



TORINO PROCESS 2016-17

REPUBLIC OF
MOLDOVA
EXECUTIVE SUMMARY

Executive summary of the Torino Process 2016–17 Republic of Moldova report.

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EXECUTIVE SUMMARY

1. Introduction

The development of the Torino Process 2016–17 in Moldova was coordinated and conducted under the aegis of the Ministry of Education, together with the National Centre for Vocational Education Development, making use of the experience gained in their involvement in the process since 2010.

The current report was drafted on the basis of the information provided by the members of the working group established by the Ministry of Education. The group includes representatives of ministries and subordinate public authorities, as follows: Ministry of Labour, Family and Social Protection, National Agency for Employment; Ministry of Economy, Organisation for Small and Medium Enterprises Development; Ministry of Internal Affairs, Bureau of Migration and Asylum, Border Police; Ministry of Finance; Ministry of Territorial Development; National Bureau of Statistics; Chamber of Commerce and Industry; and other social partners (see complete list in full report, Annex 3).

During the drafting process, the authors were guided by conceptual and methodological support provided by the European Training Foundation (ETF), using materials obtained during the workshop organised by the ETF in February 2016.

The report highlights the development dynamics of the legal framework in areas related to vocational education and training (VET), to the implementation of related policies and to the progress achieved in the period since 2014, the date of the previous Torino Process round.

Progress in VET development has been significant, especially in terms of its recognition; this is demonstrated by the central place it occupies on the political agenda. Consequently, 2015 and 2016 represent the first years when VET had more students enrolling than higher education.

However, progress has not been as great as that outlined in the strategic documents of the government during the period 2012–14, and thus is below the expectations set out in the previous Torino Process country report drafted in 2014.

¹ Hereinafter 'Moldova'.

2. Main findings

The Strategy for VET Development for 2013–20 has been prepared using a comprehensive approach, addressing the main issues of the system in a uniform manner, based on a coherent vision.

In order to achieve the objectives stated in the strategy, the Government of the Republic of Moldova received financial and technical assistance from the European Union (EU), and the legal framework has been adapted to the new needs in order to support the socioeconomic development of the country.

Examples of the adaptation of the legal framework to the new socioeconomic conditions include:

- the Education Code, which is the basis for institutionalising reforms in the VET system;
- the new Classifier of Occupations, developed on the basis of international standards (ISCO 08);
- nomenclatures of trades/professions and specialties for education and training in VET;
- the National Qualifications Framework (NQF) for VET.

The legal framework, especially Article 4.1 of the Education Code, and various policy documents, in particular the Strategy for Educational Development 'Education 2020', give high priority to education, placing it at the centre of all public policies. The aim is to develop strategic planning documents, taking into account the strategic directions and specific objectives set for education. In this context, the Strategy for Educational Development 'Education 2020', approved by Government Decision No 944 of 14 November 2014, recognises education as 'a national priority in the Republic of Moldova' and as a 'basic factor in the creation and dissemination of new knowledge and cultural values in human capital development, to support the development of the national identity and consciousness, to promote European integration aspirations, taking a leading role in creating conditions for sustainable human capital development to build a knowledge-based society'.

Education policies require further reforms in order to develop the education system, including maintaining a focus on quality assurance to enhance the training system so that it can support the country's economic development. The policy document Education 2020 points out that the 'quality of life and economic competitiveness of the country depends on the availability, quality and relevance of education'. It foresees the establishment of a system that supports lifelong learning, facilitating the recognition of prior learning based on occupational standards, describing qualifications in terms of learning outcomes, and including key competences. Lifelong learning includes continuing training and development of key competences and of specific relevant skills and qualifications. Such key competences should be developed at the end of compulsory education and act as a basis for further learning within a lifelong learning perspective. The technical and vocational education institutions offer education and training programmes to train skilled workers, supervisors, technicians and other categories of specialists under the NQF, which is an instrument of national and international recognition prepared in accordance with the European Qualifications Framework (EQF). The NQF supports lifelong learning, ensuring a proper use of certifications and qualifications. It represents a way of modernising the VET system that requires the development of complex activities correlated to the requirements and performance of the labour market. Given that the development of occupational standards has been slower than expected, the process of drafting the qualifications is at risk of being compromised.

The above-mentioned policy documents follow the line defined by the Education Code (Article 6), which gives the education system the responsibility for shaping children's personalities with a spirit of initiative and an ability for self-development, and possessing, besides independence of opinion and action, a range of skills required by society and the labour market. In this context, during the reporting

period, various experiences and practices have been developed to implement modular curricula for training and to promote entrepreneurship education through compulsory subjects. Moreover, entrepreneurship education is an option that is available at all levels of education in Moldova, both compulsory and optional.

Thus, the improved legal framework and the various policy and programming documents have laid the foundations for new directions, objectives and actions for the development of VET in the context of lifelong learning and European integration. Of course, laws and rules regulate specific methods and forms of implementation.

It is still necessary to establish a system to follow the professional development of graduates from technical and vocational education in order to gain a real picture of their employment situation.

However, the unfavourable conditions in Moldova during the period 2015–16 – political instability, frequent changes of government and delays in their establishment and composition, and frauds in the banking sector – have had serious repercussions on the economic situation, on social processes and on reforms already undertaken in the VET sector. In addition, foreign direct investment fell significantly, exacerbated by the worsening geopolitical context and the poor economic environment. Productivity in Moldova is among the lowest in the region, reflecting an incomplete transition and an economy dominated by agriculture, high informal employment, challenges in education and skills development, and a labour market offering very low salaries, which do not stimulate entry into the labour market and instead encourage the ‘grey’ economy.

The economy continues to be influenced by a number of factors, both internal and external. These include reciprocal penalties between Russia and the EU; restrictions imposed by Russia’s competent authorities on imports of wine and some agricultural products from Moldova; the recession in Moldova; the crisis in Ukraine; the problems in the banking sector; the reduction in the volume of remittances from abroad; and the summer droughts of 2015 and 2016.

Real gross domestic product (GDP) decreased in 2014 owing to a slowdown in agricultural production and lower levels of economic activity among major trading partners.

Since 2014, overall economic growth in Moldova has followed a relatively positive trend. Data show that it was positive from 2014 to 2015, at which point the economic growth rate registered a decrease. However, state debt (internal and external) increased significantly. The external dependence of the national economy remains high. Trade trends show that the level of imports is higher than the level of exports, despite efforts to develop policies to promote private initiative and increase its contribution to GDP. As a result, the production of goods and services, external trade, etc., has decreased.

The rigid monetary policy of the National Bank of Moldova (NBM) has led to lower inflation and lower depreciation of the national currency, while at the same time increasing the interest rates on loans.

The proportion of the population that is active continued its decreasing trend. The economic structure shows that most of the population is employed in agriculture and services.

Unemployment is increasing and the population shrinking and ageing, while there have been further increases in rural poverty and in the weakness of the economy. The creation of new jobs has been very slow, increasing the level of mistrust among the population of state institutions and encouraging migration, with an impact on internal indicators. Domestic sectoral and geographical mobility is low. Most informal employment is in unskilled occupations.

The situation in the social sphere is uncertain. Revenue and expenditure of the population have decreased, as have average monthly salaries and pensions. In real terms, wages have decreased by 1.3%.

However, reforms conceptualised during the period 2012–14 are still continuing. Despite economic difficulties, over the past few years the Moldovan authorities have ensured a steady increase in the funds allocated to education and addressed the significant decline of the population involved in education.

Per capita expenditure on education has increased substantially as a result of the maintenance of the VET network, but this expenditure is not sustainable. As a consequence, the VET system has been reorganised by creating a single training system that includes all institutions specialising in training skilled workers, supervisors, technicians and other categories of specialists, according to ISCED levels 3, 4 and 5. The reorganisation of the VET system led to a reduced number of educational institutions and the creation of Centres of Excellence. It also created the National Agency for Quality Assurance in Vocational Education (ANACIP).

Work-based learning is present at all levels of technical and vocational education in Moldova, including adult education. It directly responds to the main purpose of training individuals to acquire practical skills according to their qualifications. The whole VET system is undergoing a process of reform and work-based learning is considered a priority. For this reason, it will be further strengthened and improved. Internships, which are the main feature of work-based learning, are mandatory elements of training programmes leading to qualifications, which makes the mechanism of transition from school to work effective and allows young people to become familiar with the world of work, supporting the transition from education to employment. Work-based learning is a new type of dual education. Strategic policy documents that have already been prepared and approved underline the necessity of implementing the dual education system in the country. This process was initiated in secondary technical vocational education in September 2014 in order to improve the quality of learning in the workplace and enhance cooperation between VET institutions and companies. However, the companies' interest in dual education is still developing; it has increased slightly in recent times as they have come to understand the benefits. A fully functional dual education system would complete the picture of the activities of a work-based learning system.

The effectiveness and efficiency of VET in relation to economic demand and labour market needs requires a partnership between education and business. The sectoral committees are an example of such a partnership. Their involvement in the development of methodologies is very important, and they can make a meaningful contribution to the identification of relevant training and to the development of professional qualifications and mechanisms for the recognition of prior learning. However, the process of creating sectoral committees in Moldova is progressing too slowly, and some economic fields have not yet been considered. One of the reasons for the stagnation of this process is the lack of a legal framework to define the status of sectoral committees; this would give them the profile necessary to become a real active entity.

However, a stable partnership is only possible if, on the one hand, there is a real economic growth, and on the other hand, this growth has an impact on knowledge, innovation and human capital development.

Outward migration of skilled labour continues to compromise the matching of supply and demand in the country. In fact, the labour market in Moldova is affected by a substantial imbalance between supply and demand and a shortage of skilled labour. This problem could be addressed, at least partially, by creating a system of validation and recognition of professional skills acquired by migrants in non-formal or informal contexts, and it could address the deficit of qualified staff.

Carrying out research on training needs remains a challenge for Moldova. Actions are often taken to identify skills needs in the labour market using the current methodologies of the National Employment Agency (NEA), which implements studies on continuing training and skills requirements by describing the occupations using occupational standards. In the same way, at institutional level several policy

documents on employment, such as employment programmes, strategies and action plans, have been developed and launched with the objective of improving the labour market situation and increasing the employment rate. Although public authorities' efforts and expectations were extremely high, the labour market situation in Moldova is still at a critical stage. The strategy of linking VET training specialties to regional labour market needs is still under implementation. The NEA needs to develop a 'barometer' of professions, to be updated annually, to identify changing labour market requirements. The plan has been developed based on students' enrolment in VET. Despite all efforts made by the relevant institutions involved in labour market research, a mechanism for identifying labour market needs with greater precision has yet to be put in place.

A new employment strategy is currently being drafted in Moldova, with new economic and political objectives for the country's alignment with EU policies. One of its main priorities is the establishment of a functioning system of vocational orientation and career guidance at all levels of education and professional training, together with the development and implementation of an efficient system of education and training in order to further develop human capital. In addition, there is a need to readjust the structure and content of curricula at secondary level and in technical and professional higher education, in accordance with labour market requirements.

Socioeconomic changes have imposed certain requirements on gender policies. A substantial number of women have opted to run their own businesses in Moldova, and there is a need for actions to support women in business, in particular in the start-up phase. In this respect, entrepreneurial competences acquired in VET or in the training organised by the Organisation for the Development of Small and Medium-sized Enterprises (OSME) can support the establishment of individual businesses, which is a form of job creation.

Since last year, the attention of small and medium-sized enterprises has been focused on environmental impact, which has become a priority for the economy. Developing the 'green economy' will allow the direct engagement of enterprises in producing environmental goods through the application of modern technologies for the rational and efficient use of resources, the treatment of industrial by-products and the overall strengthening of the green entrepreneurial culture. In this context, VET should be ready to react to new labour market demands by training new professions and specialties, and creating new curricular programmes.

Moldova is undergoing significant demographic change: the population is ageing and depopulation is accelerating. This is the result of low fertility rates, increasing life expectancy and massive migration over the past 20 years. These are the main factors shaping the population structure. More than half of the population is in rural areas. Moldova remains the country with the lowest degree of urbanisation in Europe, with indicators close to those of Africa and Asia.

However, in recent years there has been an increase in the number of migrants to Moldova, with the rate of inflow migration in 2015 approximately 1.3 times that in 2013. The number of foreigners studying in Moldova in 2015 was less than in 2014, but slightly more than in 2013. Young people who choose to study in Moldova are predominantly from Israel, Turkey, Ukraine, India and Romania. They are offered a series of activities for integration, including sociocultural sessions and activities, counselling, leaflets and software.

Another category of young people requiring special attention are children with special educational needs, especially those with disabilities. After secondary education, they are included in the admission competition depending on the type of subjects they have studied.

Some 15% of places in educational institutes are reserved for children with special needs, children without parental care, children with disabled parents, and children whose parents participated in military actions, such as those to safeguard the integrity and independence of Moldova, the war in

Afghanistan and the liquidation of consequences of Chernobyl. However, there is currently a lack of educational placements in VET in Moldova for students with special needs. Similarly, there is a lack of psychophysical conditions for training students with severe disabilities, for using customised methodologies and for training teachers to support their learning.

In the process of quality assurance in VET, there is an emphasis on the creation and implementation of quality assurance mechanisms and a more efficient use of funds. The activities implemented in this respect relate to the development of occupational standards; updating of the NQF; the creation and updating of standards for VET and related pedagogical supports; and the training of human resources for the implementation of standards in VET.

There are currently 33 approved occupational standards in Moldova, developed during the period 2013–16; this represents only about 17% of the number planned for 2020. Similarly, in the same period 43 out of 200 qualifications were drawn up, constituting 21.5% of the total.

In order to increase the level of professional competence, actions such as the continuing training of managerial staff are foreseen in basic legislative acts including the Labour Code and the Education Code, with laws that regulate their implementation. In the academic year 2015/16, nearly half (45.6%) of VET teachers were trained. The competence level of teachers is evaluated in the certification process organised by the Ministry of Education and educational institutions in collaboration with the relevant unions, once every five years.

The objective is to establish teacher certification in accordance with professional standards, creating the motivation for the professional development of teachers; increasing teachers' personal responsibility for their own career development; motivating teachers to achieve better performance; and establishing consistency between the quality of educational services provided and teachers' salaries.

During the period 2014–16, the governance and management of VET did not acknowledge conceptual changes, apart from employment procedures for directors, deputy directors and heads of sections, which have been improved. As a consequence, the legal framework was updated. However, despite the fact that the Strategy for VET Development for 2013–20 and its Action Plan have foreseen the strengthening of the Republican Centre for Development of Vocational Education, this result has not been achieved, and nor have other related actions been completed.

3. Recommendations for action

The report confirms the relevance of the priorities identified by the Ministry of Education for the period 2014–16 and presented in the Torino Process country report 2014. These relate to the further development and implementation of the VET reforms and the restructuring of the network of VET institutions in accordance with the socioeconomic requirements of Moldova; the development and strengthening of quality assurance; and the intensification of cooperation and partnerships in order to increase the relevance of the VET offer in line with the demands of society.

The analysis of the current situation and its implications for the economic and social dimension, in particular for VET, allows the formulation of the following detailed priorities for the near future.

1. Implementing the National Qualifications Framework by:
 - intensifying the development of occupational standards and qualifications;
 - developing mechanisms for curricula reforms based on new qualifications;

- developing good practice in the validation and recognition of skills acquired in non-formal and informal learning;
 - strengthening the functioning of and coordination between sectoral committees.
2. Improving skills anticipation by:
- creating a mechanism for identifying labour market needs and unemployment registration;
 - creating a labour market observatory;
 - piloting and evaluating a methodology to track employment paths of VET graduates;
 - creating a system of professional orientation and career guidance.
3. Strengthening Centres of Excellence in their innovation of VET by:
- integrating programmes for NQF levels 3, 4 and 5 and continuing VET;
 - strengthening work-based learning (legislation, dual system pilot evaluation);
 - improving continuing professional development for teachers, trainers and school managers;
 - developing well-functioning tripartite school boards;
 - creating psychophysical conditions for training students with special needs, developing customised methodologies and training staff to support their learning process.

The legal framework supports the implementation of all these priorities. Their actual implementation could, by 2020, create conditions for the VET system to achieve a high level of quality, to meet the requirements of the labour market, to be affordable, career oriented and flexible, and to be able to validate the skills obtained in non-formal and informal learning with a view to facilitating mobility in Europe. As a result, VET graduates will benefit from increased opportunities for professional integration into the labour market, having acquired relevant professional skills and competences.

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