

Expanding childcare services through women's entrepreneurship development in Moldova

A CASE STUDY

Executive summary

In 2023, the International Labour Organization (ILO) launched a pilot initiative in Moldova to address the low labour market participation of women with young children by enhancing access to childcare services. The project, implemented in partnership with the Association of Women Entrepreneurs in Moldova (AFAM), focused on introducing new childcare services in alignment with the recent legislation on Alternative Childcare Services, as established by Law No. 367/2022.

As part of efforts to support the implementation of Moldova's National Programme on Care Services for Children Under Three, the initiative trained 27 women in entrepreneurship and soft skills, and later provided three women with grants and coaching support. Additionally, the ILO and AFAM collaborated on a report analysing legal constraints affecting alternative family-type childcare services to contribute



►► The ILO piloted in Moldova the first family-type nurseries to foster entrepreneurship in the childcare sector, enhance parents' access to alternative childcare services, and support their active participation in the labor market. Our goal is to ensure that women returning to work have opportunities and access to affordable, high-quality childcare.

► Nelea Rusu,
National Project Coordinator

to further policy improvements and a more enabling environment for women entrepreneurs in the sector. A public awareness campaign was organized to enhance demand for alternative childcare services among Moldovan parents.

In February 2024, the launch of three home-based childcare services marked an important step toward addressing the country's childcare shortage. Since then, an additional six women trained by the initiative have received grants from another development partner and are successfully running their childcare services. Furthermore, the training developed and utilized by the initiative will be expanded to six regions in the country by ILO and AFAM, aiming to reach at least 150 individuals in the childcare sector. The report submitted to the Moldovan Government is being considered for improving existing legislation, which is currently under review. The success of initiative secured additional support from the Swiss Agency for Development and Cooperation (SDC) in late 2024, allowing for further scaling-up of activities and impact in coming years.

Local economic and gender equality context

- Low employment rate for women: 43%¹
- Women make up only about 25% of all Moldovan enterprises²
- Low participation of children aged 0–2 years in early education and care services: only 10% (2021/22), compared to the EU27 average of 32%³
- Limited formal early childhood education and care options for children aged 0–3⁴

Project implementation

To understand how to best contribute to more affordable, qualitative and accessible childcare in Moldova, the initiative launched by conducting a market systems analysis, which revealed high demand for alternative family-type childcare services, particularly in rural areas where public childcare services for 0–3 age group options are scarce.

1. <https://www.ilo.org/ilo-moldova>

2. <https://documents1.worldbank.org/curated/es/411391516856355553/pdf/122962-REVISED-PUBLIC-MoldovaSupportingWomenEntrepreneurshipFINALPRINT.pdf>

3. <https://www.ilo.org/resource/article/micul-odoras-meet-mariana-grigorencu-force-behind-first-home-based-day-care>

4. <https://www.unicef.org/moldova/media/11446/file/Moldova%20ECI%20Sitan%20report%20EN.pdf>

Based on these findings, the ILO and AFAM developed models for alternative childcare solutions, focusing on alternative family-type childcare service. These small-scale, home-based facilities provide care for up to five children, offering a more flexible and affordable option for working parents. The model aligns with Moldova's legal framework while addressing specific local community needs, meeting safety and hygiene standards, with caregivers trained to provide high-quality early childhood education and care.

To implement this model, ILO in partnership with AFAM selected 27 women for specialized entrepreneurship training, focusing on childcare management, regulatory compliance, and business development. Selection criteria prioritized candidates with relevant experience or education in childcare and strong entrepreneurial potential. Following the training, three participants were awarded \$6,000 grants to establish nurseries and provided with coaching support, based on the quality and feasibility of their business plans.

As many parents in Moldova are still sceptical about alternative childcare services, preferring nannies or private kindergartens, educating the public about the benefits and safety of home-based childcare services were deemed crucial for the initiative's long-term success. To stimulate demand for home-based childcare services, the initiative therefore launched a public awareness campaign. This included workshops, social media outreach, and partnerships with local employers to promote affordable and flexible childcare options.

An important output was the report on legal constraints affecting alternative family-type childcare services. Presented to the Ministry of Labour and Social Protection, it highlighted key regulatory barriers and recommended policy changes, including



streamlining the registration process and extending social security benefits to home-based childcare providers.

Throughout implementation, the initiative collaborated closely with local authorities and the Ministry of Labour and Social Protection to align with national childcare policies. This collaboration included sharing research findings, advocating for regulatory changes, and streamlining processes for establishing home-based nurseries. In addition, the activities implemented by the initiative contributed to the National Programme for Childcare Services for children under three.

Outcomes and future directions

By February 2024, three alternative family-type childcare services were successfully launched by women who had received support from the initiative, providing care for a total of 15 children. Additionally, six women trained by ILO and AFAM later received grants from another development partner and successfully launched their own childcare services. Meanwhile, the public awareness campaign significantly increased interest in home-based care among working parents.

By addressing both the supply and demand sides of the childcare equation, the initiative has not only piloted a model to increase the availability of childcare services but also showed how to create new economic opportunities for women entrepreneurs.

►► This project has opened new opportunities for women like me to start our own businesses while addressing a critical need in our community. The support we received has been invaluable.

► Mariana Grigorencu,
owner of “Micul Odoraș” home-based
daycare in Bălți

Furthermore, the implementation of the initiative in Moldova has provided valuable insights and lessons learned which offer a roadmap for future initiatives and highlight the importance of adaptive, context-specific approaches to addressing complex social and economic issues. This includes adopting an integrated approach that combine ongoing collaboration with government bodies to address regulatory challenges with raising public awareness about the benefits of available childcare services and providing comprehensive support, including training, mentorship, and financial assistance, to caregivers to ensure the provision of qualitative, accessible and affordable services.

The success of the initial phase of the ILO’s initiative in Moldova laid a strong foundation for future expansion. With support from SDC, a new project was launched in Moldova in late 2024 which will build on the initiative’s success to increase the number of home-based nurseries while creating a more supportive ecosystem for childcare entrepreneurs and working parents across the country.