State of SKILLS

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Moldova

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The socio-economic context

The Republic of Moldova (hereafter Moldova) is a landlocked, lower middle-income country[1] in Eastern Europe. Formerly a part of the Soviet Union, Moldova gained independence in 1991. The economy is characterized by a large share of agricultural production, a rapidly growing service sector and a strong reliance on remittances from skilled emigrants. Therefore, the technical and vocational education and training (TVET) system plays a key role in satisfying emerging skills needs and in ensuring that people at all skills levels find employment opportunities in Moldova.

1. World Bank (WB) classification.

Moldova's population is declining rapidly.

In 2018, the country's resident population was estimated at 3.547 million,[2] with steadily decreasing numbers due to elevated emigration (outflow of 3,300 in 2018; NBS, 2018b). These dynamics are amplified by an ageing population and a low fertility rate.[3] The emigration of skilled people has further deepened the skills mismatch[4] and contributed to an increase in vacancies in the past five years (National Employment Agency (NEA), 2019a) (table 1). Moreover, this trend may lead to increased brain drain and workforce shortages, especially in the care economy.

Table 1. Available vacancies by level of qualification required, 2013–19.

Year/ month	Number of available vacancies	% of vacancies for people with higher and post-secondary VET	% of vacancies for people with secondary VET and unqualified workers
2013/05	6,645	28	72
2014/05	8,120	33	67
2015/06	8,926	27	73
2016/06	9,205	33	67
2017/06	11,017	24	76
2018/06	14,060	24	76
2019/05	10,888	18	82

Source: NEA, 2019a.

2. Including permanent residents, circular migrants and migrants. The de facto the number is much lower, at around 2.9 million (Demographic Research Centre, 2015).
3. At 1.17 children per woman in 2017 (NBS, 2018b).
4. In the past five years, predominant sectors with a need for specialists were education and health (NEA, 2019a).

Over the past nine years, there has been an upturn in economic growth due to favourable conditions in agriculture and high levels of private consumption and incoming remittances.

Average annual growth stood at 5 per cent between 2000 and 2019, with recent real GDP increases of 4.0 per cent in 2018 compared to 4.5 per cent in 2016 and 4.7 per cent in 2017 (WB, 2019). According to WB estimations, growth is expected to slow down, reaching 3.6 per cent in 2020 and 3.8 per cent in 2021. Aspirations for European Union (EU) membership have resulted in a series of market-oriented reforms. In 2014, Moldova and the EU signed an Association Agreement and a Deep and Comprehensive Free Trade Agreement (DCFTA) with the EU. These provide access to EU markets, facilitating the export of goods, which is expected to translate into increased demand for professional skills in economic sectors that will benefit from EU accession. Industries currently benefitting from the DCFTA include processing, automotive, IT, textile and agriculture (especially cereal production).

GDP growth in 2017 exceeded expectations, driven by increased internal consumption and rising agricultural exports boosted by access to EU markets[5] (CIA, 2019). Yet, despite significant investments, growth declined to 4 per cent in 2018 (WB, 2019).

5. In 2017, over 65 per cent of Moldova's agricultural exports went to the EU whereas, 20 years earlier, over 69 per cent went to Commonwealth of Independent States (CIS) countries (CIA, 2019).

The share of people living below the poverty line (USD 2.5 per day, purchasing power parity) plunged from 28 per cent in 2011 to 8 per cent in 2015 (WB, 2018a). Moldova remains one of the poorest countries in Europe with a GDP per capita of USD 2,692, ranking 112 out of 188 on the Human Development Index (UNDP, 2018). Rural poverty is four times higher than urban poverty (at 19 per cent and 5 per cent, respectively) and the divide between urban and rural income has doubled from 23.6 per cent in 2010 to almost 42 per cent in 2015 (UNDP, 2017).

Moldovans tend to be highly educated.

Notwithstanding the many challenges facing the country, Moldova boasts high educational levels. In 2016, 17.4 per cent of population over the age of 15 completed higher education, 52.6 per cent finished either general secondary school or TVET (21.2 per cent and 31.4 per cent, respectively) and 29.3 per cent completed primary education and lower secondary education, leaving only 0.7 per cent with no education. More young women complete higher education (19.3 per cent) and more young men complete TVET (34.5 per cent) (ETF, 2018).

Moldova is largely a service-oriented economy.

In 2017, the share of total employment in the service sector stood at 51.0 per cent (47.4 per cent in 2018), contributing 64.8 per cent to total GDP. In comparison, the agriculture sector employed 32.3 per cent (36.1 per cent in 2018) of the workforce, but only generated 14.2 per cent of GDP, while employment in industrial production stood at 12.0 per cent (11.8 per cent in 2018), contributing 18 per cent to GDP (NBS, 2019). Most jobs in the service sector (hospitality industry, wholesale and retail trade) require no significant changes in skilled labour over time, while, technology-intensive jobs demand continuous acquisition of skills and the presence of a skilled labour force. There is a need for skilled labour in IT, healthcare and the education sector at all levels (NEA, 2019a).

Labour market challenges include unemployment, low labour market participation rates, a high number of NEETs,[6] poor job quality, low productivity, high levels of informal employment, inequalities (in terms of access to jobs for persons with disabilities, poorly educated persons, particularly in rural areas, etc.) and skills mismatch. Official unemployment figures display relatively low rates[7] and employment-related indicators, rather than unemployment rates, provide a better gauge of labour market performance (table 2), particularly given the incidence of outgoing labour migration and the low participation rates of women and young people to 6.5 million, with boys comprising 57 per cent of enrolled students and girls 43 per cent. The drop in enrolment rates continues in the higher grades, plunging to 3.3 million by the tenth (or highest) grade, with boys comprising 58 per cent and girls 42 per cent of the students enrolled in high school.

6. Defined as young people who are neither in employment nor in education or training.

7. The national definition of "employed" includes owners of agricultural land, thereby distorting the employment rate.

Table 2. Labour market indicators, 2015 and 2018, in %.

	2015	2018
Unemployment, 15–65 years	3.7	3.0
Unemployment 15–65, men	4.5	3.5
Unemployment 15–65, women	2.9	2.5
Unemployment 15–65, men, rural	4.8*	4.0*
Unemployment 15–65, women, rural	2.2*	1.9*
Youth unemployment, 15–24 years	10.7	7.4
Youth unemployment 15–24, men	9.2	7.5
Youth unemployment 15–24, women	12.9	7.2
NEET	27.8	27.1*
NEET, men	30.7	21.6*
NEET, women	24.8	32.2*
Labour force participation rate	44.0	43.3
Labour force participation rate, men	46.9	45.8
Labour force participation rate, women	41.5	41.0
Youth labour force participation rate	21.6	20.8
Youth labour force participation rate, men	24.9	22.0
Youth labour force participation rate, women	18.2	19.6
Share of agriculture in total employment	34.2	36.1
Share of industry in total employment	17.9	16.5
Share of services in total employment	48.0	47.4

Source: ILO, 2019; *NBS (National Bureau of Statistics).

There are some variations in unemployment and labour market participation by sex, geographic area and age. Official figures display low **gender disparities.** Men are slightly more affected by unemployment, particularly in rural areas. Women are more likely to accept low-paid jobs, while men tend to wait or go abroad in search of better opportunities.

Employment varies widely by educational attainment.

With a 25.4 per cent gap between high and low skilled (56.6 per cent and 31.2 per cent, respectively) in 2018 (NBS, 2019). Unemployment is highest among men in rural areas aged 20–29 years old with secondary education (general and TVET) and post-secondary TVET education (ibid). Young people with university degrees seek to emigrate and there is a tendency among the least skilled to accept any job at minimum wage. Labour force participation is higher among men, despite higher levels of educational achievement among women.

Youth inactivity[8] (27.8 per cent of 15–29 year olds in 2015 National Bureau of Statistics (NBS) is a bigger concern than youth unemployment.

The share of NEETs among young people has decreased in the past five years, but remains high, at 27.1 per cent in 2018 (NBS, 2019). Reasons for not engaging in work, education or training, in particularly among disadvantaged groups, are low self-esteem, poor communication and job-search skills and low adaptation capacity. These factors add to a general sense of passivity and discouragement.

Moldova's labour market is characterized by skills mismatch.

The lack of qualified employees is stated by employers as a major obstacle to enterprise development. According to employers, young workers in particular have inadequate occupation-specific skills and lack key competences. Skills gaps are reported to be higher among medium-skilled workers than among highly skilled workers. Poor foreign language proficiency hinders generic skills development and represents the biggest challenge in the highly skilled segment. Poor analytical and problem-solving capacities affect medium-skilled workers most severely (Rutkowski et al., 2017).

8. The population working abroad are also considered "inactive", thus distorting statistics and decreasing the real activity rate in the country.

Emigration has increased over the past five years, resulting in high levels of remittances and brain drain.

An estimated 25 per cent of the total population (888,000) are living abroad, 54 per cent of whom are women (ETF, 2018). In 2018, remittances made up almost 16.2 per cent of Moldova's GDP, among the highest percentage in the world. Lately, remittances (as a percentage of GDP) have been declining (from 21.8 per cent in 2014 to 16.2 per cent in 2018 (WB, 2018), due to weaker family bonds with second-generation emigrants. The brain drain of skilled people impacts negatively on socio-economic development. In 2018, Moldova signed a Mobility Partnership agreement with the EU, which addresses policy development and promotes enhanced cooperation.

Development and employment policies

TVET is a priority for the Moldovan Government. The National Development Strategy "Moldova 2020" sets out the strategic vision for 2012–2020. Its main policy objective is to promote sustainable economic development and poverty reduction. It focuses on seven development priorities, the first one being "Aligning the education system to labour market needs" (Government of Moldova, 2012a). The same imperative is highlighted in the TVET Strategy 2013–2020, the Education Development Strategy 2014–2020, National Employment Strategy 2017–2021 and other strategic documents (Government of Moldova, 2012b, 2013, 2014a, 2014b, 2016, 2017). The Association Agreement between Moldova and the EU includes closer cooperation on employment and education issues and alignment to the Copenhagen process on enhanced European cooperation in vocational education and training. EU financial support to Moldova includes assistance for reforms to make TVET more demand oriented.

"The right to education shall be put into effect by the compulsory comprehensive school system, lyceum education (secondary school) and vocational training, as well as the higher education system, and other forms of instruction and knowledge improvement."

– Constitution of the Republic of Moldova

Article 35.1

The skills system in Moldova

TVET reform policies

Since 2013, the system has been undergoing ambitious reforms, laid out in the Education Development Strategy 2014–2020 and the TVET Strategy 2013–2020. Their medium-term objectives relate to strengthening TVET and aligning institutional mechanisms with EU requirements (e.g. standards and regulations, European Qualification Framework (EQF) referencing, statistics, etc.) by 2020.

Reforms since 2013 include:

I. a restructured and optimized TVET system;

II. establishing a national quality assurance agency;

III. implementing dual TVET;

IV. developing and aligning TVET curricula with the National Qualifications Framework (NQF);

V. basing the new Occupational Classifier on international standards (ISCO 08);

VI. revising the nomenclature for TVET occupations and specializations according to employers' requirements;

VII. NQF development;

VIII. agricultural sector reform in 2019, including the reorganization of research, innovation, education and rural development to improve knowledge transfer in the local context.

In addition, a new legal framework has been adopted to achieve these policy objectives, in particular those of the Education Code[9] and other legislative instruments, regulating (among other things):

- the organization of dual TVET (2018);
- the organization of internships in secondary, post-secondary and post-secondary non-tertiary education (2016);
- frame curriculum for dual secondary TVET (2018);
- frame curricula for secondary, post-secondary and post-secondary non-tertiary TVET.

A large part of the reform agenda refers to changes in the legal and regulatory framework. However, to date, major progress has only been made in changing the legal framework. These changes have not yet translated into significant improvements in qualifications nor produced a noticeable reduction in skills mismatch.

9. The Education Code (2014) establishes the legal framework for the organization, implementation and development of the education system.

Governance

Responsibility for TVET governance is centralized. The Ministry of Education, Culture and Research (MECR) is the key actor in TVET governance and policy development (figure 1).[10] It acts through different bodies, including:

- the **TVET Department –** responsible for development and promotion of the country's TVET policy, monitoring and coordination of TVET institutions, overseeing the implementation of national programmes and strategies, and the normative, regulatory and education policy framework;

- the **Lifelong Learning (LLL) Department –** responsible for development, promotion and implementation of the LLL and adult education policies;

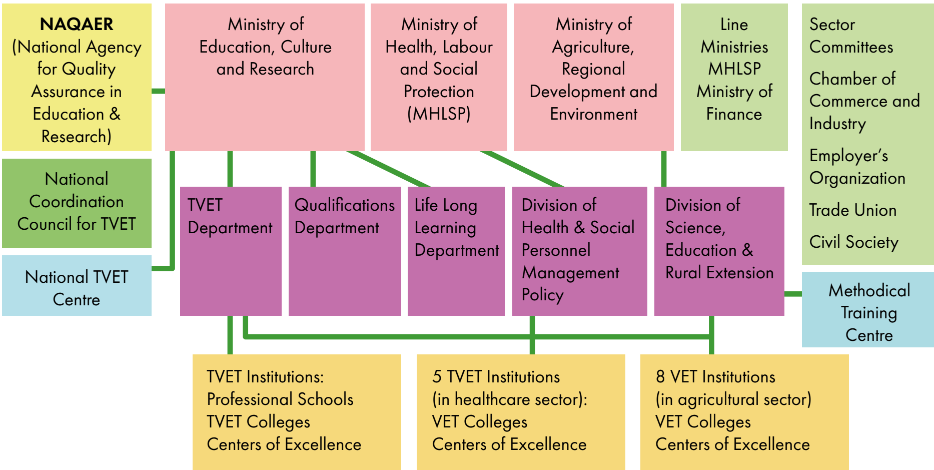
- the **National TVET Centre and Methodical Training (MT) Centre** under the Ministry of Agriculture, Regional Development and Environment (MARDE), providing technical support to the TVET system, policy advice, contributions to the regulatory and normative framework, and training teachers, counsellors and managerial staff;

- the **National Agency for Quality Assurance in Education and Research (NAQAER)**, a self-regulating administrative authority, with its own legal personality and independent decision-making powers, with responsibility for quality assurance and evaluation in general education, TVET, higher education and continuous training and for the external evaluation of organizations in research and innovation, etc.

10. TVET institutions in the agro-food and healthcare professions have twofold accountability – to MECR/MARDE and MECR/MHLSP, respectively.

However, these entities face difficulties in fulfilling their mandate due to financial and human resources constraints.

Figure 1. TVET governance in the Republic of Moldova.



Source: Author.

TVET institutions are established, organized and operated by the Government through their respective ministry.[11] The institutions write their own statutes and internal regulations, which are approved by the MECR. TVET institutions have autonomy to hire and dismiss staff. Since January 2019, they are officially self-regulating in financial matters. However, their autonomy has certain limitations. For instance, curriculum development is centralized and TVET providers cannot create new TVET courses or programmes unilaterally.

[11] MECR or MARDE or MHLSP.

Social dialogue

A series of national actors and institutions are formally included in policy development and implementation, although they mainly play a consultative role in TVET governance and policy-making. Among them are the social partners (employers' organizations and trade unions), Sector Skills Committees (SSCs), the Organization for Small and Medium Enterprises Development (OS-MED/ODIMM), business associations, the NAE, the Chamber of Commerce and Industry (CCI) and the Council of TVET Students. Social partners and civil society institutions, as well as TVET providers, are consulted in the development, validation, implementation and monitoring of new strategies, policies and regulatory documents.

The main role of the social partners is to assist in the development of occupational standards and qualifications, to facilitate the transition to the labour market and to strengthen the link between the private sector and the TVET system. Overall, although social dialogue on TVET and skills development does exist, it is often consultative in nature, with limited involvement of social partners in shaping skills development policies and the system. Through sectoral organizations and associations, it is envisaged that social partners will become an integral part of the newly emerging SSCs.

In December 2014, the National Coordination Council for TVET (TVET NCC)[12] was set up by the Government to serve as a social dialogue platform on TVET (in the form of a committee) to create stronger synergies between TVET, the labour market and the national economy. It aims to meet at least four times a year, or whenever called upon. Its main responsibility is to promote collaboration between all relevant stakeholders, as well as providing inputs for and monitoring the performance of reforms, curricula and the system for evaluation and certification of qualifications. Although the Council contributed to improved cooperation between the key actors in TVET, a lack of active business involvement and social dialogue has been noted. Following the restructuring of the public administration in 2017, a new list of ministries was approved and the activity and composition of the Council (formed by representatives of ministries) is due to be revised. The Council is therefore not currently functioning. Moving forward, the system would benefit from the establishment of a permanent Secretariat to facilitate stakeholder coordination.

Sector Skills Councils (SSCs), set up at the level of industries or branches, may play a particularly important role in the future. In November 2017, the Law on Sector Skills Committees gave SSCs the capacity to adopt a legal personality, thereby allowing them to establish official lines of cooperation with other institutions. SSCs should serve as agents for increasing linkages between TVET and the labour market, e.g. by contributing to the development of occupational standards, the validation of qualifications, anticipation of skills needs and examination and certification procedures. However, SSCs are not yet in a position to effectively fulfil these roles. To date, only six SSCs have been legally registered. They currently lack capacities in strategic planning, project development and management and in facilitating processes, such as the development of occupational standards and conducting skills needs anticipation exercises.

12. The Council is made up of representatives of the Ministry of Agriculture and Food Industry, Ministry of Culture, Ministry of Economy, Ministry of Education, Ministry of Finance, Ministry of Health, Ministry of Labour, Social Protection and Family, Ministry of Transport and Road Infrastructure, board of TVET directors, trade unions, National Confederation of Employers, CCI, SSCs, civil society and others. For a full list, see http://lex.justice.md/viewdoc.php?action=view&view=doc&id=366159&lang=1

Financing

In 2018, the share of total expenditure on education equalled 5.5 per cent of the country's GDP, including 0.6 per cent for TVET. This latter figure is higher than in any EU country. Despite budget constraints, TVET allocations have increased since 2014.[13] The Ministry of Finance is the main actor in TVET funding. It drafts the budget for TVET institutions, in collaboration with the line ministries, and submits it to Parliament for approval.

TVET institutions are legal entities with accounts in the State Treasury. Their annual financial plans are approved by MECR or their respective line ministry. Their main funding sources are allocations from the state budget, own income (from sales of products and services), resources of projects financed by external sources (such as national/international donors, private companies, public–private partnerships (PPPs), etc.) and other revenues allowed by law. They do not have commercial bank accounts but are able to engage in PPPs and issue invoices for services provided to private entities and can use these revenues for their own purposes.

13. Due to inflation, higher maintenance and communal services costs, etc.

Although the Education Code allows TVET institutions to operate as economic and financially self-managed bodies, the institutions have limited capacity to generate income from economic activities and capitalise on it. TVET institution managers need to increase their knowledge of planning, management and administration of expenditures, state budget and self-generated funds.

Funding for TVET institutions depends on the number of enrolled students. In addition, they receive allocations of funds for scholarships,[14] for the maintenance of dormitories and some expenses for institutional development. Funding is based on previous costs, and does not take into account either current needs or performance, which discourages both the efficient use of resources and aspirations to improve performance.

Enhanced management capacities and better targeting of educational priorities are key factors in creating a more effective and sustained finance situation for TVET provision.

14. For example, for orphans, for proven academic merit in post-secondary TVET and study-scholarships for secondary TVET students.

Skills anticipation

The draft of the Government Decision on the annual enrollment plan is developed by the MECR in cooperation with the MHLSP and line ministries. The Department of Employment Policies and Migration within the MHLSP is the main actor in the development of labour market policies and skills needs anticipation and matching. MHLSP carries out an annual mid-term labour market forecast exercise. In addition, the NEA, subordinated to the MHLSP, carries out its own labour market analysis and skills needs forecasts. Since 2009, the NEA has been undertaking short-term labour market forecasts on an annual basis. The survey data and monthly vacancies information are used for planning training courses for jobseekers.

However, the existing tools and surveys do not show the complete picture. They only cover a segment of the employed population, excluding the self employed and workers in family businesses. In addition, only a limited number of the unemployed register with employment agencies. Other jobseekers may engage in occasional or temporary jobs. Levels of informal employment tend to be high, particularly in agriculture.[15]

15. In the past five years, the share of informal employment in agriculture exceeded 72 per cent (NBS, 2018a).

Due to limited financial resources and poor technical capacities, the contribution of other entities in skills needs anticipation, such as the Ministry of Economy and Infrastructure, SSCs and business associations, is limited or absent.

Given the requirement to improve the anticipation of skills needs and the match between demand and supply, a Labour Market Observatory (LMO) was created, in 2018, as part of the NEA, with support from the European Training Foundation (ETF) and the United Nations Development Programme (UNDP). The LMO's main objective is to perform an in-depth analysis of the labour market and support policy-making. However, it is not yet fully functional. It is understaffed, with existing staff in urgent need of analytical and planning capacity building, and financial support required for research activities.

Skills development

Unlike in many other countries, TVET enjoys relatively high social prestige in Moldova (ETF, 2017). There are three main types of training providers – centres of excellence (CEx), colleges and professional schools,[16] which cover:

- secondary TVET;
- post-secondary TVET;
- post-secondary non-tertiary TVET.

This provision also includes dual TVET, implemented via cooperative arrangements between TVET institutions and private companies. The duration of the training varies from one to three years, depending on the complexity of the trade. Colleges and CEx are eligible to offer every type of initial and continuous[17] TVET programme.[18]

CEx are expected to be innovative, to integrate initial and continuous TVET programmes and to be pivotal in determining didactic, curricular and methodological quality assurance. Their mission also includes coordination and guidance of the work of other TVET institutions in their respective sectors, providing continuous training to teachers and managers of professional schools and colleges and certifying professional competences acquired in formal, informal and non-formal settings. However, few centres currently fulfil these roles, due to a lack of human and financial resources (ETF, 2017).

16. In total, there are 89 providers: 13 CEx, 34 colleges (including six private colleges) and 42 professional schools (data from MECR database).
17. Currently just a few colleges and CEx provide CVET programmes.
18. The Education Code states that these programmes should correspond to ISCED 2011 levels 3, 4 and 5. However, in reality they show important differences in programme orientation, completion of the respective ISCED level, access to higher ISCED levels and their position in the national degree and qualification structure.

Gender equality

In secondary TVET, the share of boys is higher (72.6 per cent), while in post-secondary TVET there is a higher share of women (53.8 per cent). The female share is also higher in higher education (at 57.9 per cent). Professional choices are highly gendered: girls tend to choose traditionally “female” occupations (service sector, education, social work, etc.), while boys tend to choose occupations traditionally considered to be “for men” (mechanic, mason, plasterer, plumber, electrician, welder, driver), which prevail in secondary TVET. Furthermore, males are less likely to continue their studies as social norms dictate that it is their duty to be the main breadwinner in the family.

Continuing professional training

Apart from active labour market programmes for the unemployed, continuing professional training is delivered by public, as well as by private, institutions, such as OSMED/ODIMM[19] and other companies that provide short courses for continuing TVET. Also, some institutions offering initial TVET provide short courses for adults and professional retraining for the unemployed. Despite the high numbers of young people and adults benefiting from continuing training, there is currently no coordination between providers and no mechanism to evaluate the impact of the training provided.

Practical training is a compulsory part of all TVET programmes at initial and continuous levels. It includes:

I. practical training at the TVET institution (two to three days per week), carried out in adjacent or nearby workshops, labs, production sites, mini-factories or greenhouses;

II. on-the-job training/internships (12–14 weeks per academic year);

III. dual TVET with about 70 per cent of learning time spent on in-company training.

19. A public, non-commercial, non-profit institution, created in 2007 by the Government to promote small and medium-sized enterprise (SME) development and improve entrepreneurial skills and business development services, especially in rural areas (see https://odimm.md/ro/despre/despre-odimm for details).

In 2014, it was the Ministry of Education alone that initiated dual TVET but later it became a joint effort with CCI, MARDE, GIZ, ADA, LED and SDC. This collaborative approach between the MECR, MARDE, CCI, TVET institutions and international agencies, namely, GIZ,[20] ADA, LED and SDC, boosted youth interest and encouraged the private sector to get involved in dual TVET. The number of apprentices doubled between the academic years 2016/17 and 2017/18, reaching 8.5 per cent of all secondary TVET students. However, it is mostly provided for level 3 TVET programmes (see "The qualification system" below). Challenges for dual TVET include difficulties faced by TVET institutions in establishing long-term relations with companies and a lack of in-company tutors with appropriate pedagogical skills.

The active involvement of the private sector in TVET is essential but is not currently fully exploited. It is mostly limited to providing places for work-based learning. The private sector is less involved, or entirely absent, in developing regulatory and normative provisions, proposals for enrolment/matriculation plans, monitoring and assessment or joint projects with TVET institutions. It is anticipated that the SSCs will play an essential role in linking the two parts. However, this outcome is highly dependent on the development of the appropriate capacities within the SSCs.

20. Through a €2 million project, Structural Reform in VET in Moldova, for the period 2015–18 (MECR) (initiated by GIZ and followed by other agencies).

Skills recognition and quality assurance

At the national level, quality management is undertaken by MECR and the NAQAER, established in August 2014. At school level, this is done by internal quality assurance. Every five years, TVET institutions and training programmes (initial and continuous) should undergo an external quality assessment, carried out by NAQAER.

In 2019, NAQAER launched an external quality evaluation procedure for the accreditation of private and public TVET institutions and programmes. Quality assessment covers a complex set of self-assessment, internal evaluation and external quality assessments, in line with approved accreditation standards, criteria and indicators, including: institutional capacity, educational efficiency, academic achievement, learning outcomes, training programmes, institutional quality management and consistency between the internal assessment and the NAQAER external evaluation.

The NQF was approved by a Government Decision in November 2017, with the aim of assigning specific levels to qualifications in TVET, general education, higher education and further education according to learning outcomes and with the aim of improving the comparability of qualifications with those of the EU. The NQF is developed by MECR in collaboration with line ministries, SSCs, TVET institutions and employers' representatives and is approved by the Government. The Moldovan NQF has eight levels, following the model of the EQF. Secondary, post-secondary and post-secondary non-tertiary TVET cover levels 3, 4 and 5 of NQF/ISCED. The structure, description of qualification levels and learning outcomes follow the EQF.

TVET qualifications should be developed based on Occupational Standards (OS), in line with the EQF and reflecting labour market needs. However, at present, only 33 OS exist. A total of 81 professional qualifications have been developed, mostly without existing OS, and even more curricula have been elaborated by teaching staff themselves in the absence of qualification standards. The NQF does not yet have a functioning register. The current situation calls for an urgent development of new OS, qualifications and corresponding curricula. However, mechanisms and procedures need to be established to actively involve social partners, SSCs and to base TVET development on pertinent labour market information and the results of skills needs anticipation exercises.

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Secondary TVET programmes are completed with the Qualification Examination[21] and the issuance of a certificate and descriptive supplement, according to Europass requirements.[22] The respective qualification certificate enables continuation of studies in lyceum and/or post-secondary TVET and labour market entry. Post-secondary TVET programmes are completed with a professional baccalaureate exam, a qualification examination and/or a diploma thesis, as well as an optional baccalaureate exam. The baccalaureate exam provides access to higher education. Post-secondary and post-secondary non-tertiary TVET end with a professional diploma, which entitles holders to enter employment and the first cycle of higher education.[23]

21. The Chairman of the Evaluation and Qualification Commission has to be an employers' representative. The Chairman and one or two additional employers' representatives in the Commission are responsible for elaborating examination items.

22. A set of EU standard documents to increase the comparability of qualifications and competences within the EU (see https://europass.cedefop.europa.eu/ for details).

23. More than one-third of CEx and college graduates access higher education (MECR, Annual Reports).

First steps towards implementing a formal Recognition of Prior Learning (RPL) process were taken in January 2019: MECR approved the regulations on the validation of non-formal and informal education,[24] to be provided by TVET institutions and CEx. Four institutions were approved by MECR to pilot the system for validation over the period 1 March–1 October 2019. This is an important step, given that many young people and adults, particularly migrants, acquire skills in non-formal and informal settings without any formal recognition.

Once established and functional, RPL should potentially benefit a wide array of learners, including returning migrants. Fees are set by TVET institutions, following a pre-established cost-effectiveness ratio. For certain disadvantaged groups (unemployed, disabled, etc.), preferential financial arrangements are anticipated. However, the respective mechanisms have still to be developed and established.

24. The regulations for the validation system include identification, documentation, evaluation and certification of skills acquired in non-formal and informal settings, in line with EU recommendations.

Social inclusion

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Accessing skills development

Equal opportunity and access to education and TVET at all levels are key principles of TVET policies and strategies (e.g. the TVET Strategy 2013–2020). Concrete measures include reserving 20 per cent of secondary TVET and 15 per cent of post-secondary TVET places for special categories of persons[25], including those with disabilities, in each occupation. TVET institutions should make budgetary provision to enable the participation of persons with disabilities, orphans, children of parents with severe disabilities, Roma children, children from families with four or more children and children from other disadvantaged groups.

Many TVET students are provided with accommodation at the institutions. Almost all students in secondary TVET are given stipends and all students receive free lunches. Students in dual TVET are paid a monthly apprenticeship allowance.

Even though inclusion is underpinned by legislation, further measures are required to ensure implementation. TVET providers face a shortage of trained personnel to supervise students with special needs and inadequate physical infrastructure and equipment. There is a lack of assistant teachers and insufficient career guidance to inspire young persons with a disability to take full advantage of their opportunities to engage in training and employment. More financial support and capacity building is needed.

25. Persons with disabilities, orphans, children of parents with severe disabilities, Roma children, children from families with four or more children and others, see https://mecc.gov.md/sites/default/files/ome_423_din_29.05.2017_-_regulament_admitere_secundar_0.pdf and https://mecc.gov.md/sites/default/files/ordinul_892_regulament_admitere_postsecundar.pdf.

Supporting transitions to the labour market

Challenges in school-to-work-transition include a lack of work experience and job-search skills among graduates. Various measures implemented by public authorities seek to address supply and demand issues, namely increased opportunities for work-based learning (WBL) (especially dual TVET) and career guidance.

Career guidance and counselling are provided in the school system, as well as by employment services (e.g. NEA,[26] National Youth Resources, Youth Centre "ARTICO" and the Centre for Entrepreneurial Education and Business Support (CEDA)). OSMED supports the provision of guidance on self-employment and business start-ups. Target groups include women, migrants, Roma, disabled people, ex-prisoners and other disadvantaged groups.

Due to the shortage of both financial[27] and human resources, in particular professional counsellors, coupled with low motivation among staff, these institutions face major implementation difficulties.

26. In 2016, the NEA delivered job-search services to 32,400 jobseekers. Some 63 per cent of unemployed people found a job (NEA, 2016). Around 30 per cent of the jobseekers are between 16 and 29 years old; 50 per cent are between 30 and 49 years old (NEA, 2018).

27. As an example, due to lack of funds, the NEA does not currently provide employment or internship subsidies.

Although the new Employment Promotion Law introduces a large array of activation measures, the NEA currently has limited financial and operational capacities to effectively support transitions into the labour market. Capacity-building for the professional development of NEA staff and educational institutions is urgently needed. Technical support is offered by the ILO, ETF, World Bank and UNDP.

Despite the existence of a variety of services and agencies, activities and programmes are sporadic and fragmented. There is a lack of coordination and cooperation between providers. In addition, solid measures are needed to clarify the situation on the demand side, such as sectoral policies, job creation strategies, programmes and labour market regulations to increase the number of effective transitions into the labour market.

Key challenges

The manifold challenges facing the TVET system in Moldova can be summarized as follows:

1 Governance.

In spite of reforms of the legal framework, implementation lags behind. This seriously hinders reaching the set policy goals and is largely caused by weak institutional capacities and understaffing. It is also due to poor coordination and cooperation between key stakeholders, in particular in the TVET NCC, as well as a lack of effective multi-level and multi-stakeholder governance.

2 Lack of resources and efficient management.

Overall, state financial allocations are insufficient for meeting policy aspirations. This becomes obvious in, for example, the inclusion and access of disadvantaged groups, especially in creating physical access, acquiring learning aids and equipment and funding professional staff for assisting students with disabilities. Another dimension is the inadequate management of financial allocations and additional funds. Although given financial autonomy, institutions have low capacity to generating income from economic activities and capitalize on it.

3 An overall lack of institutional capacities (technical, management and financial) hinders the effectiveness of many existing and newly established entities.

This includes all forms of TVET providers, SSCs and institutions with coordinating, supporting and guiding functions, such as the National TVET Centre, MT Centre, NEA, LMO, etc. The TVET Centre and the MT Centre are both understaffed and can only comply with a few of the responsibilities assigned to them.

4 Quality labour market information is needed for evidence-based policy-making.

There is a need to better plan and conduct skills needs anticipation, including the generation and analysis of more pertinent labour market information. This calls for technical support and capacity building for the LMO, the SSCs and other institutions.

5 More effective measures are needed to support the transition to work.

Existing services, entities and initiatives are sporadic and fragmented. A functional mechanism for RPL would accelerate the transition into employment or better quality jobs for jobseekers and returning migrants.

6 Solid measures are needed on the demand side, to create more and better jobs and to keep human talent in the country.

This calls for sectoral and industrial development policies, job creation measures and more effective labour market regulations.

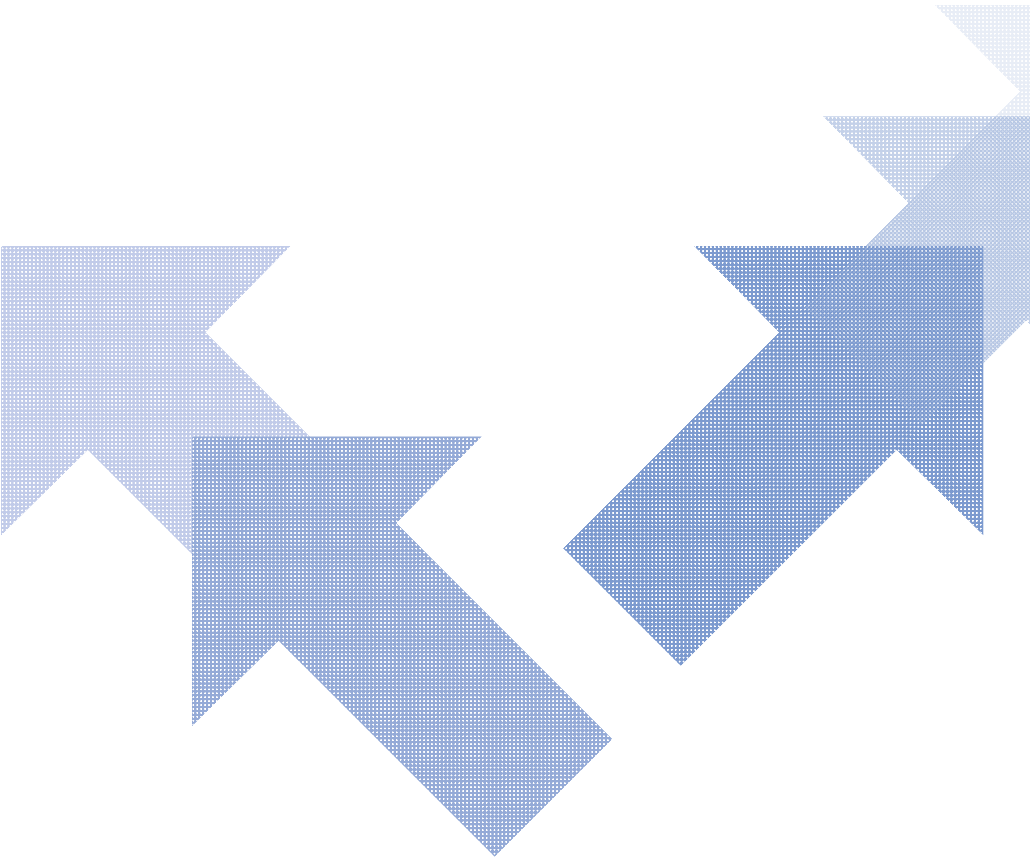
Some promising developments are detailed below.

- **The development of the SSCs:** The potential to acquire legal status and act as independent institutions provides ample opportunities for strategically enhancing skills along productive and competitive value chains. However, not all SSCs have yet finalized their legal registration. Moreover, those SSCs that are already legally established face difficulties in understanding their roles and the existing possibilities for linking TVET and the labour market. Many of these problems relate to shortages of human and technical capacities.

- **Improving the quality of WBL and dual TVET:** Despite important advances, a series of challenges exists. TVET institutions need to find ways to establish better long-term relations with companies. Small businesses in particular are demotivated by the potential costs and responsibilities of dual TVET. Additionally, companies lack the pedagogical capacity for qualitative guidance, supervision and learning transfer. Quality assurance presents a further challenge due to the lack of monitoring and evaluation tools. SSCs, the CCI, CEx, TVET Centre and MT Centre, jointly with local authorities, could play an important role here.

- **Centres of Excellence (CEx)** have the mandate and potential to be innovative agents in initial and continuing TVET and in building the capacities of managers and teachers of other TVET institutions. However, implementation is lagging behind, in particular in establishing systems for RPL and continuing training.

The way forward



The Moldovan TVET system needs to become more effective in aligning training provision more closely with labour market needs and the country's socio-economic development strategy. The following measures could support such a process in a systemic context: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1 Strengthening social dialogue and enhancing cooperation and coordination between public and private stakeholders by the following means.

- Developing and improving mechanisms for regular consultation with and participation of social partners in policy development and decision-making at different levels. Facilitating stakeholder coordination by revising the role and composition of the TVET NCC and appointing a Secretariat.

- Promoting social dialogue and collaboration at industry level by supporting capacity building and the development of concrete actions within the SSCs.

- Providing financial and non-financial incentives to actively involve employers in TVET. This includes increasing their capacity to apply quality WBL and dual TVET at all TVET levels.

- Creating incentives for other forms of public–private partnerships between TVET institutions and companies and encouraging employers' and workers' organizations to contribute to the implementation of reforms.

- Donor coordination: Better aligning the activities of international agencies to avoid duplication and increase impact. Inroducing a coordination mechanism with a national entity to orient, monitor and coordinate investments and evaluate impact.

2 Enhancing the quality of WBL and the participation of small companies.

While a number of international agencies are already actively engaged in WBL and dual TVET, there is room for additional action, e.g. related to:

- Establishing a quality control mechanism for monitoring and evaluation of WBL, to include impact evaluations on employability and transition to employment;

- Supporting association mechanisms to allow small companies to implement dual TVET as "clusters", particularly in the agricultural sector.

3 Improving the management of TVET institutions: This includes a series of different areas.

- enhancing capacity to use the allocated state budget more effectively, based on clear and meaningful performance indicators (e.g. learning transfer, efficiency, graduates' employment rates);
- enhancing capacity to diversify income sources and to capitalize on them through sustainable reinvestments;
- enabling TVET institutions to offer LLL and continuing training provision;
- promoting the systematic application of evaluations and graduate tracer studies;
- increasing capacity to offer career guidance and promote TVET as a valuable career choice;
- increasing mechanisms for the inclusion of diverse beneficiaries, in particular physical access, psychosocial and methodological approaches, staff development, etc.

4 **Supporting CEx in developing innovation and quality assurance (didactic, curricular, methodological), applying RPL, increasing labour market linkages and in supporting other TVET institutions.**

5 **Increasing the production of pertinent labour market intelligence by improving the technical, analytical and methodological capacities of the LMO.**

This also includes providing support to the SSCs in conducting qualitative and quantitative skills needs anticipation and forecast. This should be complemented with the application of graduate tracer studies of TVET graduates.

6 **Creating a functional career guidance system.**

7 **Developing functional mechanisms for supporting a faster and smoother transition of graduates into quality jobs in the national labour market.**

8 Strengthening organizational and technical capacities of key stakeholders, in particular:

- SSCs to support their legal registration, their methodological and technical capacities for project proposals and their analytical capacities to detect and address skills gaps for the development of competitive and productive industries;
- NAQAER to strengthen quality assurance processes in initial and continuing TVET;
- TVET Centre and MT Centre to promote TVET policies, to assist MECR/MARDE in developing the regulatory and normative framework and in shaping the implementation of TVET (e.g. curriculum development and revision, training methodologies, career guidance, teachers'/managers' training, application of WBL, etc.).

9 Supporting MARDE (given the importance of the agro-food sector) in progressing towards efficient reform implementation, through their Action Plan, with the aim of creating a competitive system by strengthening research and ensuring sustainable economic and social growth in the rural economy.

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