

Moldova

Country Situation

The transition process in the Republic of Moldova has led to drastic changes in the economic, political and social environment, with negative consequences on employment and living standards. This situation occurred mainly due to: (a) the lack of a coherent, long term and comprehensive vision of 1990s political decision makers on the future of the country and of the economy; (b) the ineffectiveness of the economic and social policies adopted, and especially of the tools used for their implementation; (c) Fast economic reforms with insufficient social protection mechanisms; In addition, the Republic of Moldova has been facing challenges arising from the legacy of the previous socio-economic system.

Until independence, the Moldovan economy was highly integrated into the USSR economy through the republic based division of production and mutual dependence between the republics. The high degree of USSR integration meant a/ an almost complete lack of domestic energy resources, of raw materials, machinery, and production equipment / components, b/ an agricultural sector relying heavily on subsidies. The break-up of the USSR a/deprived Moldova of its cheap access to energy, raw material and equipment, b/resulted in an end of agricultural subsidies, c/ build new barriers for the movement of goods, and access to NIS markets, d/deprived Moldova of its main production zone (Transnistria).

The consequences of the ensuing economic crisis were considerable. At it worst, in 1999, the GDP output was only 34% of the 1989 level, (industrial output 32%, and agriculture 50%). There was an almost 10-fold cut in investments in fixed capital by 1999 (only 11% of the 1989 level)¹. Despite some improvement since 2000, the GDP per capita in the Republic of Moldova, at US\$542 in 2003, continues to be the last but one among the ex-soviet countries, and the last among the countries of Central and South-Eastern Europe.

Although the Constitution of Republic of Moldova and the country's legislation are generally in line with the Bill of Rights, basic rights, and especially social and economic ones, are constantly infringed upon with inadequate incomes, and inappropriate delivery of social services. Reduced budgetary allocations to the social sector have contributed to the deterioration both of the quality and of the access to social services. Children and women particularly continue to suffer from the negative consequences of transition.

Poverty in Moldova is a multidimensional phenomenon, associated with (i) decreased level of income and consumption; (ii) insufficient nutrition or poor nutrition; (iii) poor health; (iv) limited access to education; (v) vulnerability to economic crises, natural disasters and political and social instability; (vi) inability to exercise elementary rights; (vii) limited participation in decision-making; (viii) limited opportunities to

¹ Draft Common Country Assessment, (August, 2005)

increase standards of living. Reduced budgetary allocations to the social sector led to the worsening of major social indicators and to the deterioration of access to social services. In 2002 over 40% of the population lived below the absolute poverty threshold.

Education. The insufficient public financing, coupled with the increasing reliance upon school fees have resulted in a reduction of access to education for the poor. Currently only around 56% of children aged 3 to 6 years old are enrolled in pre-school institutions, a factor which is likely to have an adverse effect on their future performance in primary schools. The enrolment rate in primary education has dropped from 96% in 1997 to 93% in 2002. In 2002 the gross enrolment rate in gymnasiums was 87.9%. Every fifth gymnasium graduate has not continued his studies at the next educational level.

The widening social inequality in Moldova has been another factor, which contributed to reduced access to education of vulnerable social groups. The enrolment rate in secondary general education of children from poor households is around 74 %, while their enrolment in higher education is only 7 %. This compares with 81% and 24% for children from non-poor households respectively. There are significant differences regarding access to education of children from rural and urban localities. The share of secondary and higher education graduates from rural localities is 76% and 6% respectively. This compares with 81 % and 29% for graduates from urban localities. There are also considerable discrepancies between official statistical information and those based on Household Budget Survey data on children's education due to their reliance on different data sets.

The school and vocational curricula reflect neither the needs of the labour market, nor the skills needed in daily life. Decreasing opportunities for extra curricular activities and for meaningful participation are increasing the risks for children to become exposed to crime, alcohol, drug abuse and be exploited for sexual and labour purposes. The lack of communication and support from family and community, leads to their drop out from the formal school system. Findings of some studies show that when parents "struggle" to assure their family's well-being, there is more likelihood of children being made to work to help the family survive.

Labour market. The 1990's economic crisis has led to a considerable fall in the number of jobs, sizable unemployment and labour force migration abroad. During 1994-1999 the number of employed in the economy fell by 193,000 people, or by 11.4%. According to the ILO methodology for the labour force survey, the unemployment rate declined from 11.1% in 1999 to 6.8% in 2002 due to a massive outflow of labour abroad, rather than to an increase in the number of jobs in the national economy. The official labour market is characterized by a low level of registration of the unemployed. In 2002, only 24,000 people were registered as unemployed, whereas the number of the unemployed according to the ILO methodology amounted to 110,000. The small number of those who go to employment agencies can be explained by weak capacities of these services to address employment issues and provide allowances. In 2002 only 38% of those who had applied to these agencies were employed, and only 6% of them got unemployment allowances. The highest number of unemployed in 2000-2003 was registered among

graduates of secondary or high schools: 26,7% in 2000; 30,4 % in 2001; 32,9% in 2002 and 26,2% in the first 9 months of 2003.

Migration. The economic crisis, the high rate of unemployment, a reduction of social expenditures, the collapse of the education system and the lack of a national strategy on migration contributed to the increase of illegal migration from Moldova. According to the preliminary findings of the population census, conducted during the period of October 5 -12, 2004, as well as to other statistical surveys and current evidence of population, the Department of Statistics and Sociology reports that 367 thousand of persons being abroad.² However, this figure is contested by many experts in the field who suggest that the official information underestimates the magnitude of this phenomenon and the actual number of Moldovan citizens who have left the country is between 600,000 and one million people.

Youth policy. The social and economic situation in the country has affected all social categories, but the main victims of transition are the children and youth. The youth constitute 25.7% of the total population i.e. each fourth person is aged between 15 and 29 years. Recent opinion polls have established that, regardless of the place of living, the most acute problems of young people are linked to low levels of income, unemployment and healthcare, limited access and low quality of education, and high levels of insecurity and criminality. Youth are susceptible to a range of economic, physical and psychological risks. The effects can be seen in the growth of drug abuse, youth violence, the spread of sexually transmitted diseases and HIV/AIDS, trafficking in human beings, including trafficking in children, the involvement of children in illicit activities, and other worst forms of child labour.

Inequity in social protection spending. The social protection system in Moldova has two main components: a social insurance system, based on the contributions of employers and employees, and social assistance programmes and specialized services to protect the poorest and most vulnerable members of society. As a percentage of GDP, public spending on this social safety net has declined by nearly half since 1997. There is also a major targeting problem: the extremely poor are only 50% of the total beneficiaries while non-poor represent 41 percent of beneficiaries and account for nearly a third of total spending. Moreover, information is not available for a complete review of social protection spending³.

Institutionalization remains the main form of protection for children without parental care⁴. Only 6% of children without parental care benefit from community-based and family support services⁵. At the beginning of 2001, 13,500 children lived in these institutions, excluding Transnistria for which there were no figures⁶. Of these children, nearly all are of school age (7-17 years) and 2 thirds are boys⁷. Nearly half of these children were placed in institutions by a parent⁸. The main reasons given are: illness or disability (36%); poverty (27%); death of a parent (16%); and family problems (8%). While state grants cover approximately 70 percent of the

² The press release of the Department of Statistics and Sociology dated January 27, 2005

³ Common Country Assessment, 2005

⁴ Evaluation of the Financial Framework of Child and Family Social Protection, UNICEF, 2004

⁵ Evaluation of the Financial framework of Child and Family Social protection, UNICEF, 2004

⁶ The Situation of Children and Family in the Republic of Moldova, Assessment and Analysis, UNICEF, 2000-2001

⁷ UNICEF "Status of Institutionalized Children" Report, 2000

⁸ Survey "The informational system of children placed in residential institution in the Republic of Moldova", EveryChild, Ministry of Education, Ministry of Health, Ministry of Labour and Social Protection, 2003

operating costs of these institutions⁹, there are too few resources to support the counselling and vocational training needs of the children. The inadequate quality of care and education isolates these children from the society, and jeopardizes their future ability to find decent employment and integrate successfully into the community. Children, who grow up in institutions, particularly girls, face heightened social risks and are 10 times more vulnerable to trafficking¹⁰. These concerns were also noted by the Convention on the Rights of the Child committee that urged immediate action to develop family-based alternatives¹¹. Additionally there are unconfirmed reports of labour exploitation of these children in institutions.

Worst Forms of Child Labour in the Republic of Moldova. Child labour, in Moldova, stems from the widespread poverty and inequity that has increased during the current transition period. Hard-pressed parents very often do not feel that the long-term returns of education investment outweigh the short-term economic gain and skills brought by child labour because of a/ their incapacity to plan beyond the survival strategies in which they are trapped, b/ their lack of trust in the capacity of the education system to increase the chances of their children to access decent work, c/ their perception that labour is good for the development of the child (irrespective of the hazards that may be linked to it).

The number of registered cases of the **worst forms of child labour** increased by 250 percent between 2001 and 2004¹², and 260 judicial cases were filed since the beginning of 2003¹³. More children are involved in works within and outside the family. According to the Ministry of Internal Affairs, in 2003, there were **3,681 children living and/or working in the street** (no gender breakdown available). Most have a place to live, but spend their time on the street begging (45%), working (17%), thieving (15%) or engaged in petty trade (9%). There is a major lack of specialized support and rehabilitation services for these children¹⁴.

The phenomenon of **trafficking in children** was the topic of the ILO-IPEC Rapid Assessment of Trafficking in Children for Labour and Sexual Exploitation in Moldova, carried out in 2003 by the Institute for Public Policy. It states that, according to unofficial data provided by law enforcement bodies every year approximately 5,000 minors are transported to Russia and forced to provide sexual services. Trafficked children also end up in forced labour, including begging. An analysis of the survey results shows that mostly boys and girls between the ages of 12 and 18 years are trafficked, the greatest number of victims being between 15 and 18 years old. Boys are recruited mostly by members of the Roma ethnic group who exploit them in agricultural labour, begging, selling fake gold etc. Girls are also often recruited for these jobs and may also be sexually exploited. This report suggests that coordinated, complementary multi-sectoral action is needed in four areas: institutional frameworks; legal frameworks; specialized social services for potential victims of trafficking (at-risk groups), as well as for victims of trafficking; and training of specialized personnel.

9 AiBi, UNICEF, the Report "Child Adoption in Moldova", 2003

10 According to statistics from the IOM Rehabilitation Center for Victims of trafficking, 10% of identified and assisted victims of trafficking from 2000-2004, grew up in institutions. Since children growing up in institutions constitute approximately 1 % of the total child population, we conclude that they are 10 times more vulnerable to being trafficked.

11 Concluding Observations: Republic of Moldova, Committee on the Rights of the Child, 31 Oct 2002.

12 Ministry of Labour and Social Protection, January 2005

13 First Periodical Report of the Government of the Republic of Moldova on the implementation of ILO Convention 182, September 2004

14 Survey "Street children from Chisinau" accomplished by the Resource Center for Social Assistance, 2000

Rural child labour. The prevalence of child labour in agriculture undermines decent work, sustainable agriculture and food security as it maintains a situation where household income for both farmers and waged workers is insufficient to meet their economic needs. One third of the 145 school-age children sampled in the ILO-IPEC 2004 Rural Child Labour Study reported that their parents force them to work; and 2 thirds stated they are punished if they fail to work or perform poorly. Since the children are involved in activities which do not correspond to their age, they also suffer from physical traumas.

For rural families, education is not a priority and school drop-out is on the rise. Even families with average living standards consider that a child has to learn how to earn his/her living and undertake a considerable part of household works. The workload is even more important when parents are abroad. Migration has left an estimated **23,000 children outside the care of** both parents¹⁵. Many of these “social orphans”, are left without proper supervision in the care of aging grandparents or older siblings, and are therefore at an increased risk of abuse, neglect and labour / sexual exploitation.

Legal and Policy Developments

During the past 4 years there has been a growing commitment of the Government of Moldova to combat child labour and eliminate its worst forms, including trafficking. The Government of Moldova ratified a number of international conventions, including the ILO Conventions Nos. 138 and 182.

So far, the following steps were taken in Moldova:

International legal framework

- Ratification of the UN Convention on the Rights of the Child (1990);
- Ratification of the ILO Convention No. 81 on Labour Inspection (September, 1995);
- Ratification of the ILO Minimum Age Convention No. 138 (September 1999);
- Ratification of the ILO Convention No. 182 against the WFCL (June 2002);

National Laws

- Approval of the new Labour Code (March, 2003).
- Approval of the Law on Labour Inspection No. 140-XV of May 10, 2001
- Approval by the Parliament of the Law on Prevention and Combating Trafficking in Persons (September, 2005);
- Amendments of 1/Law on Entry and Exit the Republic of Moldova (amended by the Law No 252-XV); 2/Law on Identity Documents of the National Passport System (amended by the Law No 252-XV); and 3/ Law on Notary Offices (amended by the Law No 252-XV)¹⁶;

Policies

- Approval of the National Plan of Action on Combating Trafficking in Human Beings (2005-2006);
- Approval of the National Human Rights Action Plan for 2004-2008 (November 2003);
- Approval of the National Strategy on “Education for All” for 2004-2008 (April 2003);
- Approval of the Memorandum of Understanding between the Government of Moldova and ILO-IPEC to promote the implementation of Conventions 138 and 182.

¹⁵ Information of the Ministry of Education of Moldova, December 2004

¹⁶ These measures significantly increase the protection of children from trafficking.

Institutional framework

- Establishment of the National Council on Child Protection and approval of the National Strategy on Child and Family Protection (2003);
- Establishment of the National Committee on Combating Trafficking in Human Beings (2001);
- Establishment of the National Steering Committee (NSC) on the Elimination of Child Labour (May 2004).

IPEC Activities**Policy work**

Currently IPEC Moldova is member of the following bodies: a/ Counter-trafficking Technical Coordination Group; b/ Inter-agency Task Force on Family and Child Protection; c/ National Committee for Combating Trafficking in Human Beings and its four Inter-Ministerial Anti-trafficking working groups; d/ UN Theme Groups on HIV/AIDS, Education and CCA/UNDAF development; e/ National Steering Committee of the ILO MIGRANT Project.

Since September 2005, IPEC Moldova has participated in a number of meetings of the above bodies. As a result the issue of Worst Forms of Child Labour, including trafficking was mainstreamed into the national legislation and policy documents, as follows:

- Law on prevention and combating of trafficking in persons;
- National Plan of Action for Child and Family Protection (2005-2008);
- The National Plan of Action for Combating Trafficking in Children (2005-2007);
- The first Country Report on Violence against Children;
- National Millennium Development Goals (MDGs) Report 2005.

In addition, IPEC participates in the development of the National Plan of Action for Combating Trafficking in Human Beings, as part of Moldova's inclusion in the Sub-regional Programme for the Enhancement of Anti-trafficking Responses in South Eastern Europe.

Direct Activities

So far, IPEC Moldova sub-contracted the following field activities: a/piloting of a model for the long term rehabilitation and reintegration of children victims of trafficking; b/national debates on child labour – with a strong child participation, c/rapid assessment on child labour in rural areas; d/support activities for youth employment (education and job counselling); e/child labour monitoring / referral system at district level (CLMS); f/Support to the labour Inspection to participate in the CLMS.

National Steering Committee

The National Steering Committee on the Elimination on Child Labour (NSC) was created through the Government Decision No. 631 of 05.11.04. The functions of the Committee, as stipulated in the Memorandum of Understanding (approved through the Government Decision No. 394 of 04.14.04) are as follows: a/ to provide policy guidance for activities aimed at eliminating child labour in the country and to integrate IPEC activities in other national efforts to combat child labour; b/ to advise on priority areas for IPEC activities and support; c/ to periodically review and evaluate IPEC activities in the country.

Members of the NSC:

	Names and titles	Institution/organization
1.	Sergiu Sainciuc , First Deputy Minister	Ministry of Labour and Social Protection (MLSP)
2.	Valentina Haheu , Chief, Direction for Social Development	State Chancellery
3.	Eugenia Gonciar , Consultant, Direction for Social Development	State Chancellery
4.	Nina Turcan , General Director	National Employment Agency (MLSP)
5.	Anatol Dubrovski , Deputy Minister	Ministry of Education
6.	Maria Tarus , Chief of Department Mother and Child Care	Ministry of Health
7.	Andrei Balan , Chief of Juvenile Prophylaxis Direction of the Public Order Department, lieutenant - colonel	Ministry of Internal Affairs
8.	Eugen Rusu , Chief, Section for problems of Ecology, Minors and Combating Trafficking in Human Beings	General Prosecutor's Office
9.	Ion Moraru , Deputy Director	Department of Migration
10.	Ludmila Cube , Deputy Director	Youth and Sports Department
11.	Adrian Axenti , Vice- president	National Employers' Confederation
12.	Ion Pregelza , Chief, Juridical Direction, Executive Committee	Confederation of Workers' Association of the Republic of Moldova
13.	Victor Talmaci , Vice-president	Federation of Free Workers' Association "Solidarity"
14.	Ana Revenco , Director	Centre for Protection and Promotion of Women's rights "La Strada"
15.	Igor Mironic , Director	NGO "Compassion"

Implementing partners

- Labour Inspection;
- National Center for Child Abuse Prevention (NCCAP) - MP “National Debates for the Rights of the Children and against the Worst Forms of Child labour (WFCL)”;
- National Women’s Studies and Information Center (NWSIC);
- International Center for Women Rights Protection and Promotion “La Strada”;
- Consulting and Credit in Agriculture.