

# **DECENT WORK COUNTRY PROGRAMME**

## **MOLDOVA**

### **2006-2007**

#### **Introduction**

The primary goal of the ILO is to promote opportunities for women and men to obtain decent and productive work in conditions of freedom, equity, security and human dignity. Decent work country programmes promote decent work as a key component of development policies and at the same time as a national policy objective of governments and social partners. The present country programme is informed by international development agendas such as the Millennium Development Goals, as well as the United Nations Development Assistance Framework (UNDAF) based on the national development objectives. It also takes account of the priorities of the ILO constituents, as expressed in consultations held with them. The programme details the policies, strategies and results required to realise progress towards decent work for all. This document reflects the strategic planning of ILO cooperation activities with Moldova for the biennium 2006-2007. Reflecting the constituents' as well as the ILO experts' assessment of past cooperation, the programme aims at ensuring greater synergies and stronger coherence of ILO activities in Moldova and thus contribute to the achievement of sustainable impacts.

#### **I. The current situation from a Decent Work perspective**

The Republic of Moldova engaged in the transition process from planned to market economy fifteen years ago. This transition took place under rather dramatic circumstances: territorial secession of the county (separatism in Transnistria), sharp economic downswing, rapid growth of external and internal debt, widespread poverty, major differentiation of incomes of the population, decrease of state budget for health care, social protection and education.

The recently implemented economic policies have been basically aimed at maintaining socio-economic stability, fostering reforms and re-launching the economy by expanding the private sector, restructuring enterprises, enhancing financial discipline and ensuring social protection.

In the last few years Moldova's economic and social indicators have slightly improved. The GDP increased in 2005 by 7,1 %, related to the same period of the previous year. The real raise in salary amount in 2005 (by 7 % related to year 2004) and increase of social payments was also registered as a consequence of regular revision of wage policies. A growth of the final consumption is quite evident (also due to remittances of migrant workers, the amount of which was estimated to almost 30 % of the country's GDP).

However, Moldova remains the country with the lowest incomes and social payments in Europe. More than half of the population survives on about \$2 a day and 367,000 Moldovan citizens, or 10% of the population, have left the country to seek employment (according to general census 2004), while unofficial sources state that the number of potential migrants were around 600.000 people. Remittances and taxes on products and imports remain the main source of growth in the economy which highlights its increased dependence on external factors.

To address the existing challenges Moldova set up and follows strategically established frameworks: *Economic Growth and Poverty Reduction Strategy (EGPRS)*; *Millennium Development Goals (MDGs)*; *EU-Moldova Action Plan*; *United Nations Development Assistance Framework (UNDAF)*, fully supported by international, regional and sub-regional institutions which endeavour to closely align their contributions to the country's priorities. The consultative process between UN agencies, the Government of Moldova and civil society partners has begun in early 2005 with the preparation of Common Country Assessment (CCA). The CCA highlighted a number of pressing human development challenges for the country, including issues under the ILO mandate. Thus IPEC and MIGRANT/Moldova have managed the incorporation in the UNDAF of

relevant joint activity with other UN agencies for maximizing the impact of UN development cooperation. The new elaborated *Labour Code* and revised *Wage Law* prove the positive intentions to put into practice the relevant ratified standards. Since it joined the ILO on its independence in 1992, Moldova has ratified 38 Conventions including all 8 under the Declaration on Fundamental Principles and Rights, alongside with the most relevant European treaties that promote principles of decent work (*Revised European Social Charter of the Council of Europe*, *UN Convention on Elimination of All Forms of Discrimination against Women (CEDAW)*).

The 2006-2007 ILO Decent Work Country Programme will assist the country's intention in promoting its national decent work agenda on providing jobs and reducing extreme poverty; Increasing access to qualitative social services, particularly for vulnerable groups; and promoting and protecting human rights. Lately, Moldova's commitments to decent work for women and men have positively changed. The Moldovan Parliament has recently adopted the *Law on Gender Equality* with clearly defined provisions like **Equal wages for work of equal value/ Discriminatory actions of the employer/ Groundless refusal to employment/ Procedure of petition investigation/ administrative liability**, etc. Moldova follows its commitments under the implementation of both the National Action Plan on Human Rights and the Law on Employment which aims at raising the public awareness on gender issues and calling for an adequate approach to this sensitive matter. This includes incorporating women into the paid labour force under conditions of equal rights and opportunities, guaranteeing women equal remuneration for work of equal value, and promoting career performance on equal footing for women and men.

The present Decent Work Country Programme is based on the constituents' priorities and national development objectives. The priorities of this programme related to employment and labour market policies and social protection including gender equality issues correspond with activities spelled out in the EGSPR and UNDAF, which provide a constructive framework for the ILO partnership and cooperation with relevant national, regional and sub-regional institutions. The ILO's support provided for the development of *social dialogue* contributes to the country's overall economic development and social progress.

In the past years the ILO provided assistance mainly in three areas: child labour, prevention of worst forms of child labour, including trafficking; employment and migration policies; health and safety and social dialogue in the agriculture sector. Tangible outcomes of this assistance were: public awareness on these issues; establishment of an institutional and monitoring system, and a greater preparedness of social partners to participate more actively in shaping policy reform.

## **II. Priority areas of cooperation**

Considering the lessons learned during past cooperation, the ILO will aim at reinforcing the constituents' capacities and enlarging influence of the Office's Decent Work policy in line with the Development Goals for Moldova and according to the government's action programme. The strategy will aim at constituents' closer involvement and widespread promotion of the assistance provided by ongoing projects. In addition, more emphasis will be put on sharing experiences among neighbouring countries or countries with similar problems through technical cooperation.

Within the overarching theme of "Decent Work for All" the ILO will concentrate on three country programme priorities in Moldova in this biennium, which should be seen as long-term goals:

- I. Employment and labour market policies and programmes to meet national needs and EU standards
- II. More effective social protection policies, particularly for vulnerable groups
- III. Promotion and strengthening bipartite and tripartite social dialogue

### **Priority 1: Employment and labour market policies and programmes to meet national needs and EU standards**

*Outcome 1: Government and social partners will adopt a plan and start implementing at least 2 priority recommendations of the CREP review.*

The ILO will provide assistance to the Ministry of Economy and Trade and the National Employment Agency to define priority measures taking into account the recommendations of the CREP review.

In this context, the trade unions develop proposals and participate actively in this process.

Within the framework of the project “Promoting Gender Equality in the Country Reviews of Employment Policy” women’s labour market positions is assessed in the country, and recommendations to mainstream gender into local employment policies are built into the CREP reviews. The ILO will organize seminars to facilitate national level discussion on equal opportunity issues and will provide technical assistance on specific areas which are of particular importance from the point of view of gender equality, such as work/life balance, job evaluation schemes, etc.

In this context, special emphasis will be put on entrepreneurship education (SIYB/KAB), and the design and implementation of policy measures to reduce the costs of migrant remittances transfers and develop incentives to promote productive investment (depending on available funding).

A policy for improving access of persons with disabilities to employment and training is developed and mainstreamed in the CREP as part of the equity issues.

*Outcome 2: The knowledge base on the Local Labour Market in 5 regions is improved in order to bring the vocational education programmes in line with the labour market demand and ensure access of youth at risk and adults to employment.*

The IPEC project carries out a Local Labour Market Survey in 5 regions (Chisinau, Balti, Orhei, Ungheni and Singerei), which includes findings, analysis of data and policy recommendations aimed to 1/ facilitate access to job opportunities in 5 areas; 2/ contribute to creation of new jobs; 3/ adjust the vocational training curricula to local labour markets needs".

*Outcome 3: A set of services are in place for victims of trafficking and families with children at risk of trafficking (micro finance, vocational counselling and trainings, and psycho-social rehabilitation).*

The IPEC project provides families with children at risk of trafficking with vocational counselling and training and victims of trafficking with psycho-social rehabilitation, vocational counselling and training. The MIGRANT project focuses on self-employment development for families that are vulnerable to trafficking.

## **Priority 2: More effective social protection policies, particularly for vulnerable groups**

*Outcome 1: The National Office of Social Insurance maintains records of workers’ social security entitlements and thus combats non-compliance with the contribution requirement.*

The ILO will translate the ILO Budapest study on collection of contributions into Romanian; This will be followed by training and advisory services based on this comparative regional study. They will focus on both, collections and record keeping.

*Outcome 2: Government negotiates and administers bilateral social security agreements, to extend social protection to migrant workers.*

The ILO will provide training on the development of bilateral agreements for a government working group including the National Office of Social Insurance, the Ministry of Health and Social Protection and the Ministry of Economy and Trade.

***Outcome 3:** The ILO constituents adopt and implement HIV/AIDS workplace policies and programmes in partnership with national multi-sectoral bodies on HIV/AIDS.*

The ILO Code of Practice on HIV/AIDS and the world of work is translated into Romanian and disseminated through a training seminar for constituents and members of national multi-sectoral bodies on HIV/AIDS. A national version of the Education and Training manual on the ILO Code of Practice on HIV/AIDS is developed and used for training. ILO constituents participate to the main multisectoral bodies on HIV/AIDS at national level and mobilize additional resources to implement world of work activities on HIV/AIDS.

***Outcome 4:** Government, social partners and non-governmental representatives have an increased capacity to prevent, identify, withdraw, rehabilitate, reintegrate and monitor cases of child labour, including trafficking.*

This includes increased competence of number of stakeholders to implement a Child Labour Monitoring System: a) social workers and psychologists on psycho-social rehabilitation of children victims of trafficking; b) school psychologists/counsellors on education and job counselling for children, youth at-risk of trafficking and adults from marginalized communities and c) multi-disciplinary teams, members of the Municipal and District commissions against trafficking, peer educators and labour inspectors.

***Outcome 5:** National legislation and policy development documents effectively address child labour issues.*

The ILO IPEC will assist the Government, represented by the National Steering Committee on the Elimination of Child Labour in drafting the National Plan of Action for the Urgent Elimination of the Worst Forms of Child Labour. The Child Labour Unit and the Municipal Directorate for Child's Rights Protection will have a leading role in this process. The ILO will further help the adoption of the list of country-specific hazardous work for children in informal sector, and the approval of the checklist on hazardous work in the informal sector. IPEC will monitor its use by field practitioners.

### **Priority 3: Promotion and strengthening bipartite and tripartite social dialogue**

***Outcome 1:** The reform of the National Commission for Consultation and Collective Bargaining is completed and its Secretariat established, based on ILO's technical advice.*

The ILO has provided comments on the draft law on Tripartite Commission in September 2005. As a follow-up the members of the national tripartite commission will be trained on how to conduct tripartite consultations. The Secretariat of the national tripartite commission will be established including the training of its members on social dialogue issues.

The scope of this activity will depend on availability of funding from the 2nd phase of the Stability Pact project.

***Outcome 2:** The social partners resort more to bipartite collective bargaining to fix conditions of work and terms of employment at the sectoral level.*

The ILO will assist to upgrade the skills of the social partners in collective bargaining techniques and procedures.

The Labour Administration provides further support to social partners in their bipartite negotiations.

A WIND programme based on social dialogue to improve occupational safety and health and working and living conditions in agricultural communities will be fully developed in three cooperatives, and a trainers' network established to further train small farms and cooperatives in other regions in the framework of the Action Programme for agriculture.

This will consolidate the work already developed in the three cooperatives and be the base for those trainers to promote the programme elsewhere. It would mean printing of the WIND manual and the frame instructions for safe work in six different agricultural areas already developed in Moldova over the past two years. It will also entail a workshop to promote the methodology based on the experiences learned last year, and develop further the network of trainers.

*Outcome 3: The Government ratifies Convention No. 150 on Labour Administration.*

The ILO will hold a training seminar and technical advice on C. 150 and Recommendation 158. Based on the conclusions of the seminar, an action plan to strengthen labour administration will be adopted by the government of Moldova in consultation with social partners.

New methods for assessing the complexity of jobs including from the gender point of view will be in place.

Mechanisms of wages regulation will also be reviewed based on ILO advice.

*Outcome 4: Trade union representativeness is strengthened through training in the area of trade union rights and workers' education*

24 participants from Solidaritatea and CSRM will participate in a joint train-the-trainers' workshop on collective bargaining at the sectoral and local level. The participants will be able to train members of the sectoral and trade unions levels to carry out effective and meaningful collective bargaining..

*Outcome 5: A core group of trade union OSH trainers is set up and training programs designed to improve working conditions at the workplace level.*

A joint group of 25 trade union experts from CSRM and Solidaritatea will participate in a training of trainers workshop to prepare for a program to improve working conditions at the work place.

The participants will be able to train members of the OSH committees at the enterprise level in evaluating risks and defining solutions to improve OSH conditions at the work place.

### **III. Management and implementation**

The cooperation programme will be managed through a network among SRO Budapest, the National Correspondent in Chisinau, EUROPE and technical units at headquarters in Geneva. The National Correspondent will play a coordination role together with SRO Budapest. The ILO will continue its cooperation with other stakeholders in the country such as the UNDP, the World Bank and EC Delegation.

The objectives of the programme will be pursued through technical cooperation projects, advisory missions, and seminars for information dissemination and capacity building. Extra-budgetary resources and the ILO's regular budget resources will be used to finance the implementation of this Country Programme. The ILO network mentioned will continue to seek further funding for the follow-up to the results achieved, bearing in mind priority concerns of the constituents. The government and the social partners will facilitate their respective expert staff and premises and provide logistic support, as appropriate. They are committed to implementing the follow-up steps necessary to achieve the expected results.

### **IV. Performance monitoring and evaluation arrangements**

The implementation of the Decent Work Country Programme will be reviewed on a regular basis with the constituents using interactive methods. The missions of the ILO experts and their internal reports will be used as part of the monitoring process. Every six months, the Decent Work Country

Programme implementation plan will be internally reviewed by the constituents and the National Correspondent. The SRO Director will assess the programme achievements with the constituents in Moldova once per year. On this occasion, adjustments will be made to adapt to the changes, if necessary, in order to improve the implementation strategy, and eventually redefine some of the country programme activities.

H:\DWCP\DWCP\_Narrative\_0607\Moldova\_narrative\_0607.doc