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## European National and regional change drivers in the transformation of Italian VET system

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### 1 The changing institutional framework

The picture of Italian VET in 2005 is characterised by change – both exogenous and endogenous – and uncertainty.

The national institutional framework for VET used to be constituted as follows: a highly decentralised (Regionalised, but with significant responsibilities attributed to Provinces in several Regions) vocational training system, and a very centralised Education System (including vocational education) with very limited integration between them. In recent years a significant decentralisation process of education and a push towards integration of the different sub-systems are continuously changing the VET Scenario, stimulating the interest of regional politicians towards the increased competencies offered by education and sometimes neglecting the tradition of offering political leadership and specific innovation policies for vocational training. In terms of numbers (budget, people, electorate) this can be explained very easily; in terms of personal experience and political debate, it is easier to talk about schools than about Vocational Training. In 2004 some newspapers reported that the Government was seriously considering the idea of the definition of Vocational Training competencies being absorbed by the Ministry of Education, University and Research (from the present balanced of responsibility between the Ministry of Employment and Regional Governments).

The Reform Law (53/2003) of the school system, extending the duration of compulsory education but involving the provision of vocational training system in the later years, has definitely changed the status quo of initial vocational training.

At about the same time, a reform of continuing training has given a key role to Social Partners and their new representative bodies (Fondi Interprofessionali – Inter-professional Funds for Continuing Training) to plan and fund continuing training projects. It must be noticed that Italy was not only a pioneer in guaranteeing workers the right to continuing education (the “150 hours” allowed to study any subject and historically used to certificate or re-certificate lower qualified workers in the Seventies), but also a country with one of the lowest participation rate of adults in any form of structured learning, related or not to the job and/or the workplace. The new system cannot be evaluated yet in terms of impact, but it has contributed to de-stabilize the quiet, almost static situation that had characterised the Italian VET system for so many years.

However, national reforms are not the only cause of a somehow chaotic but certainly dynamic phase in the evolution of the Italian VET system: variations in the amount and priorities of European Structural funds available, European priorities in the field of lifelong learning, regional cooperation and competition dynamics are all contributing to make life challenging for VET policy makers and practitioners. This article is an attempt to briefly explore the European, national and regional change drivers and to discuss their potential positive and negative impact on the VET system.

## **2 The European drivers**

### **2.1 The ESF Planning and Monitoring System and the use of resources in Italy**

As described above, the Italian VET system, in its present shape, is relatively “young” (Law 845/1978) and the ESF system was an important factor in shaping the organisation and development of regional and national provision of vocational training. Thus, the new ESF Agenda (2007-2013) characterised by a strong reduction of funds, constitutes a major change driver for the Italian VET system; and, it is important to stress the role played traditionally by the European policies and strategies in the orientation and definition of Italian national policies as well as of the Agenda of policy makers at regional level.

Given the fact that the ESF resources were traditionally the main source of funds for the VET system, the Italian VET market has had to face, in the present phase, an important challenge and has experienced considerable difficulty in moving from a totally supply-driven situation dependent on the public funds to a situation much more dependent on the demand and funds of individuals and organisations.

One effect of such changes has been that the total amount of investments (1.657.768 € in 2002-2003) in continuing training in enterprises has increased constantly over the last few years with the percentage of public funds constantly diminishing. Obviously we can find important differences between the North East, the North West Centre and the South and the Islands<sup>1</sup>.

### **2.2 The Lifelong Learning Agenda and the Copenhagen process**

As stressed above, European policies and strategies have traditionally played a key role in the change and development process at national, regional and local levels and this is particularly true for the Lifelong Learning Agenda and the Copenhagen Process. Considering the policy decisions and strategies at European level to achieve the Lisbon goals, Italy has developed over the last few years a strategy and concrete choices to move from a VET system articulated in subsystems (Education, Initial vocational training, Continuing training and Adult training) into a Lifelong learning system. Different initiatives have been launched over

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<sup>1</sup> Unioncamere, Ministero del Lavoro, Sistema informativo Excelsior, 2001-2004

recent years in order to embed the Lisbon Goals in the national and regional systems and to express them in policy decisions as well as in concrete instruments.

At a national level, the VET system is based on traditional training bodies with schools and universities as the main providers. The training supply is articulated as follow:

- Compulsory training: the new framework introduced by the Moratti School Reform (Law 53/2003; 28/03/03) is changing the overall design of the education system, from the primary school to the university. The reform process is “in progress” and it is very difficult to evaluate the results and the impact of the new organisation;
- Higher Integrated Education (FIS) and Higher Technical Education & Training programmes (IFTS): these tools/courses are one of the main vectors through which to innovate the education and training systems and to promote their integration.

After the first period of implementation we note an important success in terms of satisfaction with learning, as well as in terms of employment effectiveness. After the first experimentation phase with more or less 200 IFTS courses, during the period 2000-2001, 600 courses were carried out with a high level of satisfaction of final users and mainly with a high level of employment effectiveness. These programmes allowed learners to develop technical and professional competences with good employment chances thanks to the new models/patterns of collaboration between universities, enterprises and training bodies. In the academic year 2002-2003, 520 such courses were scheduled<sup>2</sup>. Nevertheless some weak points can be identified, like the low level of supply (IFTS is again an experimental programme) and the percentage of drop-outs (26% of young people in the first two months of training). A new challenge comes from the Moratti Reform (Law 53/2003) that allows learners to move directly from the 4th year of Education and Vocational Training courses to this type of courses.

One of the main innovations during the last year is the development of a common, standard system of competences, shared between the different actors involved in VET and aimed at improving the geographic and professional mobility among Italian as well as between European regions. A first experimental phase was carried out during the year 2002-2003 covering basic and transferable skills, affecting the design as well as the implementation phase. The results are now the subject of an evaluation analysis in order to identify major strengths and weaknesses.

Finally an important agreement was achieved by the “Joint Conference State – Regions – Local Bodies” (29 April 2004), concerning the minimum standard of acquired competences/ of performance. This is based on the “Unités Capitalisables” methodology and affects 37 professional profiles in Agriculture, Environment, Building, ICT, Manufacturing Industry, Transport, and Tourism.

At a regional level, since 2002 several Italian regions have started a reform process based on the lifelong learning principles and priorities. In particular, three regions are implementing

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<sup>2</sup> Unfortunately, these are the last available data.

their reforms based on a process geared to integrate education, training guidance and employment systems: Toscana, Emilia Romagna and Basilicata.

It is important to stress some key elements:

- The reform laws concern two different levels, institutional and functional;
- The focus, at organisational level, is on the demand coming from the different target groups. In particular the “learning citizen” is at the centre of the process, especially in terms of the barriers to access and to benefits from the training supply.
- The close link between the “Training Booklet” (Libretto Formativo) and the lifelong learning policies (please refer to the next paragraph).

### **2.3 The single EUROPASS Framework and the Italian existing instruments**

At the end of last year, the European Parliament and Council approved the new EUROPASS, designed to encourage mobility and lifelong learning in an enlarged Europe. It aims to help European citizens make their qualifications and skills easily understood throughout Europe by 2010. EUROPASS brings together into a single framework several existing tools for ensuring the transparency of diplomas, certificates and competences. The Italian Ministry of Employment and Social Affairs adopted the new instrument and also promoted a feasibility study to develop an electronic version of the EUROPASS.

In the same period the Italian Government adopted the “Training Booklet<sup>3</sup>”, created by the D.L. 10/09/2003 and based on the agreement between two Ministries (Ministry of Education, University and Research and Ministry of Employment and Social Affairs), the Joint Conference State – Regions – Local Bodies, and Social Partners. It was conceived as a tool to record competences acquired through formal, informal and non formal learning, as well as to help the learning citizen in reflecting on personal and professional development.

The “Training Booklet” will be the key tool to ensure the transparency of lifelong and life wide learning and will assume the form of a synthetic device and portfolio of documents and proofs concerning individuals’ prior learning, professional and personal experiences. The Italian regions will play a key role in this process, and they can decide to delegate the administrative responsibilities to accredited bodies. The final responsible and owner is the citizen.

From the citizen’s point of view this important communication tool aims at:

- Providing information on the citizen, her/his CV and formal, non formal and informal learning experiences to be used for finding a new job , for professional mobility and for mobility between different education and training systems;
- Making competences and prior learning achievements recognizable and transparent;

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<sup>3</sup> The “Training Booklet” must not be confused with other tools/instruments, such as the European CV (which is completely self-managed by the citizen) and the Anagraphic- Professional Card (which has an administrative nature/character).

- Guiding people in professional development.

From the point of view of the Labour market and of enterprises, the Training Booklet represents an information tool useful for:

- Promoting the transferability of expertise and individual competences within the enrolment process and labour mobility;
- Stressing the learning and professional path of each citizen, paying particular attention to the potentialities, the expectations and the excellence results achieved.

Finally, from the point of view of Regional and Local Governments, and of the education system, this tool represents a guarantee for:

- Valorising the certification and acknowledgement which are carried out in education and training;
- Assuring transparency and transferability of learning and professional information of people at European level, fostering the flexibility and the individualisation of pathways.
- Assuring the visibility of competences and of personal experiences in order to promote the geographic and professional mobility and lifelong learning of individuals.

However, the risk of generating confusion is very high, because even if the different tools are all citizen- focused and all aim at fostering mobility and the possibility of recognising acquired competences, each tool plays a different role/different function. Consequently, the diffusion of the tools could generate problems because the same information is included in different tools with different formats (and consequently it will be necessary to adopt the same format and shared procedures to fill in the form). Furthermore, different actors own the tools: in some cases the full responsible is the citizen's, in some other cases there will be a shared responsibility between the citizen and the institutional body.

### **3 The national drivers**

#### **3.1 The reform of the Educational System and the push towards the integration**

In the latest years a new development model has emerged in Italy: in harmony with the new European policies, it focuses on human resources as an “investment area” able to foster economic and social growth. The goal of the “knowledge society” has become a concrete objective. Tools to implement it have been set out in national and regional policies, aiming at improving the education and training supply for adult people, and at integrating different educational and vocational systems.

The Italian Government, together with the Social Partners, has already, through the “Work/ Employment Agreement” (1996) and then in the “Social Agreement for Development and Employment“ (1998), underlined the key role of continuing training in relation to the competitive changes occurring in the labour market, characterized by mobility and the

emergence of new professional models which require workers to have the continuous availability and capacity to learn.

Considering the main steps taken to transfer into the national context the European policy priorities encouraging the implementation of a “continuing education and training system”, the “Education for adult people” Act, by the Ministry of Education, becomes particularly relevant. The above mentioned Ordinance allowed the creation of the “Permanent Territorial Centres” (Centri Territoriali Permanenti - CTP), ‘places of needs’ comprehension, planning, conciliation, activation and government of education and training initiatives [...] and also collecting and spreading documentation” aimed at defining agreements with all those corporate bodies which operate in the adult education field, to foster their position in the territorial context. According to the above Act, the CTP’s activities are not only focused on courses to achieve school qualification, but also to receive, listen, guide and organise primary certification courses, developing basic/competences needed by “fragile and weaker” people .

The “Joint Conference State – Regions – Local Bodies” in 2000 approved a document concerning the reorganisation and the expansion of continuing adult education, in order to organise the different actors between the State, the Regions and the Local Bodies. This system gives credit to the European Union requirements on training system, which have to respond to a new economic and social demand, and also to encourage knowledge acquisition through differentiated learning opportunities in which times, places and learning methods are not totally pre-determined and codified.

Responding to the suggestions coming from EU policies, the document stresses the need to exploit both “formal training opportunities” (education and certified training), and “non-formal” ones addressed to citizens (culture, health education, social studies, education in clubs and societies, etc.). A primary goal is to remediate the low levels of education and training recorded for so many adult people. The new model appears as an “integrated” learning system, in which schools, vocational training bodies at a regional level, enterprises, universities, several associations (cultural, volunteers ...) work together in synergy.

In particular this system consists of three institutional levels, identified according to functions and competences linked to adult education:

- A) a national level, managed by a National Committee composed of the Ministry of Education, University and Research, the Ministry of Employment and Social Affairs, and a representative of Regions and Local Bodies. The main functions of the Committee are:
  - ◇ To integrate systems
  - ◇ To define strategies
  - ◇ To identify resources to carry out programmes and projects
  - ◇ To set up guidelines to build a national quality standards in education and training and shared criteria for the monitoring and the evaluation activities
  - ◇ To identify and agree methods to certify and acknowledge credits.

- B) a regional level, managed by a Regional Committee composed of Regional Governments, Local Bodies, the Representative of the Regional Education Office (depending on the Ministry of Education, University and Research) and the Social Partners. The main functions are:
- ◇ To agree on the regional planning of an “integrated learning supply”
  - ◇ To promote education and training activities according to a lifelong learning approach
  - ◇ To monitor and evaluate the system.
- C) at local level, the functions and competences are shared between Provinces, Municipalities and Mountain Communities, Local School offices, Social Partners, agencies dealing with education, and local school Councils. The Local Committee’s main functions are:
- ◇ To promote the education of adults in their area
  - ◇ To plan activities in line with regional criteria
  - ◇ To plan and define the criteria used to allocate funds
  - ◇ To carry out projects.

The following data provide a general framework of the CTP activities and gives an idea of the Italian situation concerning the supply of lifelong learning opportunities.

Table 1: **Supply with lifelong learning opportunities in Italy**

<i>Training Supply of CTP</i>				
Academic Year	CTP	Courses	Adult learners	Non Italian citizens
2001-2002	546	17.068	387.007	76.819
2002-2003	546	20.124	414.663	116.319

  

<i>Schools with evening courses</i>				
Year	Vocational Training	Technical Education	Classic, Scientific and artistic Education	Total
2001-2002	166	346	32	544
2002-2003	189	387	37	613

  

<i>Learners in evening courses</i>				
Year	Vocational Training	Technical Education	Classic, Scientific and artistic Education	Total
2001-2002	11.968	32.757	2.230	46.955
2002-2003	14.148	40.084	2.620	56.852

*Unfortunately, these are the last available data.*

Generally speaking, the process will be fostered by the possibility of recognising competences acquired not only in formal courses, but also through non-formal and informal learning experiences.

Another important factor of success will be the full implementation of the Individual Learning Accounts System (ILA System). The ILA system could be a radical change in the allocation of public resources, focused on a direct relationship between the demand and supply of services, through the mediation of local authorities and aimed at promoting individual development. In particular, some Italian regions have adopted a voucher system which is conceived as a tool to promote Lifelong Learning as well as to improve the contribution to the costs of final beneficiaries and of enterprises.

In the latest years the Ministry of Employment and Social Affairs launched a policy to foster the individual learning experience in order to support active citizenship and to improve the opportunities for, as well as employment in, a lifelong learning perspective.

The Italian Government promoted several individual tools, such as:

- Savings books
- Individual insurance plans
- Training vouchers
- Individual accounts.

Even more recently an evolution has started moving from the training voucher towards a new system which provides opportunities to:

- Build an analytical framework of the global system (supply of tools for training based on the individual demand; supply of services to reconcile professional life and personal life) in order to identify the main links between the different tools (Vouchers, ILA, etc) the different targets as well as the planning, implementing and control strategies implemented by the Government;
- Identify the success factors of the tools in social, economic and cultural terms, in order to better assess the effectiveness of the vouchers or of the other tools;
- Compare the models adopted by Italian organisations with other policy and strategies at European level. The Ministry is involved in a benchmarking system at European level thanks to the ELAP- European Learning Account network.

Also in view of implementing the European Memorandum of Lifelong Learning, several Italian regions adopted in the last years a sort of catalogue integrating the learning supply for continuing and adult training, based on a new approach to the balance of demand and supply at local level.



Since 1999 Italian training bodies are also experimenting with new ways and solutions for continuing training based on the individual demand. At present it is possible to identify two main categories of systems and tools: an experimental approach and the challenge of the Fondi interprofessionali (FIP). The approach experimented with over recent years in several Italian regions promoted integration between different funds and public resources to foster individual plans and programmes. Simultaneously, the Ministry enlarged the potential target for the public supply of training to including “fragile” and temporary workers (interinali) as well as unemployed people.

Moving from the national to the regional level, in 2004, a few regions (namely Piemonte, Emilia Romagna, Umbria, Veneto and Lombardia) invested public resources to provide individual adult training. Accordingly, the “learning citizen” is able to choose a programme or course in a local/departmental catalogue (for instance in Emilia Romagna this is called “electronic catalogue”). This ‘voucher’ amounts to about 1000-1300€

The innovative approach is represented by the FIP managed by the social parties. However, while all statutes and regulations include individual adult training, based on individual demand, only some of them specifically addressed the resources to implement the FIP. In particular, SME managers allocated 50% of funds to individual vouchers, stressing this tool as the best way to foster the professional development in SMEs. Normally the other funds are meant to finance the individual workers on the basis of a previous agreement with the enterprises.

The ILA is also a new tool in Italy, and three regions (Piemonte, Toscana and Umbria) are experimenting this new solution. For example, Toscana addressed funds from ESF to test this solution for 3000 unemployed people (90%) and “atypical” workers (10%) in two years. The main elements characterising this solutions are the following:

- The lack of co-financing by the worker;
- The personal account based on a “credit card”, charged by the local government in the closing phase of the course (grants will amount to a maximum of €2,500)
- A selection of guidance services based in Public Employment Centres.

### **3.2 The reform of Labour Law and the Impact on the Employment and Training Systems**

The Italian Framework of employment, human resources and VET has been changed considerably over recent years as a consequence of new policies. For example, Law 30. 14/12/03 (known as Biagi Reform), has instituted Labour market reform by providing new instruments and solutions to promote more flexible working patterns. The Reform is a comprehensive labour market reorganisation initiative promoted by the Berlusconi government aiming at improving the flexibility of labour contracts, adaptability of labour demand and supply, and the transparency of the system and its processes, including effective measures to combat undeclared and illegal employment. In our view, one of the main weak

points is the lack of full integration between the Biagi reform and the new flexibility schemes of work on the one hand, and the social and economical measures to support people during the periods between different contracts/jobs on the other hand.

In addition, the network of local Public Employment Centres, is now facing competition from Private organisations active in the Labour market which provide recruitment and employment services.

The role of the Regions is confirmed, but the local dimension is getting more and more important in the organisation of Labour market policies and services. According to the guidelines provided by the International Labour Office (ILO), the model adopted is characterised by a proactive coexistence between public and private actors. The main trends seem to be:

- The outsourcing of the delivery services;
- Competitiveness between public and private services;
- Cooperatives or even private Agencies used in the field of on-line services (a web platform launched by private or public bodies);
- Cooperation with private agencies in the more complex projects to solve an enterprise's crisis or any other specific programmes in the Labour market.

The main changes introduced by the present national government are:

- The criteria to identify unemployed status as the lack of job and revenue as well as the "marginality/fragility" of the labour contract;
- the abrogation/suppression of the "seniority rule" within the employment system for the Public Administration.

The Regions were asked to define a new system concerning the Labour market, coherently with the national reform. All Regions stressed in their Acts the availability of a new approach to support the labour market, coherently with the previous experience and the priority of assuring the qualification of citizens.

The process of search of new employment ends with a new agreement between the Agency and the citizen, with the Agency providing information, guidance and training services.

### **3.3 The reform of continuing training and the early phase of "Inter-professional Funds for continuing training"**

As above mentioned, the main means of providing training within enterprises and to employees is now the FIP, created by the Law 833/2000 and managed by the Social Partners. However, combining the figures for participation in Education with those for existing training provision within SMEs, provides an indication of the very low number participating in continuing training and adult education in Italy: in 2002-2003 only 470, 000 adults participated in Lifelong Learning and Continuous training within CTP and upper secondary schools. The key questions at this point are "How to improve this situation?" and "How to

support and promote the individual demand for learning/training in a political context characterised by economic crisis and new policies focused on the “citizen”?”.

Several critical factors can be identified:

- The lack of continuing training culture of the Social Partners, associated with the “historic” close link with the initial vocation training system at regional level, often characterized in the past by some gaps in local and sectoral development;
- The lack of an appreciation of the needs of adults because of the lack of a clear vision of their future at both a personal and professional level, and the need to provide easily accessible support that helps them to recognise and value their own strengths;
- The lack of training supply for workers in SMEs and lack of a training/learning culture among SME employers: in the current period of economic crisis SMEs are reducing training activities because they do not perceive training as a key tool to overcome difficulties in the life cycle of the enterprise.

The system is moving from Law 236/1993 (Continuous Training System) to FIP. From 2004 these bodies will have the tools and financial resources to promote a new learning supply. The introduction of the FIP is characterised by the involvement of several stakeholders in the process of orientation and definition of Lifelong Learning, and continuous training policies and strategies. The main critical dimensions of adult education, micro-firms and workers at risk of exclusion, are a priority in funding decision in 2004-2005.

Law 236/1993 and the Law 53/00 regulate adult training and are, with the ESF, the traditional way to finance the continuing training within enterprises, independent of their sector or their size. The start of the FIP in 2004, whose main instrument is the Training Plan (Piano Formativo) puts, however, a complementarity problem between the different ways of funding. The Ministry of Employment and Social Affairs -with two departmental orders in 2003 and 2004- distributed €13 M between the Italian Regions and established the main criteria to foster the integration between the different funds.

The first departmental order established the principle that the regions have to integrate the different initiatives and to plan in a closely coordinated way, considering the FIP Plans.

The First and Second order directed that 70% of funds should be used to address the problems of “weak” employees, such as those working in micro enterprises, or aged over forty-five, or with a low levels of qualification, or working in a sector or an enterprise facing serious crisis. The second order formally introduced the possibility to direct funds to meet the training needs of unemployed people.

In this first year, the main focus of FIP was the innovation processes in some/strategic economic sectors and in small and micro enterprises, with important barriers to access and use of training supply due to high costs and organisational and logistic constraints. To this end, the FIP, in which Social Partners are directly involved in planning and the management

of funds, is working to orientate resources towards initiatives consistent with the actual demand of enterprises and employees.

In May 2004 a measure to implement the law 53/2000 assigned more than €30 million to carry out two different types of actions:

- Training programmes linked to enterprise training plans, including a reduction of the labour time;
- Training projects submitted by single employees.

The analysis of the result of the evaluation of these initiatives stressed that the second kind of project is more appreciated by the final users.

The strategy of the Ministry of Labour is to foster these solutions and to push regions to provide 5% of global resources to fund initiatives submitted directly by enterprises, employees, as well as by their associations.

The main strategies at national and regional levels should provide for:

- Information and guidance services
- Dedicated funding
- Implementation of the credit and certification mechanisms to making visible informal and non-formal learning
- Set of services and tools to support learning process in order to match learning needs of adult people and to overcome barriers to accessing the learning supply (how to move from “facility” of access to “happiness” of access).

The FIP will be an important challenge and a vector of innovation of the Continuing Training System not only in terms of better match between demand and supply of competences and training, but mainly in terms of systematic dialogue with the regions (playing a new important role in socio-economical development after the reform of the Constitutional Chart) as well as in terms of providing new links among training, professional development and salary within enterprises.

## **4 Regional Drivers**

### **4.1 Regional Diversity and Regional Policy Framework on the Move**

Italy has always been well known for its regional diversity and stereotypically represented in terms of a rich and efficient North and a poorer and less efficient South. In fact the situation is much more complex and many declining areas can be found in Northern Italy as well as promising developments being found in districts of Southern Italy. The fundamental policy has been to give the responsibility for developing VET competencies to Regional Governments rather than to the National Ministry of Employment and to locate this

responsibility in the varying models of socio-economic development of the Italian Regions (19 Regions and the two Autonomous Provinces of Trento and Bolzano). The Regions have legislative power in the field of vocational training and have used this power to shape very diverse VET systems, some of which are clearly inspired by policy directives and planning principles of training initiatives, while others just give some policy orientation and substantially trust the initiatives of vocational training organisations to deliver desired outcomes.

A coordination of Italian Regions in the VET field exists formally, but it is not easy to find many consensual issues apart from the agreement to defend regional points of view and interests against the surviving national competencies. Some regions have privileged public provision of VT, some others have reduced the public provision to very little; some are experimenting with the so-called “demand support instruments“ like “training vouchers”, while some others are simply relying on a well established group of National Training Bodies to provide their regional articulation. Finally some Regions have just delegated their policy role to the Social Partners and limit themselves to distributing funds - according to some uncertain rules - to accredited training bodies. The present project of Constitutional reform, which is almost completely approved by the Parliament, might produce an even stronger differentiation of approaches and articulation in VET policies between Italian regions by also bringing education into the field of Regional competencies.

#### **4.2 Main Concerns at Regional Level**

Vocational training systems have certainly contributed to facilitate employment of young people, especially in the Northern and Central part of the Country, where they have shown the capacity to change and adapt to new requirements of the labour market: the employment results of youth attending their VT courses demonstrate a good record of achievements. However, the situation may not be so favourable in the less economically developed regions, but this is mainly due to a less dynamic labour market.

In all Regions, however, the concerns of Regional Governments to maintain a reasonably good relation with the Training Organisations (most of which were originally developed by labour unions, employers associations and large municipalities – with political implications that should not be underestimated) and to guarantee their funding and employment levels has always been almost as important as checking the employment results of the courses proposed, and checking the real capacity of these organisations to identify relevant learning needs. That is why, also thanks to an unemployment rate that is not as high as it used to be in the past decade, the main concern that is mentioned when talking to Regional Government representatives everywhere in Italy is not how to innovate the training supply, but how to cope with the expected serious reduction of European Social Fund availability in the next planning phase from 2007. If adult and continuing training has found its new mechanisms, the problematic issue is initial training at all levels. The temptation/opportunity then is there to integrate initial VT more closely with school education, now that school education is to a large extent in a process of regionalisation.

### **4.3 The Regional Innovation and Experimentation Engine – co-ordination and divergence**

It would be unfair to report only the limits of the Regional Governance of Vocational Training as several Italian Regions are well known internationally for having promoted very substantial innovation processes when the national scenario was static; some of them have not given up their initiative in the new context and keep giving priority to innovation and experimentation. Sometimes they challenge together (at least in groups) the national initiatives – or lack of initiative – such as the case of standard qualification systems; sometimes they experiment alone on new measures, such as the “training vouchers” in view of a possible future generalisation at national level; sometimes they implicitly compete among themselves by proposing alternative approaches to address the same issue (e.g. eLearning in vocational training). In any case it must be recognised that the regional level constitutes a relevant source of innovations for the Italian VET System.

## **5 Concluding remarks**

Never before has the Italian VET system faced so many and so different factors of change; they are of different origin but they all hit a country which is facing a stagnating if not recessive economic context made even worse by structural problems of national industrial and service provision structure. If the unemployment rate is not extremely high in 2005, this is probably not so much the result of VET being able to match labour demand and supply, but rather of a poor demographic development combined with relatively low labour market participation. The impact of VET on employment is uncertain because it is not systematically assessed.

At the institutional level, the main challenge is that of integration in a lifelong learning perspective, but VET has limited chances to gain room and resources when integrating with Higher Education and the School System, both much better understood and rewarded by public opinion and politicians.

Finally, and related to the previous point, the high degree of uncertainty deriving from public funding perspectives in the years to come makes VET organisations nervous, wondering between the open sea of competition to meet the demand of individuals and organisations, and the temptation to continue researching the political and financial support of national, regional and local public administration, maybe becoming something like a public school.

In addition, the uncertain situation of Italian VET deserves to be monitored with care from a European perspective, because it represents – in our opinion – a very interesting case of co-existence of several innovation streams and resistance to change. No single policy vision framework can be identified, but rather several visions produced by a multiple set of stakeholders, each of them not really able to produce the change it desires, but everybody able to prevent major changes affecting its vital interest. That is why the European change

drivers may come to be more important in Italy than in other countries, and may finally aggregate the little consensus that is nowadays possible in the Italian VET system.

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