people to obtain a state-recognized vocational qualification, and the vocational, general and language education of people living with disabilities can be supported by the state budget through per capita support (*normatív támogatás*).

There are also central state programmes and tenders funded from the *MPA* and/or EU Structural Funds assistance that aim to enhance the employability of disadvantaged people through innovative, complex training programmes. EU funds assistance is currently utilized primarily through the Human Resources Development Operational Programme (HRD OP, see section 0201) and the Hungarian EQUAL programme.

Most training support schemes described below are geared towards several target groups at the same time, and there is also a considerable overlap between some of these target groups (e.g. the Roma population is over-represented among the long-term unemployed).

Participation rates in training for unemployed people and others vulnerable to exclusion in the labour market are presented in [Annex 4](#).

#### **TRAINING SUPPORT THROUGH THE PUBLIC EMPLOYMENT SERVICE**

Supporting the training of the unemployed and others vulnerable to exclusion in the training market has been an important measure of active labour market policies since the 1990s. Its provision is organised on a regional/local level through the 7 regional labour centres and 167 local branches of the *ÁFSZ*. Pursuant to Act IV of 1991 on Facilitating employment and provisions to the unemployed, funding may be provided for the training of:

- unemployed people,
- young people under the age of 25 (or 30 in the case of higher education graduates) who are not entitled to unemployment benefit,
- those who receive childcare support or permanent support for caring for sick or disabled people,
- those whose employment is expected to be terminated in one year,
- those who participate in work of public utility,
- employed people whose regular employment cannot be ensured without training, and
- others as defined by the Governing Board of the *MPA* (involving representatives of the social partners).

Training support by the ÁFSZ (reimbursement of training costs and related expenses and provision of supplementary/compensatory payment) may be given for VET courses, preparatory skills-developing training, career orientation and job searching skills development, and foreign language education programmes provided outside the school system (see section 0502).

Regional labour centres define annually the fields of study in which VET can be supported, based on labour market forecasts and the recommendations of the social partners. Participants are selected by the centres which assist them also in choosing the specific field of training. The majority of courses supported award a state recognized vocational qualification of the National Qualifications Register (*Országos Képzési Jegyzék, OKJ*).

The training courses offered by the centres are provided by state-subsidized regional training centres (*regionális képző központ*) and accredited private adult training providers selected annually by the county labour centres through tenders. The nine regional training centres established since 1992 assist the tasks of the Minister of Social Affairs and Labour related to human resources development at national and regional level, primarily through developing and providing trainings and related services (e.g. career orientation, guidance and counselling) for unemployed people and others vulnerable to exclusion in the labour market.

The quality of training provision is to be assured by the requirement that only accredited adult training institutions can be contracted by the labour centres (for the accreditation procedure, see section 0502) and by their agreement which entitles the centre to monitor training provision (although the improvement of this monitoring process is considered an outstanding task).

#### PER CAPITA FUNDING OF ADULT TRAINING

The per capita financing of adult training was introduced in 2003 aiming to support unqualified adults to obtain their first *OKJ* vocational qualification, and to assist people living with disabilities (as well as other target groups defined annually) to participate in general, language or VET training programmes provided outside the school system. In 2006 this kind of support became available also to people over the age of 50 to obtain their 2nd *OKJ* qualification. Funding provided through tendering is available to adult training institutions which are accredited and, in case they train adults living with disabilities, they offer an accredited training programme (see also section 1004).

From July 2007, however, due to budgetary restraints and because of the large number of eligible persons, per capita support is available exclusively for the training of people living with disabilities.

The quality of training provision is to be assured by the precondition that only accredited adult training institutions may apply for public subsidy, and by their agreement with the ministry which entitles it to check the lawful application, pay off and use of per capita support.

#### CENTRAL STATE PROGRAMMES AND TENDERS

There have been various central state programmes and tenders launched since the beginning of the 1990s, aiming to enhance the employability of disadvantaged people through promoting the development, piloting and provision of complex, innovative training programmes designed to match the special needs of their target groups.

In particular, the National Employment Foundation (*Országos Foglalkoztatási Közalapítvány, OFA*) has been supporting the labour market integration of disadvantaged unemployed people since 1992 by innovative pilot programmes. The OFA has developed the professional content of complex programmes involving training and employment elements, labour market and psycho-social support services, and coordinated tenders providing funding for their implementation through partnerships of local organizations.

The OFA is performing the tasks of the national agency of the Hungarian EQUAL Programme funded by Structural Funds assistance that provides support for establishing partnerships to develop and pilot new, innovative programmes facilitating the employment of Roma people, people with reduced working capacity, women,

young and older people over 45, asylum seekers, imprisoned, homeless, people living with mental disabilities or addictions, and inactive adults (altogether around 40 000 people).

The dissemination and wider application of methodologies developed by and/or piloted through prior OFA tenders and PHARE projects, which have proved successful in improving the labour market situation of disadvantaged people, is currently supported through HRD OP Measure 2.3: Improving the employability of disadvantaged people, including the Roma. The measure provides funding (total amount is EUR 40 014 442) for local partnerships initiated by NGOs to provide complex training programmes for Roma people, older people over the age of 45, long-term unemployed and inactive people, young unemployed people with low levels of education, early school-leavers, people living with disabilities or people with reduced working capacity, people with addiction problems, ex-offenders and released prisoners, and asylum seekers.

The “One step forward” (*Lépj egyet előre*) programme aimed at improving the qualification level of the adult population through providing free learning opportunities within the framework of HRD OP Measure 3.5.3. coordinated by the ÁFSZ has proved very successful and is planned to continue in the period of 2007-2013 under the Social Renewal Operational Programme.

Quality standards of the training and employment programmes supported from national and EU funds are assured by the selection process and continuous monitoring of the supported projects in accordance with the national and EU regulations.

#### **0504 - CVET AT THE INITIATIVE OF ENTERPRISES OR SOCIAL PARTNERS**

Measures to guarantee some kind of training is organised for the employees of enterprises/public sector employees include:

- legal regulations and financial incentives introduced by the state (for the support of the training of adults endangered by unemployment through the Public Employment Service, see section 050301);
- provision for training opportunities in the collective contracts or plans for ensuring equal opportunities developed in some companies in cooperation with the social partners; and
- the human resources policies and activities of individual private enterprises.

The state regulates by legislation the mandatory further training system of employees in the public sector as well in some fields of the private sector where the nature of work – for example, for safety reasons or because of the constant change of regulations - necessitates it (e.g. in occupations related to gas production and services, commerce of plant and animal health chemicals, professional drivers, bookkeepers and auditors, professional hunters, etc.).

The Labour Code (Act XXII of 1992) furthermore specifies the rights of an employee to participate in training. Pursuant to it, employers and employees may conclude study contracts through which the employer can support the education and training of its employee through paying tuition fees, travel and accommodation expenses, providing training leave, etc. The Labour Code guarantees training leave for employed adults only in case they participate in training within the school system (a guaranteed 4 days' leave for each examination, and further leave must be specified by the employer based on a certificate of the training provider about the duration of the training).

#### **CVET IN THE PUBLIC SECTOR**

The further training of public sector employees varies according to the three main typical categories of professions:

- in the so called “uniform-wearing” vocations (e.g. policemen, firemen, soldiers, etc.) the systems of appointment and promotion are strictly regulated and linked to further training and examination systems,

- the uniform mandatory further training and examination system of civil servants working in the central and local public administration was introduced in the 1990s,
- the further training of public servants (teachers/trainers, doctors and other professional medical workers, cultural and social workers) varies with the different sub-sectors.

Compulsory CVET in these vocations is supported financially by the employer (state) and its content is defined by the relevant ministry and/or professional chambers and the social partners. In most cases there have been also separate agencies and institutions set up to organize or coordinate the further training of public sector employees.

In addition, there is a well-established training system in some large companies of the public sector (e.g. Hungarian National Railway, Hungarian Post).

#### CVET IN THE PRIVATE SECTOR

In line with the current regulations on mandatory trainings in some occupations and the HR policies of individual companies, employers may provide for their employees either an internal training system (offering further trainings, trainee programmes, job rotation, etc.) at the workplace or external trainings purchased in the adult training market (see section 0502 on adult training provided outside the school system), in addition to supporting their training individually through study contracts.

According to the results of the second European Continuing Vocational Training Survey (CVTS 2) of Eurostat on continuing training in enterprises of the private sector in 1999, only 37% of enterprises supported the CVET of employees, and such training opportunities were available only to 12% of all employees. 24% of the enterprises provided training in traditional training courses, 30% also in alternative forms. Only 4% of them had a specific classroom or a training centre dedicated to training purposes, and only 12% developed training plans.

The CVTS 2 as well as other subsequent research studies have found, however, that while the training activities of Hungarian enterprises is rather low compared to the EU average, the amount of training provision and the proportion of “learning organisations” vary considerably according to:

- the size of the enterprise: larger companies employing more than 250 people support the training of their employees in a greater share (see Table 1), and they provide more internal trainings, and
- sector: enterprises in the financial, telecommunication and public utility sectors (electric power, gas, water, etc.) provided CVET for their employees in a larger proportion than the national average, while those in the textile, clothing and leather industries, gastronomy, mining and construction industry sectors were lagging behind.

Table 1: Training enterprises as % of all enterprises, by size class (1999)

	SIZE CLASS (NUMBER OF EMPLOYEES)			
	TOTAL (%)	10 TO 49 (%)	50 TO 249 (%)	250 OR MORE (%)
<b>EU-25</b>	61	56	80	95
<b>HUNGARY</b>	37	32	51	79

Source: Eurostat, NewCronos, CVTS 2

The role of the social partners in promoting CVET has improved considerably in the past decade, but it is still rather limited due to lack of resources, informational and professional institutional background, and the fragmented nature of their initiatives. Many of the economic interest representative organisations (e.g. the chambers of economy, the Hungarian Association of Craftsmen's Corporations (*Ipartestületek Országos Szövetsége*), or the sectoral dialogue committees, *ágazati párbeszéd bizottság*) do consider the development of CVET in their sectors a prioritized objective and several of them also engage in training provision, but they can provide their trainings free of charge only when those are financed by national/EU sources, obtained usually through tenders (see below).

The Hungarian Chambers of Economy and Commerce (*Magyar Kereskedelmi és Iparkamara*) and of Agriculture (*Magyar Agrárkamara*) play an important role in non-school based CVET also through organizing master examinations (*mestervizsga*) since 1996, as a new, special form of CVET awarding a higher level vocational qualification (master title, *mestercím*). Pursuant to the Act LXXVI of 1993 on Vocational education and training, the chambers develop the outcome requirements of these examinations in cooperation with the national economic interest representative organizations. The local chambers also organize preparatory training programmes, although participation in them is not a precondition of applying for the exam, only having a given OKJ vocational qualification and professional experience. The master examination consists of three parts: an oral examination of entrepreneurial and pedagogical studies, a written and an oral examination of vocational theory, and a vocational practical examination.

The most important measure taken at national level to improve the CVET of employees in the private sector is a financial incentive introduced in 1997. Pursuant to Act LXXXVI of 2003 on the Vocational training contribution and the support of the development of training, employers can spend (at most) one third of their compulsory vocational training contribution (*szakképzési hozzájárulás*, see section 1001) on financing the vocational training of their own employees. Its amount allocated for the training of employees rose to HUF 6 978 billion (EUR 27 912 million) in 2005 from 1 031 billion (EUR 4 124 million) in 2000, although many enterprises still do not or (due to its low amount) cannot make use of this opportunity.

In addition to the lack of financial resources, micro, small and medium sized enterprises (SMEs) that make up more than 99% of all enterprises in Hungary face the

problem of replacements (because of the small number of employees, employers cannot afford to release them to participate in training) and the lack of short-term, adequate and efficient training programmes and materials tailored to their special needs. The participation of SMEs in CVET is promoted by a recent legislative amendment which has increased the percentage of the vocational training contribution micro and small enterprises can allocate for the training of their employees from 33% to 60%.

The Lifelong Learning Strategy of the government (see section 0201) aims to increase the number of employees participating in CVET through:

- encouraging partnerships with the social partners in order to strengthen, increase the efficiency and extend the existing further training systems;
- promoting in-company non-formal and informal learning (e.g. ensuring the validation of such learning, introducing an "Employee Training Card"); and
- supporting learning organisations (e.g. by introducing a national award).

The achievement of these goals is assisted by several measures of the Human Resources Development Operational Programme (HRD OP, see section 0201). The HRD OP and some other OPs as well as other national support schemes (e.g. tenders of the National Employment Foundation, *Országos Foglalkoztatási Közalapítvány*) provide also direct financial support for the further training of employees. Although such support is in general available to all companies, priority (and higher share of support) is given to SMEs and to disadvantaged groups (e.g. Roma employees and entrepreneurs).

#### **0505 - CVET AT THE INITIATIVE OF THE INDIVIDUAL**

Individuals can participate at their own expense in general, language education and vocational adult training (*felnőttképzés*) courses offered by various types of adult training providers discussed in section 0502.

According to the adjusted calculation of the Ministry of Social Affairs and Labour based on the available adult training statistics, around one third of the participants of registered adult trainings, 100 000 persons, finance their own training.

### **06 - TRAINING VET TEACHERS AND TRAINERS**

#### **0601 - TYPES OF TEACHERS AND TRAINERS IN VET**

Teachers and trainers working in VET are differentiated by the different laws that regulate the operation of the given sector of education they work in. Vocational education and training, both IVET and CVET, can be offered either within the school system (in public and higher education) or outside it (in adult training). Although the provision of VET awarding a vocational qualification listed in the National Qualification Register (*Országos Képzési Jegyzék, OKJ*) and other vocational programmes is regulated by the same law in both sectors (Act LXXVI of 1993 on Vocational education and training), provisions concerning the conditions of teaching/training in VET not covered by it are included in Act LXXIX of 1993 on Public education, Act CXXXIX of 2005 on Higher Education and Act CI of 2001 on Adult Training.

Except for higher education where the law does not require that instructors have a pedagogical qualification and their selection lies within the competence of the higher education institution, instructors of general subjects, of vocational theoretical subjects and of vocational practical training can be differentiated in every other sector.

In public education, the conditions of teaching/training are specified by the law according to whether teachers/trainers teach in the general education or VET grades of vocational training schools (*szakképző iskola*), and concerning VET, whether they instruct vocational theory or practice. Teachers and trainers are thus clearly differentiated as legislation prescribes different qualification requirements for general subject teachers (*közismereti szakos tanár*), vocational teachers (*szakmai tanár*) teaching theoretical subjects, vocational trainers working in school workshops (*szakoktató*), and practice trainers (*gyakorlati oktató*) instructing practical training provided at an enterprise.

In adult training, the qualification requirements of instructors are regulated only in VET and in accredited institutions and training programmes. In accredited adult training institutions different qualifications are required from instructors of general education, language education, VET, and programmes training disadvantaged adults, and concerning the latter two types, whether they instruct theory or practice. Pursuant to the 8/2006. (III.23.) decree of the Minister of Education, instructors of VET provided outside the school system have to possess the same qualifications as required from employees of accredited institutions.

Having a teacher-specific qualification is a requirement, however, only in the case of training disadvantaged adults in adult training, and for general subject teachers, vocational teachers and vocational trainers employed in public education. The different kinds of recognised teaching and training occupations are presented in [Annex 5](#).

Teacher/trainer training is provided in higher education where there are different training programmes for general subject teachers, for vocational teachers and for vocational trainers. Higher education is currently in the process of a radical transformation in relation with the Bologna process (cf. section 0407) and this has an effect also on teacher/trainer training.

Pursuant to the new regulations, curricula of teacher/trainer training programmes and the forms and methods of assessment and evaluation are developed by higher education institutions based on the training and outcome requirements (*képzési és kimeneti követelmények*) of the given programme. These requirements are published by the Minister of Education in decrees and can be proposed by a professional committee of the given field set up by the conference of the heads of institutions in the case of BSc programmes (training of vocational trainers), and by higher education institutions in the case of MA/MSc programmes (training of general education and vocational teachers). Such proposals have to include the supportive opinion of the Hungarian Higher Education Accreditation Committee (*Magyar Felsőoktatási Akkreditációs Bizottság, MAB*), the social and labour market oriented justification of the new programme, and the opinion of professional associations, employers and ministries involved in the specific field.

The assessment of training and the evaluation of the quality development systems of higher education institutions are the tasks of the *MAB* which checks the fulfilment of the prescribed conditions and the accomplishment of the quality development programme in every institution at least once in every 8 years.

## **0602 - TYPES OF TEACHERS AND TRAINERS IN IVET**

[Annex 6](#) presents the different types of instructors working in IVET. The training of teachers/trainers employed in adult training is discussed in section 0603.

### **HIGHER EDUCATION INSTRUCTORS**

Act CXXXIX of 2005 on Higher education does not require that those employed in higher education have a pedagogical qualification. The ultimate basis of differentiating between various instructor positions in higher education is scientific achievement, and defining the qualifications required in a certain position lies within the competency of the institution.

One group of instructors involves those who can be promoted based on their scientific and pedagogical achievement and are entitled to use the "instructor titles" (*oktatói címek*); according to the new regulations they must participate in a doctoral degree programme or in senior positions must have a PhD/DLA degree (ISCED 6). The other group comprises practitioners who are not promoted in this way and cannot use such titles; they usually teach universally mandatory subjects and are required to have only a tertiary level degree and qualification (ISCED 5A). In addition, higher education institutions may employ scientific researchers who may teach in a definite part of their working time, but distinct learning facilitator occupations (e.g. mentor, tutor) are not typical in higher education.

### **TEACHERS/TRAINERS WORKING IN VET PROVIDED IN VOCATIONAL TRAINING SCHOOLS**

Instructors of vocational schools (*szakiskola*) and secondary vocational schools (*szakközépiskola*) can be grouped according to what and where they teach:

- general subject teachers (*közismereti szakos tanár*) teach general subjects in the general education grades;
- vocational teachers (*szakmai tanár*) teach preparatory vocational studies, basic vocational education and career orientation in the general education grades, and vocational theoretical subjects and more theory-demanding practical subjects in the VET grades;
- vocational trainers (*szakoktató*) instruct vocational practice in school workshops in the VET grades; and
- practice trainers (*gyakorlati oktató*) instruct practical training provided at a company workshop or at the workplace in the VET grades;
- schools may also create non-pedagogical positions to assist the pedagogical-teaching work (school psychologists, social pedagogues, etc.).

#### PRE-SERVICE TRAINING

General and vocational theoretical subject teachers and vocational trainers must gain a tertiary level teaching-specific qualification (ISCED 5A) awarded by tertiary level colleges/universities. In case there is no relevant teacher training programme and in providing practical training, Act LXXIX of 1993 on Public education permits also the employment of individuals having only a relevant ISCED 4C or 5B level OKJ vocational qualification, in case they have at least 5 years of professional experience.

To gain entry to teacher/trainer training programmes provided in higher education applicants must have a minimum of ISCED level 3A qualification (the maturity certificate, *érettségi bizonyítvány*), and also a relevant OKJ qualification in the case of vocational trainers.

In the former dual system of higher education, the majority of vocational teacher training programmes - engineer-teacher (*mérnök-tanár*), agrarian/agricultural engineer-teacher (*agrár/mezőgazdasági mérnök-tanár*), economist-teacher (*közgazdász-tanár*) training – belonged to the consecutive training model awarding double qualifications in which the teacher qualification could be earned after or in parallel to training in the given professional field. In the majority of artist-teacher (*művész-tanár*), medical-teacher (*egészségügyi tanár*) and general subject teacher, and the (technological, agrarian, economic and medical) vocational trainer training programmes, however, the professional and the teacher training elements were provided concurrently and they awarded only one degree. Qualification requirements included 4 (college level teacher and vocational trainer qualifications) or 5 (university level teacher qualifications) years of study in the professional field and in the three large modules (pedagogy-psychology, professional methodology and school practice) of teacher training. Teachers qualified through a mix of assessment procedures which includes examinations, practical assessment and a final teaching (*zárótanítás*) that closed the school teaching practice. The teacher/trainer qualification was awarded at the final examination (*záróvizsga*) taken upon the fulfilment of all the requirements specified in the curriculum and having a thesis (*szakdolgozat*) prepared and approved.

In the new multi-cycle training structure introduced gradually from September 2006, vocational trainer qualifications (technological, agrarian, and business) will be awarded in 7-term long BSc programmes including a continuous external professional and school practice. General and vocational teacher qualifications will be offered only in the MA/MSc cycle to those having a specific BA/BSc diploma (ISCED 5A) defined in the training and outcome requirements (*képzési és kimeneti követelmények*), although there will be an optional, teacher training grounding, career-orientation module (including pedagogical and psychological studies worth 10 credits in at least 2 terms) available already at bachelor level. Teacher training programmes will award two teacher qualifications, except for vocational and artist teacher training whose participants can choose to obtain only one teacher qualification (thus reducing the duration of training by 1-2 terms), and there will be also training programmes based on an MA/MSc degree and qualification available in these fields.

The 150-credit teacher training programmes will involve three modules:

1. training in the professional field aimed primarily at developing pedagogical/methodological competences (worth 30 credits in the first and 50 in the second qualification) and
2. theoretical and practical training in pedagogy and psychology (worth 40 credits), followed by a
3. continuous professional practice in a public education or adult training institution (worth 30 credits).

The training and outcome requirements will specify the conditions of choosing the 2nd qualification whose training modules can, for example, prepare for special pedagogical functions (curriculum development, pedagogical assessment and evaluation, etc.).

Pursuant to Act LXXVI of 1993 on Vocational education and training, instructors of practical training provided by an enterprise must have only a vocational qualification in the specific field (of at least the same level as they provide training for) and five (or in individual training 2) years of professional experience. However, those having a vocational trainer qualification or the certificate of the master examination (*mestervizsga*, see section 0504) must be preferred.

#### **IN-SERVICE TRAINING**

The Act on Public Education prescribes the compulsory in-service training of teachers/trainers employed by public education institutions to be taken at least once in every seven years. The State covers 80 percent (or even 100 percent under certain conditions) of the training costs from the amount allocated for supporting the further training of teachers/trainers in the budget.

This legal obligation can be accomplished by:

- participating in an accredited (by the In-service Teacher Training Accreditation Body, *Pedagógus-továbbképzési Akkreditációs Testületet, PAT*) 120-hour further training course organized by an adult training institution;
- taking the pedagogical professional examination (*pedagógus szakvizsga*, ISCED 5A) within the framework of a postgraduate specialized programme (*szakirányú továbbképzés*) in higher education;
- obtaining a second or further degree and/or qualification in higher education undergraduate and master level studies, supplementary undergraduate training (*kiegészítő alapképzés*) or postgraduate specialized programmes (ISCED 5A);
- obtaining the first pedagogical degree and qualification (in case of teaching vocational theoretical subjects or instructing practical training with only a relevant degree and qualification);
- obtaining an OKJ advanced (*emelt szintű*) or a higher level vocational qualification (*felsőfokú szakképesítés*) that would improve the pedagogical and teaching work, and
- participation in international in-service teacher training programmes (study visits) may also be counted in the completion of this obligation.

#### **0603 - TYPES OF TEACHERS AND TRAINERS IN CVET**

[Annex 7](#) presents the different types of instructors working in CVET that may be provided within or outside the school system.

##### **TEACHERS/TRAINERS WORKING IN CVET PROVIDED WITHIN THE SCHOOL SYSTEM**

School-based CVET is offered by public and higher education institutions. Since the same teaching/training staff is involved in these kinds of training programmes as in IVET, the categorization, pre-service and in-service training of their instructors correspond to that described in section 0602.

##### **TEACHERS/TRAINERS WORKING IN CVET PROVIDED OUTSIDE THE SCHOOL SYSTEM**

In CVET provided outside the school system, in adult training, instructors involve various types of practitioners (teacher, *tanár*; trainer, *tréner*; instructor, *instruktor*; tutor, mentor). Since adult training providers may offer general, language and vocational training programmes, teachers of general subjects, of language education, of vocational theoretical subjects and trainers of vocational practical training can be differentiated also in adult training. In addition, there exist various other learning facilitator positions organizing, planning, managing, evaluating, animating and consulting adult training.

In VET provided outside the school system, only instructors of training programmes provided by accredited adult training institutions to disadvantaged adults are required to have a pedagogical qualification (and in this case the instructors of practical training also 5 years of professional/adult trainer experience). In other type of VET courses, in case the instructor has a given number of years of professional experience, legislation allows the employment of practitioners having only a tertiary level (ISCED 5A) degree in the specific field or even a secondary level vocational qualification (of at least the same level as that of the training).

#### PRE-SERVICE TRAINING

In so far as teachers/trainers of adult training have a pedagogical qualification, their pre-service training is provided in the same form and in the same higher education institutions as of IVET (vocational training school) teachers/trainers and corresponds to what is discussed in section 0602.

The training of practitioners working in various learning facilitator positions is provided also in higher education. In the new multi-cycle training structure introduced from September 2006 there are a human resources and an *andragogy* BA programme with 4 possible specializations (human organizer, educational organizer, human resources organizer, and employment consultant) available. In addition, there is a 2-year long higher level VET programme (ISCED 5B) called professional training assistant (*képzési szakasszisztens*), preparing those having the maturity examination certificate (*érettségi bizonyítvány*, ISCED 3A) for adult training organizational tasks and to assist in practical vocational training.

#### IN-SERVICE TRAINING

Current legislation does not prescribe the further training of adult training instructors, except for accredited institutions in so far as the 24/2004. (VI. 22.) decree of the Minister of Employment Policy and Labour states that accredited adult training institution, in order to plan their training activities, shall possess a human resource-plan including regulations concerning the in-service training of instructors.

The in-service training of instructors employed in VET provided outside the school system is rather varied. Teachers/trainers working in vocational training schools (*szakképző iskola*) are employed also in public education and as such they have to participate in further training. There is no mandatory organized further training for instructors of higher education, they, however, have the highest level qualifications and self-training is a requirement in their full time position. Regional training centres (budgetary institutions) regularly offer organized in-service training based on an internal training plan. Among private training enterprises there are significant differences in this respect: apart from enterprises having an International Organisation for Standardisation (ISO) certification who develop internal training plans and offer their (full time) employees either internal further training or purchase one offered by another enterprise, providers offer further training for (full time) employees only occasionally, offer professional consultation or send their instructors to professional conferences, or simply expect them to further train themselves.

Among the postgraduate specialization programmes (*szakirányú továbbképzési szakok*, ISCED 5A) offered in higher education, the 4-term-long adult education expert ( *felnőttek oktatási szakértő*) training programme trains participants for planning, organizing, managing and assessing adult education processes. It is available in evening or correspondence and in distance education for those having a pedagogical qualification or a tertiary level degree and qualification (ISCED 5A) in the humanities, social or natural sciences.

With the coordination of the National Institute for Adult Education (*Nemzeti Felnőttképzési Intézet*), the development of a model of an in-service training system of instructors working in adult training began in 2005 within the framework of the Human Resources Development Operational Programme Measure 3.5.1. (see sections 0201 and 0501).

## 07 - SKILLS AND COMPETENCE DEVELOPMENT AND INNOVATIVE PEDAGOGY

### 0701 - MECHANISMS FOR THE ANTICIPATION OF SKILL NEEDS

The outcome requirements of a qualification of the National Qualifications Register (*Országos Képzési Jegyzék, OKJ*) are defined by the minister of the relevant field. Anticipation of skills needs and the initiation of changes in the *OKJ* are also realized primarily at this level. Although the social partners are involved in these processes through various national and regional level consultative boards (see section 0201), the existing forecasting and planning mechanisms of VET are considered insufficient. Apart from regular short-term prognoses on labour shortage and surplus based on employers' surveys by the labour centres of the Public Employment Service (*Állami Foglalkoztatási Szolgálat, ÁFSZ*), medium and longer term forecasts and researches based on a more qualitative or combined approach have been conducted only occasionally.

Therefore, improving the labour market information system at national, regional and local levels to facilitate the identification of skill needs and creating the planning system of VET based on labour market demands are prime educational policy objectives, highlighted in the Strategy of the Development of VET (see section 0201). The development of a medium- and long-term forecasting system (model) – including the preparation of labour demand and supply forecasts with the time horizon of 10 years - began in 2005 within the framework of the modernisation of the *ÁFSZ*, supported by Human Resources Development Programme (HRD OP, see section 0201) Measure 1.2. Recent measures related to the development of planning and forecasting mechanisms include:

- professional consultative boards (see section 0302) are established in larger VET schools to assist the local planning of VET;
- regional development and training committees (see section 0302) are required to prepare regional lists of vocational qualifications in short supply in the labour market (*hiányszakképesítés*) every three years, beginning from September 2006;
- the national career tracking system of VET graduates should be developed by the end of 2008.

The recent comprehensive renewal of the *OKJ* and outcome requirements within the framework of HRD OP Measure 3.2.1. aimed to update the structure and content of VET. It was based on an extensive analysis of Hungarian employment structure and job profiles, including surveying expected future developments in each vocation, implemented with the participation of practitioners and experts.

Current legislation assigns the task of “continuous monitoring of the development of VET structure” to a consultative body (*OKJ* committee) to be set up by the example of the 30-member Consulting Board involved in the *OKJ* development project, as a replacement of the sectoral so-called *OKJ* occupational group committees (see section 0302). Also through this and other consultative bodies, representatives of the economy and the social partners are encouraged to report changing labour market needs by initiating the modification of the *OKJ* and the outcome requirements and to review proposed changes.

The process of creating/modifying/deleting an *OKJ* vocational qualification can be initiated by the minister of the relevant field or by anyone making a proposal to the minister that includes the proposed professional and examination requirements (*szakmai és vizsgakövetelmények, SZVK*) and the supportive opinion of the relevant chamber of economy, professional, employer and employee associations, labour centres, etc. concerning the economic and labour market demand for the given qualification. The minister sends the proposal to the National Institute of Vocational

and Adult Education (*Nemzeti Szakképzési és Felnőttképzési Intézet*) and the OKJ committee, and makes a decision based on their opinion (except for higher level vocational qualifications whose SZVKs can be developed jointly by a higher education institution and the relevant economic/professional chamber). If accepted, the proposal is sent to the minister responsible for VET and adult training who makes a final decision based on the opinion of the National Vocational and Adult Training Council (*Nemzeti Szakképzési és Felnőttképzési Tanács*), in agreement with the minister responsible for education and the minister of the relevant sector.

In order to increase further the role of economy in qualifications development, through a recent agreement with the Ministry of Social Affairs and Labour, the Hungarian Chamber of Commerce and Industry (*Magyar Kereskedelmi és Iparkamara*) was assigned to continuously develop - in cooperation with national economic interest representative organisations - the SZVK of 11 new vocations, in addition to 16 qualifications handed over to the Chamber in 2004.

The anticipation of skills needs and the adjustment of training programmes to labour market demands is an important policy objective also in higher education. Pursuant to current regulations, the introduction of a new bachelor or master level training programme may be initiated by higher education institutions through making a proposal of its training and outcome requirements (*képzési és kimeneti követelmények*) to the Minister of Education and Culture. Such proposals have to include the supportive opinion of the Hungarian Higher Education Accreditation Committee (*Magyar Felsőoktatási Akkreditációs Bizottság*, see section 0201), the social and labour market justification of the new programme, and the opinion of professional associations, employers and the ministry concerned in the specific field.

#### **0702 - BRIDGING PATHWAYS AND NEW EDUCATIONAL PARTNERSHIPS**

Bridging pathways in the sense of providing for the possibility of switching between the tracks of general education and VET is ensured by Act LXXIX of 1993 on Public Education and by the framework curricula of general education grades (subject to preconditions defined in the local school curriculum). It is furthermore facilitated by the high proportion of institutions providing several different types and levels of training programmes. Currently, 90% of vocational schools (*szakiskola*) are part of such institutions (typically providing also secondary vocational school programmes, *szakközépiskola*), where graduates of the vocational school can continue studies to take the maturity examination (*érettségi vizsga*, ISCED 3A).

Bridging VET and higher education was one of the main objectives of the introduction of higher level VET (*felsőfokú szakképzés*, ISCED 5B) in 1998. A given number of credits obtained in this kind of VET programmes (minimum 30, maximum 60) have to be recognized in a BA/BSc level higher education degree programme of the same field. Higher level VET offers an excellent opportunity also for the cooperation of VET and higher education institutions, since it can be organized only by a college/university but may be provided by a secondary vocational school, based on the cooperation agreement of the institutions. These training providers may cooperate also in the newly established regional integrated vocational training centres (see section 0201).

The introduction of a modularised competence-based qualification structure (see section 0703) will facilitate primarily transfer between different kinds and levels of VET programmes. The development of a National Qualifications Framework also began in the spring of 2006 when the Ministry of Education commissioned an expert working group to prepare a study on the conditions and principles of its introduction. Based on this paper a proposal to the government shall be made by the third quarter of 2007. Experts, however, agree that the complete development of the NQR and the realization of its professional and legal preconditions will take several years (see also section 0803).

#### **0703 - RENEWAL OF CURRICULA**

In VET provided within the public education system, curricula of training programmes awarding a vocational qualification of the National Qualifications Register (*Országos Képzési Jegyzék, OKJ*) are developed at national as well as local level. Framework curricula (called central programmes, *központi program*) based on the outcome, so-

called professional and examination requirements (*szakmai és vizsgakövetelmények, SZVK*) of the given *OKJ* qualification are developed by the ministry of the relevant field with the assistance of the National Institute of Vocational and Adult Education (*Nemzeti Szakképzési és Felnőttképzési Intézet*) and the participation of experts. Local school curricula are developed by the institutions (teachers/trainers) in accordance with these documents.

In the case of higher level VET (*felsőfokú szakképzés, ISCED 5B*) and of *OKJ* vocational programmes offered in adult training outside the school system, curricula are developed by the training provider based on the *SZVKs* only.

Curricula of higher education BA/BSc, MA/MSc programmes are developed by the institutions, based on the training and outcome requirements (*képzési és kimeneti követelmények*) of the given programme issued in a decree of the Minister of Education.

In adult training, training programmes and curricula are in many cases developed with the participation of experts, economical and professional organizations, often based on the *DACUM* method (job profile analysis).

Current curricula development regarding *OKJ* qualifications is defined by the introduction of a modular, competence-based qualification structure developed within the framework of Human Resources Development Operational Programme (HRD OP) Measure 3.2.1 (see section 0201). The new *OKJ* and outcome requirements are based on job profile analyses conducted by 1-1 job experts (experienced practitioners of the given vocation) from small, medium and multinational enterprises. The competence profiles of each occupation, specifying not only the professional knowledge and skills, but also the method (thinking, problem-solving and work style), social (communication, cooperation and conflict-resolution) and personal (flexibility, creativity, independence, capabilities and characteristics) competences required to perform the various tasks involved in the given occupation/job, were developed by practitioners with training experiences. The new centrally defined framework curricula developed with the participation of teachers/trainers and the local VET curricula based on these will thus consist of curriculum modules (*tananyagegység*) corresponding to the professional requirements modules defined in the *SZVKs* and will focus on the development of competences.

Furthermore, current curricula development aims also to develop more open training programmes, and the integration of 'openness' elements (centrality of learning, a complex learning environment, wide range of user-oriented programmes, modern teaching technology, external professional practices) contributes to the realization of individual learning pathways. Development of digital learning materials and e-learning training programmes is currently supported by HRD OP Measures 3.2.1. and 3.5.1. (see sections 0201 and 0501).

In line with these developments, there are changes in applied teaching and learning methods as well (spreading of project and problem-solving teaching, WEB-based learning, application of electronic learning frameworks, virtual classroom work, co-operative learning). However, the improvement of pre-service teacher/trainer training programmes and providing sufficient further training opportunities are indispensable to induce comprehensive changes and ensure the success of the renewal of curricula, as highlighted also in the Strategy of the Development of VET (see section 0201).

## 08 - ACCUMULATING, TRANSFERRING AND VALIDATING LEARNING

### 0801 - ACCUMULATING, ACCREDITING AND VALIDATING FORMAL LEARNING

#### BACKGROUND

Qualifications awarded in vocational education and training include state recognized vocational qualifications listed in the National Qualifications Register (*Országos Képzési Jegyzék, OKJ*) obtainable both within and outside the formal school system, certificates/licenses awarded in adult training which may or may not be recognized by the state, and qualifications obtained in a higher education degree programme. An *OKJ* vocational qualification (*szakképesítés*) and a qualification awarded in a higher education degree programme (*szakképzettség*) qualify one to enter an occupation named in the professional and examination requirements (*szakmai és*

*vizsgakövetelmények, SZVK*) of the *OKJ* qualification or the training and outcome requirements (*képzési és kimeneti követelmények*) of the training programme, issued by the responsible minister and the minister of education, respectively. These qualifications include those providing access to regulated professions whose list – specifying also the ministers responsible for preparing legislation regulating them - is regularly published in a register by the minister of education.

Provisions concerning the transfer of qualifications and formal learning from one formal setting to another are defined in Act LXXVI of 1993 on Vocational education and training, Act LXXIX of 1993 on Public Education and Act CXXXIX of 2005 on Higher education. In accordance with their regulations it is typically the head of the training institution who decides upon the extent of recognizing previously obtained qualifications and former studies (see below).

## MECHANISMS

### VET WITHIN THE SCHOOL SYSTEM

The mechanism of accrediting formal learning in VET awarding an *OKJ* qualification is defined by central regulations. The minister of the relevant sector issues the *SZVK* of the pursued qualification which specify the preconditions, parts (oral, written, practical, or in the case of new *OKJ* qualifications, also complex or interactive) and requirements of the national vocational examination which awards the *OKJ* qualification at the end of the training programme. This examination is taken in front of an independent examination board involving a president nominated by the minister of the relevant field (or by the relevant local chamber of economy in case it defined the *SZVK*) and representatives of the school and of the chamber (or national interest-representative organisations).

Concerning transfer from one IVET programme to another, pursuant to the Act on Vocational education and training, prior formal studies at a VET school or a higher education institution have to be recognized in the completion of requirements of the same content in any vocational programme. Similarly, exemption from parts, subjects or modules of the vocational examination must be given based on previously taken examinations. The application for such recognition must be submitted to the head of the training institution who decides on the extent of recognizing prior studies (appeals against his decision can be made to the Education Office, see section 0302). The law provides also for recognizing pre-vocational studies depending on the decision of the head of the institution, which may reduce the duration of the vocational training programme.

The recently renewed *OKJ* (see section 0201) allows also of obtaining partial qualifications at the vocational examination which can later be supplemented by the missing modules to obtain a complete qualification either in school-based VET or in adult training. Participants of a vocational programme based on the new modularized qualification structure will be able to take module final examinations which will have to be recognized by any provider in a training programme involving that module.

Concerning vertical transfer, the Act on Higher education stipulates that a number of credits (minimum 30, maximum 60) obtained in a higher level VET programme (*felsőfokú szakképzés*, ISCED 5B) must be recognized in BA/BSc programme (ISCED 5A) of the same training field. Otherwise, however, the *OKJ* qualifications obtainable in IVET do not provide direct access neither to general nor to higher education (although switching tracks at upper secondary level under certain circumstances is possible, see section 0702). Graduates of vocational schools (*szakiskola*) therefore have to complete three more years of full or part time formal general education to obtain the maturity certificate (*érettségi bizonyítvány*, ISCED 3A) which is a precondition of entering post-secondary and higher education.

### VET OUTSIDE THE SCHOOL SYSTEM

In adult training, there exist two parallel systems of accrediting formal learning. One is the centrally regulated vocational examination system described above which is in effect in case the programme awards an *OKJ* vocational qualification. In adult training, the vocational examination can be organized by public and higher education institutions engaging in adult training (for their participants) and by institutions authorized by the responsible minister.

In the case of trainings regulated by public authorities (*hatósági jellegű képzés*, see section 0502) the content and examination requirements are regulated by the relevant public authority and the awarded certificates, licenses are state recognized. The professional and examination requirements of the master examination (*mestervizsga*, see section 0504) are defined by the relevant chamber of economy. In other cases the training provider issues a certificate of completing the training programme based on its own assessment/validation system. These documents are not recognized by the state, but the knowledge and skills acquired through the training programme can make them prestigious on the labour market, especially if they are awarded by accredited training providers and/or in accredited training programmes that would ensure the quality of education.

#### **IMPACT OF POLICY**

In addition to adapting student assessment and the regulations of the vocational examination to the new modularized qualification structure and training programmes, the prime policy objective concerning the accumulation, accreditation and validation of formal learning is defined in 1057/2005. (V.31.) government resolution on the Measures necessary for the implementation of the strategy of the development of VET. This document stipulates that in order to enable the recognition of prior knowledge obtained in whatever form and to ensure that the competences certified by the qualification awarded at the vocational examination reflect truly what the participant has mastered, a new system and institutional system of vocational examination – independent from the training providers - has to be established. It also provides for preparing a proposal on recognizing knowledge obtained in IVET (especially in the case of programmes awarding a technician qualification or one falling under EU jurisdiction) in a higher education degree programme.

VET teachers and trainers are currently being offered in-service training programmes to prepare them for the introduction of modularized and competence-based training, which shall be taken into account also in their pre-service training. All these developments should have an impact also on guidance and counselling, and the planned further transformation of the examination system would probably effect also financing.

#### **0802 - ACCUMULATING, ACCREDITING AND VALIDATING NON-FORMAL/INFORMAL LEARNING**

##### **BACKGROUND**

Act LXXVI of 1993 on Vocational Education and Training provides only for the validation and recognition of prior formal studies in the formal education and training pathways, although the introduction of the new modularized competence-based qualification structure will enhance also the recognition of non-formal/informal learning through permitting the definition of access requirements of qualifications of the National Qualifications Register (*Országos Képzési Jegyzék, OKJ*) in terms of competences (see below). In the field of adult training provided outside the school system, there is in general more opportunity for validating and recognizing prior non-formal and informal learning. Currently, however, there exists no uniform national system regulating the validation of such learning in Hungary.

The need to develop a national system of accrediting and recognizing non-formal/informal learning is mentioned in every major policy documents of the past years (see section 0201). The Strategy of VET development 2005-2013 states that the opportunity to recognize prior formal, non-formal and informal learning must be created at each level of VET by 2010. The LLL Strategy refers to the task of creating a system of recognizing non-state-recognized vocational qualifications in line with the Europass system and introducing a competence-card system to facilitate the recognition of non-formal learning. It later mentions prior learning assessment (PLA) as a means of improving accessibility to training. The National Action Plan for Growth and Employment 2005-2008 links the initiative of accrediting non-formal learning to the introduction of an Employee Training Card. This card is envisaged to serve primarily as a means to register and follow-up the training activities of adults, including recording the various qualifications and competences obtained in non-formal learning, thus enhancing participation in training and decreasing the duration and cost of courses. The creation of a national qualification framework which would ensure the recognition

of competences obtained through non-formal/informal learning in formal learning and the labour market will be supported under the Social Renewal Operational Programme by EU Structural Funds assistance in the period of 2007-2013.

The social partners were involved in the creation of these policy documents, but the development of a system of validating non-formal/informal learning is promoted primarily by the national educational and VET administration.

#### MECHANISMS

Non-formal and informal learning may be accredited in adult training primarily at certain type of examinations awarding a state recognized vocational qualification when the relevant regulations do not require participation in preparatory trainings. Examples include master examinations (*mestervizsga*) organized by the chambers of economy (see section 0504), some so-called trainings regulated by public authorities (*hatósági képzés*, see section 0502), the European Computer Driving License (ECDL) examination system, or language proficiency examinations.

Validation and recognition of prior learning in adult training is otherwise ensured only by a provision of Act CI of 2001 on Adult Training, namely, that applicants to adult training programmes may request the assessment of the level of their knowledge that the training provider must evaluate and take into account. This has been a well-known method in adult training for a long time, serving primarily as a means to inform the training provider about the prior knowledge of participants, and thus to enhance the adjustment of the course to individual needs and avoid repetitions.

The procedure of the assessment and recognition of the level of knowledge that participants may request in adult training is not, however, regulated by the law, and the monitoring of adult training institutions (which has recently been made more stringent) involves checking only if the institution provides these services. The actual methods of assessment are rather heterogeneous and adult training providers usually simply apply the test sheets, theoretical examination questions, or practical assignments of the subject or the module/final exams they use in their training programme also to assess participants' prior learning. The development of national standards for PLA was supported by the state through a three-year-long pilot project with the participation of 50 accredited adult training institutions, coordinated by the National Institute for Adult Education (*Nemzeti Felnőttképzési Intézet*). The experiences and rather limited results have been integrated in a project implemented under Human Resources Development Operational Programme Measure 3.5.1. (see section 0501) that involves the development of modular adult training programmes and materials as well as measuring tools for PLA in 200 vocations.

An opportunity to accredit non-formal and informal learning to give access to further formal education has recently been introduced in higher education by the 79/2006. (IV.5.) government decree. In reference to the rules of credit-based training it states that the completion of requirements through prior work experience can be recognized and the institution "must make sure of the attainment of knowledge" by organizing oral, written or practical assessment. In VET - except for higher level vocational qualifications (*felsőfokú szakképesítés*, ISCED 5B) requiring the maturity certificate (*érettségi bizonyítvány*) and vocational qualifications with a higher education degree and qualification (ISCED 5A) as pre-qualification requirement - the new OKJ published in 2006 permits the definition of the access requirements of vocational qualifications at all levels also in terms of competences. However, the preconditions of ensuring the accreditation of non-formal and informal learning involve the further development of competence-profiles of qualifications, measuring tools and examination opportunities.

Non-formal/informal learning is increasingly promoted and recognized also in some enterprises, especially by multinational companies. However, apart from some case studies, there is no data available about its extent and practice at the workplace.

#### IMPACT OF POLICY

Policies on accumulating, accrediting and validating non-learning and informal have not yet had a considerable impact on other parts of the training system.

#### 0803 - IMPACT OF EU POLICY COOPERATION

EU policies and initiatives on validating and identifying non-formal and informal learning have had a significant impact on Hungarian VET policy thinking and development.

The Hungarian National Europass Centre was established by the Ministry of Education in 2004 to create a central information system of the Europass portfolio, coordinate the work of the various organisations issuing the documents, develop a Hungarian-language homepage, and provide information and counselling services. The Europass portfolio became accessible as an online service in 2006 and its application, especially of the Europass CV has been very successful. However, it has not yet had a major impact on enhancing mobility, and the method of recording credits earned through non-formal/informal learning in fact emerged as a problem during the development of the structure of the Europass Diploma Supplement.

A wide national consultation process about the European Qualifications Framework (EQF) began in Hungary in the autumn of 2005. The major challenge to developing a national qualification framework (NQF) is the fact that an outcome-oriented approach is rather foreign to the decisive traditions of the Hungarian education and training system (except, in fact, for the field of VET where the National Qualifications Register, *Országos Képzési Jegyzék/OKJ*, is ultimately outcome-oriented and in its renewed form it focuses on the development of competences, see section 0201). Based on the outcome of this consultation, the Ministry of Education initiated the development of the concept of NQF in April 2006. The study prepared by an expert group - currently under social and expert review - emphasizes that the framework should be considered a strategic tool to support individual learning and career path planning as well as to assist training providers as a reference tool in programme development, thus enhancing the better coordination of the various sub-sectors (public education, VET, higher education). The development and introduction of the NQF – which is to be supported by EU Structural Funds assistance under the Social Renewal Development Operational Programme in the period of 2007-2013 - would also provide an opportunity to spread and make the practice of recognizing non-formal and informal learning more conscious. However, the creation of an NQF is ultimately a government initiative and only a relatively small group of experts is involved in its development.

Under European impulses Hungarian experts were researching questions in connection with introducing a credit system in VET already in 2002. Based on the European Credit Transfer for VET (ECVET) working document published by the European Committee in November 2006, the National Institute of Vocational Education (*Nemzeti Szakképzési Intézet*) organized a national consultation with the primary coordination of the Ministry of Social Affairs and Labour. Credit-based training is a prioritized issue in strategic policy thinking and its introduction will be enhanced by the introduction of modularized and competence-based training based on the renewed *OKJ*.

#### **0804 - FACILITATING EU MOBILITY**

The transfer/validation of qualifications acquired abroad is regulated by Act C of 2001 on the recognition of foreign certificates and degrees. This law transfers the right to decide upon the recognition of uncompleted studies to the training institution. The national legislation concerning recognition will be harmonised with EU Directive 2005/36/EC on the recognition of professional qualifications through the amendment of this act to be discussed and enacted by the Parliament in 2007.

The recognition of qualifications obtained abroad to allow access either to further education or to a regulated occupation and the promotion of teacher and student mobility by providing information are the primary tasks of the Hungarian Equivalence and Information Centre (*Magyar Ekvivalencia és Információs Központ, MEIK*, to be integrated in the Education Office, *Oktatási Hivatal*, from 1 January 2007). At the request of the applicant, the Centre issues also certificates about studies in Hungarian higher education institutions and Hungarian degrees to be used for official procedures abroad.

Further provisions/mechanisms to facilitate EU mobility include the development and application of the Europass portfolio (see section 0803) and the credit system of higher

education, although so far these have not enhanced student mobility to a significant extent.

## 09 - GUIDANCE AND COUNSELLING FOR LEARNING, CAREER AND EMPLOYMENT

### 0901 - STRATEGY AND PROVISION

The Ministry of Education and Culture and the Ministry of Social Affairs and Labour are jointly responsible for the provision of career information, guidance and counselling services. The Ministry of Education and Culture is responsible for guidance/counselling offered in public, higher and adult education within the school system. Since an important educational policy objective is the reduction of drop-outs and school failures, the content and methodological development of such services assisting students to choose a career and facilitating transition from school to work is essential. The Ministry of Social Affairs and Labour is responsible for career guidance/counselling services provided to unemployed people and in adult training, paying special attention to disadvantaged groups and women, thus facilitating their reintegration into the labour market.

In the past decade – in addition to the formerly established network of county pedagogical institutes (*megyei pedagógiai intézet*) – a multi-polar system of modern guidance and counselling institutions has been developed.

County pedagogical institutes and pedagogical professional services (*pedagógiai szakszolgálatok*) provide career choice counselling services to students of primary and secondary schools of public education. Career orientation is also integrated in education and training pathways. In school-based vocational education and training, career orientation as a subject was introduced in the middle of the 1990s in the local curricula of secondary vocational schools (*szakközépiskola*) participating in a development programme supported by the World Bank. Since school year 2001/2002 a similar subject assisting students' career (programme) choice is included also in the framework curricula of vocational schools (*szakiskola*), where its provision became mandatory in the 9th grade from 2006.

Career information and also counselling services are increasingly offered to students at higher education student counselling centres (*diáktanácsadó központ*) of universities and colleges.

The regional labour centres (*regionális munkaügyi központ*) of the Public Employment Service (*Állami Foglalkoztatási Szolgálat, ÁFSZ*) and their local branches provide career guidance/counselling services to the unemployed and job-seekers as their core duty prescribed by Act IV of 1991 on Facilitating employment and provisions to the unemployed, and they also participate in the counselling of students studying in public education, primarily VET students. The nine regional training centres of the *ÁFSZ* established since 1992 with the support of the World Bank, offer career orientation, guidance and counselling services, including career orientation training programmes, to their clients from various disadvantaged groups. Furthermore, a network of Employment Information Counselling organisations and bases (*Foglalkozási Információs Tanácsadó, FIT szervezetek és bázisok*) operated by the labour centres and offering services also to employed people and students has been created since 1994 with the support of the German government. Linked also to this network, the National Resource Centre for Vocational Guidance (*Nemzeti Pályainformációs Központ*) was set up in 2000 as the Hungarian member of an international network (Euroguidance) within the framework of the Leonardo Da Vinci programme. The centre's main duties include providing information about available training programmes and learning opportunities abroad as well as about Hungarian education and labour market.

Several adult training institutions (enterprises, non-profit organizations) offer also career guidance/counselling services as part of or in addition to their training programmes.

Finally, some employers provide career development services to their employees as part of their internal training system.

Cooperation between the various institutes providing career guidance and counselling services is rather weak in terms of both institutional and professional relations, though there are also some good examples of local events organized jointly by local governments, chambers, employers, schools, non-governmental training organisations, and the labour centres. Several pilot programmes have been launched in the past years to improve these services but these are known only in small circles. Most recent developments (e.g., the PHARE projects of three Eastern-Hungarian regions entitled „Supporting transition from training into the world of work”, see section 0902, or the improvement of the services of the ÁFSZ by Measure 1.2 of the Human Resources Development Operational Programme, see section 0201) focused primarily on improving information services, typically developing Internet-based information databases and self-information systems.

#### **0902 - TARGET GROUPS AND MODES OF DELIVERY**

Although data are available on the institutional background of guidance and counselling services, information on the details of delivery modes is rather sparse.

County pedagogical institutes (*megyei pedagógiai intézet*) and pedagogical professional services (*pedagógiai szakszolgálatok*) offer career choice counselling services to students of primary and secondary schools. These include a wide range of services varying across institutions, from the provision of information to individual counselling aimed at improving self-awareness.

The main objective of career orientation provided in the general education grades of VET schools is to assist career (vocational programme) choice, develop the independence, self-confidence and motivation of students, and provide them information about the VET system and the labour market. Guidance in schools is primarily group-oriented, but in several schools there are also computer-based counselling programmes available (e.g. “Choices”) assisting the individual assessment and development of interest and competences and providing information about vocations.

The student counselling centres (*diáktanácsadó központ*) of universities and colleges offer career information and also individual counselling services, and many institutions assist finding employment also through organizing job fairs providing students opportunities to meet prospective employers and participate in job interviews.

The main target groups of the services of the Public Employment Service (*Állami Foglalkoztatási Szolgálat, ÁFSZ*) involve the unemployed, people with changed work ability and those at risk of getting unemployed, though the regional labour centres (*regionális munkaügyi központ*) and their local branches may also cooperate with schools to provide career orientation services to students of public education. The labour market services provided by or through the centres include the provision of labour market and occupation-related information, work, career, job-search, rehabilitation counselling and related psychological services, local (regional) employment counselling (assisting employers and actors involved in the local labour market to prevent or alleviate employment crises), and job brokerage. Counsellors assist clients to obtain educational and labour market information as well as to define their individual characteristics, interests and needs. Based on this information, experts support people to make a well-grounded decision for the development or change of their career. Counselling can be provided to both individuals and groups through personal (telephone) consultation, group counselling, structured group sessions, assessment of interest, values, competences and personality, and improvement of occupational awareness.

The training programmes and career orientation and counselling services of the regional training centres (*regionális képző központok*) of the ÁFSZ target primarily various disadvantaged groups. They provide career information services, personal counselling as well as career orientation training programmes. The Northern Hungarian Regional Training Centre (*Észak-magyarországi Regionális Képző Központ, ÉRÁK*), for example, offers a programme of several months duration providing unqualified young people supplementary training in general education and “a sample” of a vocational programme in order to assist participants to choose a career and enrol in a training programme. The ÉRÁK organizes also an innovative career orientation project

called OMNI-BUS, visiting small settlements and providing career orientation and information about its training programmes to disadvantaged people at their place of living, with the help of a bus equipped with computers, Internet, DVD player, LCD TV, copy machine, printer and scanner and trained counsellors.

The services of the Employment Information Counselling organisations and bases (*Foglalkozási Információs Tanácsadó, FIT szervezetek és bázisok*) operated by the labour centres are offered also to employed people and students. They have developed and introduced several new tools assisting career choice and new services (e.g. job-search clubs, FIT-media database involving films and other information materials about vocations, computer programmes) which they apply together with more traditional delivery modes (personal and psychological counselling, group counselling, etc.). The services of the National Resource Centre for Vocational Guidance (*Nemzeti Pályainformációs Központ*) target primarily institutions involved in education and vocational guidance, but its extensive resources about vocations, the education system, labour market, social and health insurance of Hungary and the EU member states as well as training opportunities in Hungary and abroad are available to anyone on its homepage at <http://www.npk.hu>. The guidance counsellors of the centre also give answers to questions related to education and training either by telephone, through mail or e-mail.

Accredited adult training institutions, pursuant to Act CI of 2001 on Adult Training, have to provide at least two of the following services:

- prior learning assessment;
- assessment of training needs and educational counselling;
- career guidance and career correction counselling;
- employment counselling; or
- job searching techniques.

In general and in line with the above, interviews are considered as the main tool of the counsellor, but there are also computer software and paper tests available to get personal self-awareness information (interests, abilities, values, working methods, learning styles), some of which are differentiated according to age groups. Some software packages may even suggest vocations or vocational fields most appropriate to the individual's personality based on the results of personality tests.

The content of professions can be presented through two basic tools: vocational descriptions (many of which are available in electronic format) and career information films (which can be freely downloaded from the Internet).

Internet-based databases and printed publications also facilitate access to training information. In three Eastern-Hungarian regions, within the framework of PHARE projects entitled „Supporting transition from training into the world of work” coordinated by the labour centres, the training databases and labour market information of the region as well as a self-awareness development programme, programme package assisting the planning of career and choosing a training field have become available on the Internet (see <http://www.epalya.hu/>, <http://www.palyainfo.hu/>).

Within the framework of Vocational School Development Programme I. (*Szakiskolai Fejlesztési Program*, see section 0201) important innovative developments took place in order to improve career orientation provided in vocational schools. The various activities of the project – including the development of a competence based curriculum and innovative learning materials (student workbook and multimedia CD assisting the assessment of interest and competences, films and methodological handbook improving career information services), provision of in-service teacher trainings, and organisation of regional conferences providing opportunity for the exchange of experiences – aimed at increasing students' level of motivation in career guidance activities, so that they would enter vocational education and training in the 11th grade based on better grounding, self-awareness and career information training, as a result

of conscious career choice. The project paid special attention to the demonstrated motivation deficit, the prevalence of school failure experiences, and the high number of drop-outs among vocational school students.

### **0903 - GUIDANCE AND COUNSELLING PERSONNEL**

The qualifications requirements of practitioners providing career guidance/counselling services are regulated only in the case of career orientation teachers employed in public education and of counsellors providing services supported by the labour organization. A career orientation teacher training programme is available since 1999 and is currently offered at several teacher training colleges (since 2000 this qualification can be obtained also in postgraduate training at the *Szent István University*). Practitioners providing services supported by the labour organization are required to have the following qualifications pursuant to the 30/2000 (IX.15) Ministry of Economy:

- a. provision of labour market and occupation-related information or local (regional) employment counselling: a higher education degree and qualification is required, and also two years of relevant work experience if providing labour market information;
- b. work, career or rehabilitation counselling: a degree is required in any of the following fields:
  - employment counselling (available since 1992),
  - social pedagogy,
  - social worker,
  - employment and career counselling,
  - postgraduate degree in higher education student counselling,
  - learning and career counselling,
  - mental hygiene,
  - career orientation teaching,
  - psychology,
  - employment and career guidance psychology, or
  - organisation and work psychology;
- c. psychological counselling: a degree in any of the following fields is required:
  - psychology, or
  - employment and career guidance psychology, or
  - organisation and work psychology;
- d. job-search counselling: higher education humanities degree is required.

Counsellors can participate in in-service training opportunities available through courses and further trainings, conferences and international study trips (organized, for example, within the framework of the Leonardo da Vinci programme offering further training opportunities for counsellors through the exchange of experiences).

Specialized further training programmes currently available for counsellors include:

- Career orientation teacher (postgraduate specialized programme)

- Learning and career counselling (postgraduate specialized programme)
- Psychology of counselling (postgraduate specialized programme)
- Student counselling (postgraduate specialized programme)
- Career orientation consultant training (course-based training)
- Creativity and communication (course-based training)

Within the framework of the PHARE programme titled Help with the transition from education to the world of work, a special teacher training programme was also developed and 900 teachers and experts have been trained in the field of career guidance/counselling. Developing and providing further training opportunities for teachers of career orientation in vocational schools was also an integral part of a thematic project of Vocational School Development Programme (*Szakiskolai Fejlesztési Program*, see section 0201).

## 10 - FINANCING - INVESTMENT IN HUMAN RESOURCES

### 1001 - BACKGROUND INFORMATION CONCERNING FINANCING ARRANGEMENTS FOR TRAINING

An important current policy priority defined by the Strategy of the Development of Vocational Education and Training (see section 0201) is to ensure the more efficient use of available financial resources and improve the exploitation of capacities - in line with the major goals of improving the system and content of VET in order to enhance the competitiveness of the economy and ensure equal chances for everyone. The achievement of these goals necessitates the transformation of the institutional system of VET in order to rationalize operational costs and enable the optimum use of resources available for development (cf. the establishment of regional integrated vocational training centres, see section 0201) as well as the application of financial means as incentives and development measures.

Such financial means already introduced or to be applied in the near future serve the objectives of:

- improving the quality of training and encouraging providers to adapt their training offer to labour market demands (differentiation of the per capita funding of vocational training schools on the basis of the employment ratio of graduates, in relation with the introduction of a career follow-up system by the end of 2008; preferential support for training in vocations in shortage on the labour market; establishment of professional consultative boards, see section 0303);
- encouraging students/enterprises to study/offer training in vocations in shortage in the labour market and increasing the number of apprenticeships in school based VET (supplementary allowance for apprentices in 20% of the minimum wage and reimbursement of the material costs of the enterprise in a higher amount from 2007, based on the list of vocations in shortage prepared by the regional development and training committees by September 2006 to be updated every three years);
- increasing the participation of small and medium enterprises in continuing vocational education and training (increasing the percentage of the vocational training contribution [see below] that micro and small enterprises can allocate for the training of their employees from 33% to 60% from 2007).

The system of financing vocational education and training is built on four ultimate sources:

- the central budget providing the per capita funding of public and higher education institutions and of adult training programmes offered to target groups;
- local governments' (and other school maintainers') subsidies financing public education institutions through budgetary support;

- the training and employment sub-funds of the Labour Market Fund (*Munkaerő-piaci Alap, MPA*) whose income derives from various kinds of compulsory contributions paid by employers and employees, budgetary support and privatization, and which provides funding for various VET development programmes and the training of unemployed and disadvantaged people; and
- non-state financial sources:
  - a. enterprises paying the vocational training contribution (*szakképzési hozzájárulás*, see below), providing practical training for VET students, development subsidies to vocational training schools or higher education institutions, training for their own employees, or granting employees' study leaves, etc.;
  - b. individuals paying tuition fees, travel and accommodation expenses, buying textbooks and learning materials, etc.; and
  - c. international (e.g. EU Structural Funds) assistance.

The private economic sector plays a decisive role in the financing of VET through the system of the vocational training contribution. This compulsory contribution, a kind of tax levied on enterprises in the amount of 1.5% of total labour cost, can be paid in various forms as regulated by Act LXXXVI of 2003 on the Vocational training contribution and the support of the development of training. Accordingly, enterprises can allocate their vocational training contribution for the following purposes:

- provide practical training for students of vocational training schools or participants of higher education (based on cooperation agreements or student contracts, 100% of the amount of their vocational contribution can be allocated for expenses related to this);
- provide vocational education and training for their own employees (in the amount of at most 33% of the contribution); or
- provide development subsidy for vocational training schools (in the amount of at most 75% of the contribution) or, since 2001, to higher education institutions (37,5%);
- pay it to the training sub-fund of the *MPA* (at most 100%).

The expenditure of the budget on VET and the vocational training contribution are roughly of the same amount, but budgetary (state and local government) resources show a decreasing tendency, while the amount of the contribution is steadily growing (see table below). The development of the system of vocational training contributions is therefore of outstanding importance, and more rigorous control over the allocation of the contribution and more efficient use of *MPA* funds could continuously provide the resources for the content and technical development of VET in both within and outside the school system.

Table 1: The increasing amount of the vocational training contribution paid into the training sub-fund of the Labour Market Fund [billion HUF] (1 EUR = 250 HUF)

YEAR	TRAINING SUB-FUND	% OF PRIOR YEAR	% OF 1998
1998	8.7	100.00	100.00
1999	11.0	126.44	126.44

<b>2000</b>	13.3	120.91	152.87
<b>2001</b>	16.1	121.05	185.06
<b>2002</b>	18.7	116.15	214.94
<b>2003</b>	20.6	110.16	236.78
<b>2004</b>	22.4	108.74	257.47
<b>2005</b>	27.7	123.42	318.39
<b>2006</b>	33.0	119.00	379.31

Source: Ministry of Social Affairs and Labour

#### **1002 - FUNDING FOR INITIAL VOCATIONAL EDUCATION AND TRAINING** **PUBLIC EDUCATION**

The primary source of funding IVET in public education is the central budget and the budget of the local governments (or of other school maintainers). There are two levels in this decentralized financing system:

- the budgetary connection of the central budget and school maintainers, where the mode of allocation is per capita support (providing so-called basic and various supplementary subsidies, dedicated support for various development objectives, and central allocations for specific objectives defined in the annual budget acts), and
- the connection of school maintainers and the institutions, where the mode of allocation is budgetary.

In the general education grades, the funding of vocational training schools (*szakképző iskola*) is the same as that of grammar schools (*gimnázium*), they all receive basic per capita support of the same amount (HUF 262 000/EUR 1048 per student in 2006). Double amount of per capita support is provided for the catching-up grade(s) of vocational schools (*szakiskola*). In the VET grades, schools get a different amount of state per capita support for vocational theoretical education (HUF 210 000/EUR 840, per student in 2006) and for vocational practical training (HUF 112 000/EUR 448 per student).

The funding of practical training provided by an economic organisation (based on a cooperation agreement or a student contract) is ensured by the enterprise which can allocate a part or whole of its vocational training contribution (*szakképzési hozzájárulás*) for related expenses. Enterprises can apply also for the reimbursement of expenses not covered by their contribution from the training sub-fund of the Labour Market Fund (*Munkaerő-piaci Alap*, see section 1001).

Recent changes concerning the financing of IVET are related to the educational policy objective to encourage enterprises as well as schools to favour apprenticeship training (student contracts, *tanulószerződés*) through financial incentives. The administrative procedure of reimbursing the expenses of the enterprises was simplified, and they can allocate material costs in a higher amount from 2007 in case they provide

apprenticeship training in a vocation in shortage in the labour market (see section 1001). The per capita financing system of vocational training schools has also been changed so that the per capita funding of vocational practical training was raised to 140% in the first but decreased to 60% in the final VET grade. In addition, schools are entitled to receive a new 20% partial per capita support in case the student participates in apprenticeship training to cover costs related to its quality monitoring and provision of supplementary training in school workshops.

Vocational training schools are furthermore entitled to receive development subsidies from enterprises (charged against their vocational training contribution), and can participate in development programmes financed by the state and/or by Structural Funds assistance. Direct development subsidies and the central and decentralized sections of the training sub-fund of the *MPA* are the main sources of the technical/technological development of schools since the resources of the central budget available for development objectives are decreasing.

Due to transferring the sectoral governance of VET in 2006 to the Minister of Social Affairs and Labour responsible also for adult training, the training sub-fund and the adult training section of the employment sub-fund were united and the right of disposal over it became divided between the minister responsible for VET and adult training and the minister responsible for education. Tendering of sources from the central section of the training sub-fund of the *MPA* – that aim primarily to support practical training and its development in order to ensure the up-to-date, marketable vocational competences of students studying in VET within the school system - is organized and evaluated by the National Vocational and Adult Training Council (*Nemzeti Szakképzési és Felnőttképzési Tanács, NSZFT*). Tendering of sources from the decentralized section - dedicated to support the regional needs in line with the development priorities defined by the minister responsible for VET and adult training - is assisted by the regional development and training committees (*regionális fejlesztési és képzési bizottság*). The Council as well as the committees involve the social partners and advise the decisions of the minister responsible for VET and adult training (the *NSZFT* advises also the decisions of the minister responsible for education regarding sources falling under his authority).

On national average, 55-60% of the expenses of public education institutions maintained by local governments is covered by state contribution, and in lack of supplementary funds from the local government, a number of institutions use development funds to cover operational costs. The per capita funding system of public education institutions is therefore in need of further modifications to make it more efficient, transparent and allow more space for decentralized (institutional) decision-making. Problems partly derive from the double nature of maintenance due to legal regulations according to which the state prescribes the content conditions of VET (qualification structure, examination system, school structure) by legislation and through development programmes, but the resources have to be ensured by the school maintainers. Furthermore, the three-channel funding of vocational training schools (state per capita support, local government supplementary per capita support and the training sub-fund of the *MPA*) often hinders the clear specification of responsibilities related to provision of training and to development.

#### HIGHER EDUCATION

The financing system of higher education – where the first higher level *OKJ* vocational qualification and degree can be obtained in state supported training in state and church colleges/universities (and based on a special agreement, also in private institutions) – is built on the following sources:

- state support from the central budget:
  - per capita funding (for students' allowances; for training provision; for research; and in public institutions for operational costs);
  - tenders (e.g. for financing instructor scholarships, infrastructural development, providing programmes with a small number of participants, etc.); and

- agreements with the ministry of education (e.g. for doctoral training, development, etc.).
- institutional income (tuition fees, fees of services offered, income of entrepreneurial activities, etc.) and development subsidies, endowments, capital assets, etc.

In publicly maintained institutions, the relative share of income from outside the state budget was in 2006 estimated around 30%, although there are considerable differences among individual institutions in this respect.

The most important changes resulting from the enactment of the new Act CXXXIX of 2005 on Higher Education in 2006 were the definition of the amount of the per capita support relative to the average wages calculated by the Hungarian Central Statistical Office (*Központi Statisztikai Hivatal*) in the law, and the mandatory establishment of an advisory economic council (*gazdasági tanács*) in every publicly maintained institution. This economic council involves 7-9 members (the rector, the economic director, 3-4 members delegated by the Senate, and 2-3 members delegated by the Minister of Education and Culture) and assists in the development and supervision of the financial operations of the institution.

Pursuant to most recent legislative amendments, students entering higher education in and after September 2007 will have to pay a tuition fee even in state supported training from the 2nd year of their studies. The amount of this so-called development partial contribution (*fejlesztési részhozzájárulás*) will be HUF 105 000 (EUR 420) in bachelor and HUF 150 000 (EUR 600) in master level training, subject to modification by the institution in +/- 50%. Higher education institutions will have to allocate 30-50% of their income from this for scholarships and for financing the training of various groups exempt from it – students studying to obtain their first *OKJ* qualification, the most successful 15% of students, disadvantaged groups, and participants of doctoral training -, and can spend the remaining amount on developments.

### **1003 - FUNDING FOR CONTINUING VOCATIONAL EDUCATION AND TRAINING, AND ADULT LEARNING**

Adult education offered within the school system is financed by the same sources as regular, full time public and higher education. In public education, the per capita funding of adult education (*felhőttoktatás*) organized in full time education is of the same amount as in regular education, 50% in evening, and 20% in correspondence education. This is supplemented by tuition fees paid by the participants in the latter two forms. Programmes offered by higher education institutions can be both state-supported and fee-charging in every delivery mode (full, part time and distance learning), and the state ensures the right for everyone to obtain the first *OKJ* higher level vocational qualification free of charge.

The three sources of financing adult training outside the school system are the contributions of the state, the employers and the participants. The governing principle of current educational policy is that each side should contribute about 1/3 of the total costs. In 2005 state financing constituted about 40% of all the costs of adult training.

The main objective of the state funding of adult training is to facilitate the development of a knowledge-based society and to increase employability as well as the competitiveness of those employed. State support and the encouragement of employers' and individuals' spending on education aim to facilitate access to adult training and contribute to the realization of lifelong learning. The main sources of this financing system are:

- a. the central budget providing per capita support for the training of target groups (see section 1004), and financing the operation of the Public Employment Service (*Állami Foglalkoztatási Szolgálat*) and its regional training centres;
- b. Labour Market Fund (*Munkaerő-piaci Alap, MPA*):
  - employment sub-fund supporting the training of the unemployed and other target groups; and

- training sub-fund supporting the operation and development of the VET system and the content and technological development of adult training and specific programmes offered to target groups through central programmes or tenders;
- c. participants of adult training (who up to recently could reduce their expenses through the personal income tax deduction opportunity); and
- d. employers providing or financing the training of their employees, who can reduce their expenses through the opportunity to pay a part of their vocational training contribution (*szakképzési hozzájárulás*, see section 1001) in this way.

The amount of vocational training contribution paid by enterprises to the MPA provides resources for supporting the development of the system, institutions and the participants of adult training. Due to transferring the sectoral governance of VET in 2006 to the Minister of Social Affairs and Labour responsible also for adult training, the training sub-fund and the adult training section of the employment sub-fund were united. Support from its sources separated for financing the development of adult training is advised by the National Vocational and Adult Training Council (*Nemzeti Szakképzési és Felnőttképzési Tanács*) involving the social partners.

The personal income tax deduction opportunity as an incentive element was available from 2003 until 2007 for those with an annual income less than (in 2006) HUF 6 500 000 (EUR 26 000). The amount of tax deduction was 30% of the training fee but not more than HUF 60 000/EUR 240.

CVET provided at the initiative of enterprises is financed by employers. Their support varies significantly according to sector and size of enterprise and in 1999 such trainings were supported altogether by 37% of the enterprises and offered only to 12% of employees of the private sector. The improvement of CVET provided by employers is encouraged by the state through the opportunity to spend (at most) 33% of their compulsory vocational training contribution (*szakképzési hozzájárulás*, see section 1001) on financing such trainings. As data show, they increasingly do so: its amount rose to HUF 6 978 billion (EUR 27 912 million) in 2005 from 1 031 billion (EUR 4 124 million) in 2000. From 2007 the percentage of the contribution that micro and small enterprises can allocate for the training of their employees is increased to 60%.

In 1999, the cost of CVET courses provided by enterprises was only 1.2% of the total labour cost, half of the EU-15 average, and the proportion of direct costs was slightly more than the third of that average (see table below). These low figures can be explained by the much smaller scale of in-company training provision in Hungary (see section 0504). In fact, one reason for this is the lack of financial resources: more than 20% of the enterprises asked during the 2nd Continuing Vocational Training Survey of Eurostat referred to difficulties in financing such trainings, especially the smaller ones.

Table 1: Cost of CVET courses as % of total labour cost (all enterprises), by type of cost (1999)

	<b>TOTAL COSTS</b>	<b>DIRECT COSTS</b>	<b>LABOUR COSTS OF PARTICIPANTS</b>
<b>EU-15</b>	2.3	1.4	0.8
<b>HUNGARY</b>	1.2	0.5	0.4

*Direct costs*: costs of CVET courses

*Total costs:* sum of direct costs, staff time costs and balance of contributions to national or regional training funds and receipts from national or other funding arrangements

*Source:* Eurostat, Newcronos, 2nd continuing vocational training survey in enterprises (CVTS)

Compared to other European countries, the balance of contributions to national funds and receipt from national or other funding arrangements was rather high, 60% of the direct costs in 1999. This was due mainly to the institution of the vocational training contribution. However, since the proportion of companies which allocate whole or a part of their vocational training contribution on providing practical training to students or the further training of their employees is increasing, this figure would be probably lower for 2006.

#### **1004 - FUNDING FOR TRAINING FOR UNEMPLOYED PEOPLE AND OTHER GROUPS EXCLUDED FROM THE LABOUR MARKET**

The training of unemployed people and others vulnerable to exclusion in the labour market is provided either through the Public Employment Service (*Állami Foglalkoztatási Szolgálat*) or directly by adult training providers receiving per capita support or participating in development programmes and tenders financed from the Labour Market Fund (*Munkaerő-piaci Alap, MPA*) and/or by EU Structural Fund assistance.

Regional labour centres (*regionális munkaügyi központ*) give financial support from the employment sub-fund of the MPA for unemployed people and other target groups to participate in training programmes provided by regional training centres and other accredited adult training providers. Their support includes the reimbursement of training costs and related expenses and provision of supplementary/compensatory payment for the duration of training.

The per capita funding of adult training from the state budget was introduced in 2003 to support adults to obtain their first qualification of National Qualification Register (*Országos Képzési Jegyzék, OKJ*) and assist people living with disabilities (and other target groups defined annually) to participate in general, language or VET training programmes. Funding may be provided to accredited adult training institutions (offering accredited training programmes in case they train adults living with disabilities), based on the number of participants. In 2006 per capita support became available also to people over the age of 50 to obtain their 2nd *OKJ* qualification, and in order to increase the effectiveness its amount paid for the theoretical and the practical part of the training programme was differentiated and provision of full support was linked to guaranteed subsequent employment of the participants.

The amount of per capita support increased from 461 million HUF (1.8 million EUR) in 2003 to 2 520 million HUF (10 million EUR) in 2005 which provided support for 17 233 adults in 1 041 training programmes delivered by 153 institutions. In 2006, HUF 1 325 200 000 (EUR 5 300 800) per capita support was provided for the training of 3 869 adults (including 3 644 persons with disabilities). From July 2007, however, due to budgetary restraints and because of the large number of eligible persons, per capita support will be available exclusively for the training of people living with disabilities.

#### **1005 - PERSPECTIVES AND ISSUES: FROM FUNDING TO INVESTING IN HUMAN RESOURCES**

In addition to the objectives of the transformation of the financing system of VET discussed in section 1001, future policy priorities will target the more efficient use of the vocational training contribution (*szakképzési hozzájárulás*) and of the training sub-fund of the Labour Market Fund (*Munkaerő-piaci Alap, MPA*, see section 1001). This financial source plays a decisive role in the development of VET as the amount of the vocational training contribution, being linked to the amount of labour costs, is growing in line with the growth of the economy (see tables in 1001). In order to make use of this growing fund most effectively, future policy priorities would aim at:

- strengthening decentralization of its distribution system, primarily through the regional development and training committees which can allocate resources according to regional priorities;

- coordinating the allocation of resources with measures of development programmes financed by EU Structural Funds and other assistance, in order to avoid parallelism and strengthen efficiency;
- strengthening concentration of allocation through providing resources for integrated practical training places capable of investing in expensive technology; and
- strengthening supervision over the appropriate utilization of resources, especially of the development subsidy (which should be used exclusively for the technical/technological development of institutions), through encouraging schools to prepare plans specifying their strategy to attain subsidies from target enterprises and use it for the development of their practical training based on the needs and demands of these enterprises.

## 11 - EUROPEAN AND INTERNATIONAL DIMENSIONS, TOWARDS AN OPEN AREA OF LIFELONG LEARNING

### 1101 - NATIONAL STRATEGIES RELATED TO POLICY PRIORITIES, PROGRAMMES AND INITIATIVES AT EU LEVEL

Since the beginning of the 1990s, supporting the process of EU Accession and the need to contribute to the realization of the economic, cultural and intellectual preconditions of integration have been in the focus of the development and modernization of education and training in Hungary. As a result of comprehensive legislation and policy measures related to the reform of the content and structure of education, adopted in the past 10-12 years, the system and the strategic development objectives of education and specifically of VET have been brought in line with the educational strategies of the European Union.

Current EU policy priorities – in particular the development of a lifelong learning culture, improvement of skills and mobility, quality and transparency of VET, etc. – are the major guiding principles of the sectoral and the Lifelong Learning strategies as well as of the National Development Plan of Hungary setting the framework of Structural Funds assistance (see section 0201). Strengthening the link between employment and education and training strategies is considered as of outstanding importance, demonstrated by the fact that the development programmes of both fields are organized within the framework of the same operational programme (the Human Resources Development Operational Programme/HRD OP in 2004-2006, and also in the Social Renewal Operational Programme planned for the period of 2007-2013).

The main objectives of both the VET development strategy and the HRD OP – developed through consultations with the social partners and all stakeholders (employers, employees, economic and professional chambers, NGOs, etc.) - aim to develop the system, content and infrastructure of education in such a way that it should:

- prepare participants for a successful future career through providing high quality VET adjusted to the needs and demands of the economy, i.e., improve employability,
- ensure equal opportunities and improve the employability of disadvantaged groups through education and training, and
- provide the skills and competences necessary to develop the culture of lifelong learning.

Hungary currently has educational and cultural inter-governmental cooperation agreements with 105 other countries both within and outside the EU, and it has permanent work relations with about 50 countries. Most of these agreements provide opportunities for mobility programmes, and in the past decade there has been extensive cooperation with several countries also in the field of VET curricula and practical training development.

### 1102 - IMPACT OF EUROPEANISATION/INTERNATIONALISATION ON EDUCATION AND TRAINING

Impact of Europeanisation on VET pathways, curricula and methodology is manifested in developments influenced by European/international policies and measures taken so far, initiated by national strategies, including:

- transparency: introduction of the system of Europass;
- career guidance and counselling: its development is the objective of a thematic project in the national Vocational School Development Programme (*Szakiskolai Fejlesztési Program*, see section 0201), and in the Human Resources Development Operational Programme Measure 3.5.1. (career orientation training materials for disadvantaged adults, see section 0201);
- quality assurance: adaptation of Common Quality Assurance Framework (CQAF) through the Vocational School Development Programme;
- skills development: development of curricula and training materials promoting the development of skills and competences necessary for lifelong learning at pre-primary, primary and secondary level through HRD OP Measure 3.1.;
- language teaching: establishment of bilingual vocational training schools (VET offered in both Hungarian and another language, typically English or German), introduction of a "language preparatory grade" in several upper-secondary schools (60-70% of the classes in the "O." grade are dedicated to language learning and information technology studies), programmes of the Ministry of Education to improve language teaching (combined application of school-based training and forms of training outside the school system, based on the foreign language learning opportunities offered by the Lingua sub-programme of the Socrates and the Leonardo da Vinci programmes, and on the outcome and experiences of methodological work under the auspices of the Council of Europe);
- digital literacy: information technology studies are built in the curricula of upper secondary schools, ECDL compatible vocational qualification included in the National Qualifications Register (*Országos Képzési Jegyzék*);
- mobility: participation in the European Union (Socrates, Erasmus and Leonardo da Vinci) community action programmes since 1997, introduction of a national mobility scheme providing work-linked placements for vocational school (*szakiskola*) students financed by the Ministry of Education, and supporting study visits within development programmes funded from national sources and/or EU Structural Funds assistance.

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#### **110302 - SOURCES, REFERENCES AND WEBSITES**

Sources and references used in this thematic overview as well as useful websites of information/organisations are listed in [Annex 8](#).

A list of abbreviations used in this thematic overview is provided in [Annex 9](#).

A list of key Hungarian VET terms with English translation is provided in [Annex 10](#).