ETF Working together Learning for life

European Training Foundation

EVIDENCE-BASED POLICYMAKING IN THE SKILLS DEVELOPMENT SECTOR IN THE REPUBLIC OF MOLDOVA

Bridging the gap between evidence collection and policymaking in the field of active labour market policies in the Republic of Moldova

Working paper

The contents of the report are the sole responsibility of the ETF and do not necessarily reflect the views of the EU institutions.

© European Training Foundation, 2021

Reproduction is authorised, provided the source is acknowledged.

ACKNOWLEDGEMENTS

This report was drafted by Vera Chilari with the support of ETF specialists Filippo Del Ninno and Eva Jansova, who provided methodological guidance and written contributions. The analysis is based on desk research of existing evidence and on qualitative interviews, which took place in the second half of 2020. The report was also reviewed by Cristina Mereuta, whom we thank for her valuable comments.

We owe special words of gratitude to the participants in the interviews and focus group. This research would not have been possible without their contribution.

CONTENTS

1. INTRODUCTION 5
1.1 Evidence-based policymaking 5
2. METHODOLOGY 7
3. FRAMING ALMPS IN MOLDOVA 9
4. ASSESSMENT OF EVIDENCE CYCLE FOR ALMPS 11
4.1 Evidence creation 11
4.2 Evidence mediation 19
4.3 Evidence use 25
5. LESSONS LEARNT (AND THE WAY FORWARD) 29
ANNEXES 34
A.1 Diagram of the National Employment Agency 34
A.2 List of interviews 35
A.3 Interview guide 35
A.4 Focus group interview 37
ABBREVIATIONS 39
REFERENCES 40

1. INTRODUCTION

Evidence-based policymaking assumes that skills development policies can have an impact on people's labour market outcomes and integration if they are based on evidence-informed decisions. In such a context, quality evidence needs to be produced to inform policymaking and, at the same time, policymakers need to have the capacity to retrieve and effectively use such evidence.

The main goal of this study is to facilitate reflection among key stakeholders about evidence-based policymaking in the human capital sector in the Republic of Moldova (hereafter Moldova). To this end, we explore one specific area: active labour market policies (ALMPs). Such policies aim to improve the employability of specific target groups, such as the unemployed, young graduates, laid-off workers and people with obsolete skills, through the provision of a variety of services and measures (for example, training, employment and entrepreneurship incentives, and subsidised employment). Interventions of these kinds can also contribute to improved matching of skills supply and demand.

Our report is structured as follows: after a short conceptualisation of evidence-based policymaking, we set out the methodology. Then we give a summary of the collected evidence, which is structured around the evidence cycle: evidence creation, mediation and usage. The final chapter formulates key conclusions and recommendations.

1.1 Evidence-based policymaking

One of the most commonly used definitions of evidence-based policymaking (EBPM) comes from Philip Davies (1999):

> Evidence-based policy helps people to make well-informed decisions about policies, programmes and projects, by placing the best available evidence from research at the heart of policy development and implementation.

Evidence can be defined in a number of ways. For our purposes, evidence is understood to be information, research and/or statistics from public bodies and other relevant organisations, including education and training providers, donors and research institutes. It also includes consultation with experts or stakeholders whose input feeds into the policymaking process.

Using evidence to inform policymaking is not a new idea. It is a logical, rational way to develop and implement policies. That is why it is not possible to identify a clear 'before' and 'after' in the use of EBPM strategies. However, starting from the 1990s, researchers and policymakers began addressing EBPM in a more structured, scientific way. Depending on the context, EBPM strategies have been presented as an innovative response to entrenched habits and approaches, such as:

- the heavy presence of ideologically driven politics;
- the continual repetition of policies owing to the weak innovation capacities of leading stakeholders; and
- a lack of will to challenge existing corporate interests.

There are three key pillars in evidence-based policymaking: the quality of evidence created (evidence creation), the interrelationships among different stakeholders in charge of different phases of the evidence-based cycle (evidence mediation), and the capacity of policymakers to understand and use evidence (evidence usage).

The use of evidence is not straightforward. Even when a rich body of relevant research exists, it is not always directly channelled to and used by the appropriate decision-makers. To understand the interplay between research and policymaking, researchers (Gough et al., 2011; OECD, 2007; Ion and Iucu, 2015) have tried to understand the elements that favour or hinder the effective integration of evidence in the policy cycle. Moreover, different models have been put forward to describe and explain the relationship between the creation of evidence and decision-making, which involves various sets of relationships (Graham et al. 2006; Nutley et al. 2007; Walter et al. 2005). Such models are built around the links between evidence production and evidence usage in the decision-making process as well as 'push' factors from evidence producers and 'pull' factors from evidence users (Gough et al., 2011).

The factors that influence the quality of interactions between evidence and decision-making may include the quality and relevance of the produced evidence, accessibility to the evidence, the communication of existing research and statistics, and the capacity of policymakers to understand and use evidence.

From the perspective of evidence-based policymaking, the use of evidence is crucial. Understanding why evidence is used or not used may contribute to increased efficiency in the decision-making process. The evidence-based policymaking cycle includes several steps that are important in any decision-making process. These steps are the identification of relevant evidence, the collection of evidence, the analysis of evidence, and the communication of the obtained results, which inform decision-makers on the best policy options.

Despite a lack of research on the subject, the (mostly anecdotal) evidence suggests that, in Moldova, there is a clear weakness in the phases of evidence mediation and evidence usage. In other words, there is a gap between the quality and quantity of analytical evidence produced to inform policymaking and the capacity of policymakers to assess and effectively use the information.

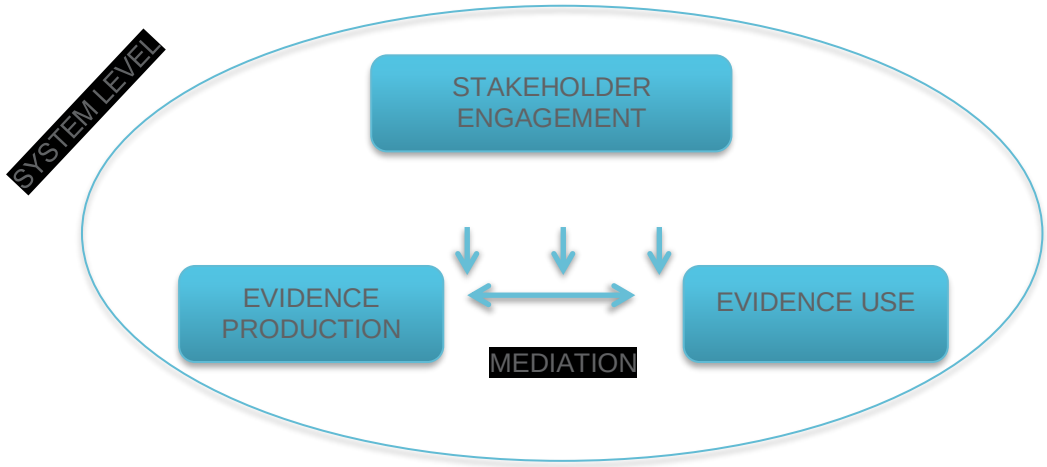
The weak link between evidence producers and evidence users has two major consequences:

- It reduces the impact of all resources employed in evidence creation. This applies to any situation where policymakers do not take into consideration policy recommendations supported by evidence or they avoid using the collected information entirely or to a large extent. Consequently, the system becomes inefficient, using significant resources to achieve very little impact.
- It negatively affects the relevance and quality of the work done in different phases of the EBPM cycle. Policymakers who are not used to taking decisions based on evidence will not be active in any part of the cycle. By not engaging in the identification of evidence or formulating their needs, they do not activate what should be a continuous improvement process in the EBPM policy cycle.

2. METHODOLOGY

The main goal of the study was to facilitate reflection among key stakeholders about evidence-based policymaking in the human capital sector. In particular, the study mapped the evidence production-to-use system (see Figure 1) for active labour market policies (ALMPs), assuming continuous interactions between the communities of researchers, practitioners and policymakers as well as the dimensions of evidence creation, use and mediation[1].

FIGURE 1: EVIDENCE PRODUCTION-TO-USE SYSTEM



Source: Gough, D. et al. (2011).

Our key research questions for mapping the evidence production-to-use system were:

- Who takes the decision on what evidence will be produced for the development of ALMPs and what is the evidence?
- How is the collected evidence used in the policymaking process related to ALMPs?
- What are the factors that favour or inhibit the use of evidence in decision-making in the field of ALMPs?

To answer the questions, we used the following combination of desk research and qualitative interviews (together with a focus group targeted at the research community):

- The desk research aimed at collecting key information, including relevant existing research, policy documents, analytical documents and statistical reports related to the subject of the study, and identifying key institutions and stakeholders.
- Semi-structured in-depth interviews, which focused on understanding current practices and challenges, were conducted with key players in the evidence cycle relevant to the subject of the study. In general, the interviews involved policymakers (e.g. civil servants), providers of research, statistics and analysis (e.g. research institutes and public agencies), and other stakeholders (e.g.

[1] Mediation is understood here as evidence analysis and communication, which is the responsibility of specific bodies that should perform a mediation role between communities and institutions engaged in policy and research (or evidence generation).

training providers and donors) (see Annexes A.2 and A.3 for the list of stakeholders and the interview guide).

- A focus group was held with representatives of the research community relevant to the subject of the study in order to understand the research community's current involvement in the evidence cycle as well as any additional opportunities for involvement (see Annex A.3 for the list of stakeholders and the focus group guide).

The collected evidence was analysed and used as the key input for the analysis of evidence-based policymaking in the field of ALMPs. Direct quotations are used to support the conclusions that we have drawn.

3. FRAMING ALMPS IN MOLDOVA

The study focuses on active labour market policies (ALMPs) in Moldova, which are framed by Law 105/2018 on the Promotion of Labour and Unemployment Insurance. The area of ALMPs falls under the responsibility of the Ministry of Health, Labour and Social Protection (MoHLSP). The implementation body is the National Employment Agency (NEA), which contracts out some services to external providers, such as the provision of training by vocational education providers.

Box 1: Active Labour Market Policies (ALMPs)

Active labour market policies include all 'public interventions in the labour market aimed at reaching its efficient functioning and correcting disequilibria and which can be distinguished from other general employment policy interventions in that they act selectively to favour particular groups in the labour market' (EC, 2018:7).

ALMPs cover services and measures. The services include 'labour market interventions where the main activity of participants is job-search related and where participation usually does not result in a change of labour market status' (EC, 2018:7). A typical example is counselling and the provision of information.

The measures include 'labour market interventions where the main activity of participants is other than job-search related and where participation usually results in a change in labour market status' (EC, 2018:7). Examples include training, employment incentives, direct job creation, start-up incentives, supported employment and rehabilitation.

ALMPs in Moldova include counselling, job-matching services, vocational training, on-the-job (workplace) training, traineeships (internships), subsidised job creation, self-employment grants, grants for local initiatives and incentives for labour mobility. In addition, vocational rehabilitation and workplace adaptation subsidies are provided to people with disabilities. Most of the services and measures are accessible to both registered and unregistered jobseekers.

- Counselling services cover the provision of information, professional orientation and job intermediation (e.g. information on job vacancies and job fairs).
- Vocational training seeks to provide beneficiaries with skills needed in the labour market through upskilling or reskilling. Training services are usually outsourced to accredited education and training providers, such as vocational schools.
- On-the-job (workplace) training enables jobseekers to gain practical training in an enterprise and acquire skills and knowledge in a real workplace.
- Traineeships (internships) are provided to people with no prior work experience. The support includes accommodation and transportation grants as well as a (limited) salary.
- Subsidised job creation refers to subsidies for employers who hire the unemployed. The level of the subsidy is 30% of the average salary from the previous year and it is conditioned on a requirement to keep the affected workers employed for at least 12 months after employers stop receiving the subsidy.

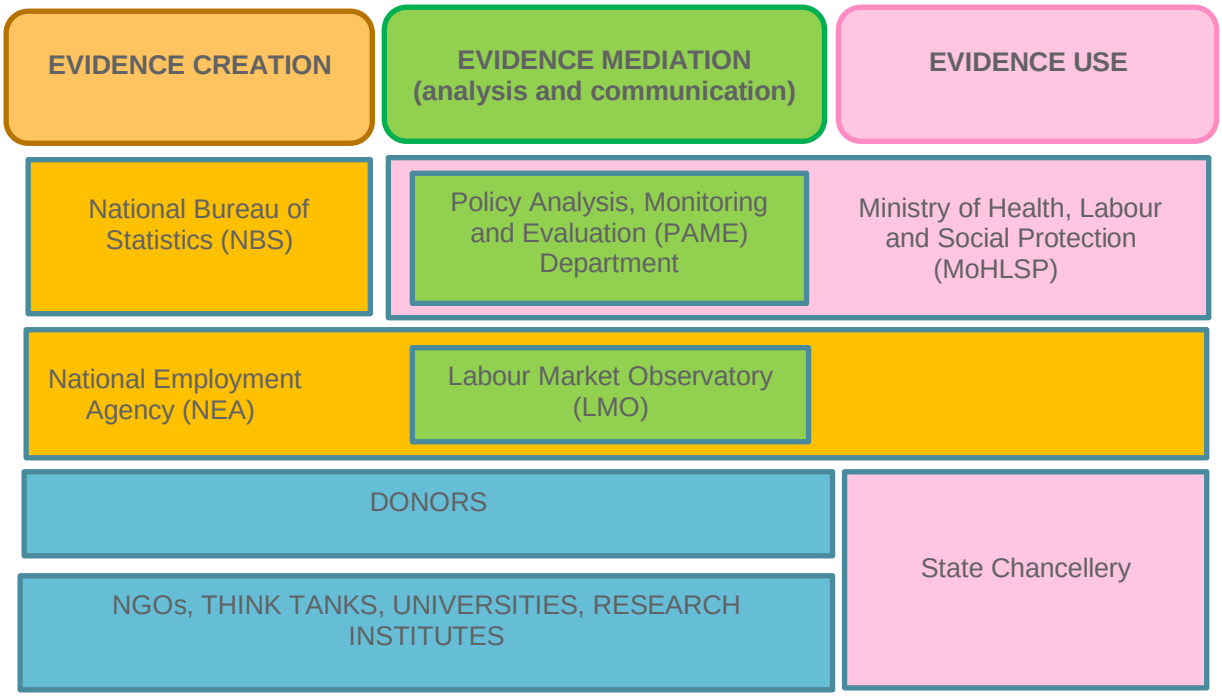
- Self-employment grants provide resources for jobseekers to start their own business. Applicants are required to submit a business plan.
- Grants for local initiatives can be received for the acquisition of equipment, machinery, tools or business development in rural areas.
- Incentives for workforce mobility provide one-off allowances to jobseekers to promote mobility, if the distance is more than 30 km from their place of residence.
- Subsidies for vocational rehabilitation and workplace adaptation aim to support the integration of people with disabilities.

4. ASSESSMENT OF EVIDENCE CYCLE FOR ALMPS

This chapter maps the evidence production-to-use cycle, that is, evidence creation, mediation and usage for ALMPs, focusing on the interactions between the communities of researchers, practitioners and policymakers. Despite the study's narrow focus on ALMPs, the analysis also goes farther to consider the broader context of employment-related policies and evidence.

In the next sections we analyse each dimension of the evidence production-to-use cycle in order to discuss and assess the key players and processes. For a quick overview, Figure 2 sets out a schematic representation of the institutional environment considered in the study.

FIGURE 2: THE INSTITUTIONAL SET-UP FOR THE EVIDENCE PRODUCTION-TO-USE CYCLE IN THE FIELD OF ALMPS (AND EMPLOYMENT-RELATED POLICIES IN GENERAL)



4.1 Evidence creation

Data are used as raw ingredients in the creation of evidence. In the case of ALMPs, the relevant evidence for planning and implementation covers, first, general information on the labour market situation in the country as well as trends in skills supply and demand. Second, monitoring data on the implementation of different services and measures need to be collected, as does evidence on their effectiveness and performance.

Several institutions are involved in gathering evidence for ALMPs. The National Bureau of Statistics (NBS) is the main source of data generation. The NBS is the key body at the national level that provides information for policy development and review processes.

The NBS acts in accordance with the new Law No. 93 on Official Statistics, adopted by Parliament on 26 May 2017. The NBS is also governed by the Regulation on the Organisation and Operation of the NBS, approved by Government Decision No. 935 on 24 September 2018, and by the Strategy for the Development of the National Statistical System 2016–2020 and its accompanying action plan (Government Decision No. 1451, of 30 December 2016).

The legal acts mentioned above define the purposes of official statistics: to provide users with quality and timely statistical information necessary for the development and monitoring of economic and social policies as well as for the decisions of public authorities and the business environment; to provide data for scientific research; and to inform society and other categories of users.

The NBS is the central authority in the field of statistics. It is institutionally and professionally independent, and it coordinates the development and production of official statistics in the national statistical system. At the same time, the NBS is also the main producer of official state statistics. It collects, processes, systematises, centralises, analyses, estimates and disseminates statistical information in accordance with the fundamental principles of official statistics. Each year, the NBS develops a statistical work programme, which is approved by the government. The work programme includes a list of the statistical activities and research that are to be carried out by the NBS and other institutions responsible for producing official statistical information.

In the field of labour market statistics, the NBS conducts statistical research that covers information on earnings by economic activity, sex, territory, occupation and form of ownership; labour costs; employee mobility and jobs by economic sector; accidents at work; the professional training of employees, etc. In addition, it regularly administers the Labour Force Survey (LFS), whose main objective is to measure the labour force, specifically the employed, unemployed and inactive populations, by different socio-demographic characteristics (for more information, see Table 1).

The LFS results are published annually as a statistical compilation entitled 'Labour force in the Republic of Moldova: Employment and unemployment'[2]. The NBS collects and periodically publishes data on sectors of the economy, such as agriculture, construction, manufacturing, transport and communications, education and healthcare, as well as on cross-cutting issues, such as gender and poverty. All data are publicly available on the NBS's official website[3].

Another important actor is the NEA, which falls under the MoHLSP and is empowered to ensure the implementation of policies in the areas of employment promotion, labour migration and unemployment insurance.

The NEA was established in 1991. It has a total of 250 employees. Of these, 50 work in the central office and 200[4] work in 35 territorial units. The NEA's organisational structure at the central level comprises the director's office and ten departments (see the NEA diagram in Annex A.1), whose responsibilities are determined by the agency's internal regulations. The NEA's top decision-making body is a tripartite management board and its top executive organ is the director's office. The Management Board has nine members, three representatives appointed by the government and six other members who represent employers' and workers' organisations. The Management Board

[2] The most recent publication is available at: https://statistica.gov.md/newsview.php?l=en&idc=168&id=6617.

[3] www.statistica.gov.md

[4] The number of staff was reduced by more than 25% (85 posts) and 10 broad new tasks were assigned after the reforms made to the public service system in 2018.

approves the annual plan of activities and financial statements, and it decides on the allocation of resources for the implementation of its activities.

According to the regulations approved by Government Decision No. 990, of 10 October 2018[5], the NEA's mission is to 'improve the employability of jobseekers and support employers in finding skilled labour force and creating new jobs'.

The NEA has a number of functions that are mainly related to employment and social policy and to studying, monitoring and forecasting the situation of the labour market at the national level. The provision of services to beneficiaries, including both passive and active labour market measures, such as paying unemployment benefits, supporting start-ups and organising vocational training for the unemployed, is the responsibility of the territorial units. Other functions of the NEA include[6] labour market monitoring; the registration of jobseekers and vacancies; monitoring and evaluation of the effectiveness of employment support and active labour market measures; monitoring the job placements of beneficiaries of active employment measures; and monitoring the registered unemployed. The NEA collects data on the socio-demographic characteristics of clients and on their participation in different measures and services.

The NEA operates a digital platform called 'Jobless'. The platform collects information on the registered unemployed, disaggregated by sex, age, educational attainment, regional distribution, length of unemployment, reason for unemployment, and programme and service offered. In the case of job vacancies, the data are disaggregated by occupational code and territorial distribution. All data are accessible through the NEA's website. The information is also displayed on the MoHLSP website and disseminated through members of the NEA technical group, organised public events, and the media, and in response to requests from various public or private organisations.

The territorial units cooperate with public and private organisations, local authorities, civil society organisations and training providers. The NEA also has the task of informing the public about the labour market at the national level. One unit in the NEA, namely the Labour Market Observatory (LMO), and the NEA's territorial units deal *inter alia* with the collection of information.

The LMO has departmental status within the NEA**.** It was established by Government Decision No. 990, of 10 October 2018. It operates on the basis of a partnership agreement concluded on 18 January 2019 between the MoHLSP and NEA, on one side, and the Ministry of Economy and Infrastructure, Ministry of Finance, MoECR, MoARDE, NBS, INCE, the National Confederation of Employers, the National Trade Union Confederation, CoCI, and the Bureau of Migration and Asylum, on the other side.

The LMO's objective is to collect, systematise and analyse statistical data produced by the NEA and other public institutions, develop analytical studies, conduct in-depth analysis of the labour market, forecast labour force supply and demand, and provide the resulting information to different actors, including policymakers.

Since its establishment, the LMO has undertaken activities and developed analytical notes that include:

---

[5] Available at: http://lex.justice.md/viewdoc.php?action=view&view=doc&id=377619&lang=1

[6] Defined by NEA Order No. 88, of 28 December 2018: http://www.anofm.md/files/elfinder/sto.pdf

- analytical reports on employment and labour market trends;
- an analytical note on labour demand and supply in the last five years (2014–2018); and
- annual labour market forecasts and barometers of occupations at the national level and for the regions: Centre, Chișinău municipality, North, South and ATU Gagauzia.

The LMO is also involved in the implementation of an online survey of employers (3 482 employers were sampled in 2019), which collects information on labour shortages, skills demand, the development plans of companies, and future workforce recruitment by economic sector and occupational profile.

The LMO has a coordination group that represents the secretaries of state. The aim of the group is to approve the observatory's annual activity plan and take decisions on its priorities for research and analysis. Owing to changes of government over the past two years, however, the group has not met since its establishment. As a result, all decisions on activities and the types of data and information to be collected remain largely at the discretion of the NEA and MoHLSP.

TABLE 1: OVERVIEW OF THE MAIN DATA RELEVANT TO ALMPS AND EMPLOYMENT POLICIES IN GENERAL

Data producer	Name	Data type	Frequency
NBS	Population and Housing Census	Census	Every 10 years (last one in 2014)
NBS	Labour Force Survey	Survey	Quarterly
NBS	Survey on Mobility of Employees and Jobs	Survey	Annual
NBS	Survey on Earnings and Total Labour Costs	Survey	Annual
NBS	Survey on Professional Training of Employees	Survey	Annual
NBS	Survey on Employee Salaries	Survey	Quarterly
NBS	Statistics on economic enterprises	Administrative data; Survey	Annual
MoHLSP	Information on implementation of the National Employment Strategy	Administrative data	Annual
NEA	Data on the registered unemployed (the structure of the unemployed; access to active measures for stimulating employment; access to passive measures for the social protection of the unemployed)	Administrative data	Ongoing
NEA	Job vacancies	Administrative data	Ongoing
NEA	Survey of economic agents (employers)	Survey	Annual
MoECR (and NBS)	Education statistics (number of institutions; teaching staff; students/pupils; key indicators for monitoring educational policies; general statistics on education)	Administrative data	-

In addition, there are other public and private institutions, think tanks and NGOs that can provide data and information relevant for ALMPs. For example, the National Chamber of Social Insurance has data on the beneficiaries of state pensions and social benefits. Also, the Ministry of Education, Culture and

Research (MoECR) collects information on the employees of educational institutions, the number of students and the educational offering.

Finally, it is necessary to mention that data collection is regularly contracted out to non-public organisations that are mostly funded through projects. In 2020, for example, the independent think tank Expert Grup collected data and developed the Labour Market Study of the Republic of Moldova at the request of the Ministry of Economy and Infrastructure (MoEI) and MoHLSP, drawing on the support of a project implemented by GIZ with financial support from BMZ and SDC. In 2019, the NGO Prodidactica CE, at the request of the MoARDE, collected information to identify medium-term labour market demand for higher education and VET in the fields of phytotechnics, horticulture, soil science and soil protection. The information was collected as part of the DevRAM project supported by the Austrian Development Agency in order to develop the Annual Enrolment Plan (known as the Comanda de Stat). A similar exercise was carried out in 2020 in other economic sectors. In 2017, moreover, the Centre for Legal Assistance for People with Disabilities collected data for a study conducted as part of the project 'Partnerships for the inclusion of people with disabilities', which was implemented by the Alliance of Organisations of People with Disabilities with the support of the EEE, the SDC, the Government of Sweden, and the Danish Ministry of Foreign Affairs and DANIDA. The ILO has also provided ongoing support to both the MoHLSP and the NEA since 2009.

Assessment of the evidence creation phase

The evidence that is relevant for ALMPs in Moldova, such as general information on the labour market situation and trends, skills demand and supply, and administrative data on participation in different ALMPs services and measures, is present to a large extent.

The key provider of such data is the NBS. This fact is mentioned by respondents, who named the NBS as the data source they most use. The main strengths of the NBS compared to other statistical data providers are the following:

- having the status of official statistics[7];
- production of statistical data as its basic mission;
- provision of a wide range of statistical data that are accessible online;
- regular provision of data, which permits trend analysis;
- constant improvement of collection procedures and methodologies in pursuit of alignment with international practices, such as ILO and European statistical standards;
- well trained and experienced human resources.

[7] The NBS bears responsibility for the veracity of data.

> ‘UNDP hired an international expert who analysed all the data provided by the NBS that were needed to implement and plan the employment policy. The expert concluded that apart from the data on social dialogue, all other data prepared by the NBS were sufficient to plan employment policies. The expert was pleasantly surprised that we have good statistics. That's why I say we don't need additional data for the implementation of the employment strategy.’ (public servant, MoHLSP)‘If I were to give grades from 1 to 5 then I can say that all the phases of the evidence production-to-use system receive a grade of 3. Because at all these stages something is done and there is a positive trend, towards progress … and the highest grade, 3 ++, would go to data collection.’ (public servant, MoECR)

The statistical work programme developed annually by the NBS includes a list of activities and statistical information to be collected, as well as the level of disaggregation and the scope, frequency and deadline for dissemination of the information. Data users, including the MoHLSP, are involved in the process of drafting the work programme and elaborating and making decisions based on the collected data and information. The MoHLSP (Secretary of State) is also a member of the National Council for Statistics, which has among its core responsibilities the formulation of recommendations on the development and improvement of the national statistical system in order to increase user satisfaction. This role enables the ministry to come up with proposals on the data and information necessary for the development of ALMPs and employment-related policies in general. In addition, the NBS is guided by the relevant international standards and indicators, which influence the selection of methodologies and the collection of data.

> ‘When preparing the programme of statistical studies to collect data, we initially consult with the main data users, but at the same time we are guided by national and international standards. First of all, we are guided by the Law on Official Statistics, and we tend to be in harmony with European statistical standards and international norms.’ (public servant, NBS)

However, the NBS cannot always consider requests that come from other public bodies. It is constrained mainly by a lack of additional budget, the potential burden on respondents and the possible duplication of information already collected by other institutions.

> ‘Often users request more disaggregated data that the NBS does not produce. In order to produce data with more detailed disaggregation, it is necessary in most cases to increase the size of the sample, which incurs additional costs and increases the burden on respondents.’ (public servant, NBS)

Also, in the case of the NEA, the MoHLSP can influence the selection of evidence to be collected. The decision on which data and information to collect is usually taken jointly by the NEA’s management in

consultation with the MoHLSP. Targets are also defined and then integrated into the annual plan of activities. The targets are usually based on the previous year's results and their aim is to improve the monitored performance. The annual plan is also assessed by the NEA's tripartite management board.

> 'The NEA collects data on jobseekers and unemployed people through its territorial subdivisions, and we have the database of vacancies. The data in these two databases are disaggregated by gender, age, education and occupation. Together with the MoHLSP we decide which indicators to collect data on. (…) We have practically no difficulties with data collection, as we have been doing it for many years and it is organised. We collect information from people and we have connections to different databases. We also use the customer profiling tool to measure risks in the labour market by grouping them into three broad categories in order to better understand how much money will be needed for different categories of clients.' (public servant, NEA)
>
> 'The NEA presents the data to the MoHLSP following a predetermined pattern, for example, by beneficiaries, by employment measures, by gender, age and level of education, and all the data are accessible on the NEA website. I don't think we need to focus much on collection. Collection is not a problem. We have an information system that ensures data collection. We just need to improve the information systems in order to be able to generate simpler, clearer reports that are more accessible to the general public.' (public servant, MoHLSP)

Importantly, other private institutions, NGOs and think tanks are also active in the evidence collection phase. However, their involvement is ad hoc because it depends largely on external funding.

Despite the wealth of the information that is produced, some challenges have been identified from the collected feedback. First of all, the existing data suffer from shortcomings in terms of their quality and coverage. Data are not always provided in a timely manner. This is caused by absent or insufficient modern technologies and software programmes and by the number of employees involved in data collection and processing.

> 'We have the automatic information system for the jobless, which was built in stages and is not the best. The system is now outdated, and for years we have been asking for a new one, but it has not been possible to provide funding from the state budget.' (public servant, NEA)

Moreover, the survey methodologies and the calculation of statistical indicators used by the NBS are often modified. In the past five years the system of statistical indicators has undergone a series of major changes, making it difficult to compare data and identify trends. Moreover, the classification of economic activities and occupations used by the NBS and NEA differ, preventing the straightforward combination of data from the two sources.

Also, the existing data cannot be disaggregated at the required level. For example, data on occupations are provided at the two-digit level. However, for analytical purposes, there is a need for disaggregation at the three-digit level and more. In addition, few indicators are disaggregated by geographical location, so the analysis at local and/or regional levels is limited. More detailed information would allow for a more informative analysis of skills supply and demand. However, the provision of more detailed data is conditioned by (financial and staff) resources and sampling possibilities.

> 'The NBS does not offer data on occupations. For example, we have data that there is a lack of labour in agriculture, but agriculture is very broad.' (public servant, MoHLSP)'
>
> Previously, companies that refused to submit information or provided incorrect data were fined, but now things are different. The fines have been considerably reduced, and if there is a fine, it is very small and they would rather pay the fine than submit the information … [E]ven in household research, there are many refusals to participate in the survey or to answer certain questions.' (public servant, NBS)
>
> 'The NBS provides mostly general data for the entire country, but we would be interested in data by region or even by district, so that we could compare the city with other districts or compare Chișinău across several indicators.' (representative of a think tank)
>
> 'It is necessary for us to know the demand for new skills and qualifications or occupations in order to plan and develop or modify the content of the education offering and the content of training programmes, but no one provides such information on the skills and occupations needed in the labour market.' (representative of VET providers, CoE)

Staffing constraints at both the NEA and the NBS influence the quality and quantity of evidence collected. This is a result of, for example, the insufficient remuneration of employees and the consequent challenge of attracting experienced specialists. These factors lead to high staff turnover, a lack of motivation and a limited influx of young specialists. Another cause, which pertains mainly to the NEA, is that there is a lack of specialists in data management. The functions of the NEA have been expanded, but the current (mostly) administrative staff lack sufficient knowledge on data collection methodologies and data analysis techniques.

> 'There is a shortage of qualified staff not only at our central office in the NBS, but also at territorial level. After university, young specialists prefer to work in private companies as they get better salaries there.' (public servant, NBS)
>
> 'The staff working in statistics need a better salary, good working conditions, an information database, software … [I]t is to be welcomed that they are still working in this field. It's an area that isn't paid well. They are very caught up in reports.' (representative of research community)

In addition to data quality and the issue of resources, there are also some gaps in the information collected. No data is gathered on the effectiveness of different ALMP measures. In other words, there is limited information on whether the existing measures and services successfully reintegrate ALMP beneficiaries into the labour market and provide decent employment opportunities.

Finally, an issue highlighted by the participants in the focus group and interviews is the lack of and/or limited input from data users on the type of data and information to be collected. Despite formal collaboration among institutions, the systematic and systemic coordination of the process leaves much to be desired. Thus, on the one hand, there are institutions that play only a formal role and do not guide the process of evidence generation. On the other hand, there are sometimes conflicting requests for data collection. This also poses a risk of overloading data providers and/or of requesting the collection of data and information that are not relevant.

> 'In most cases we produce data at the level of section or division of the CAEM, not at the level of class or subclass, at three or four digits, not to mention six digits on occupations, because for this disaggregation we would have to collect data from absolutely all employers in the country, who already complain that we ask for too much information. (…) On the one hand, there is pressure from business representatives to reduce the indicators collected and not to overload the economic agents with so many requests for data. (…) On the other hand, additional or disaggregated data are requested from the NBS. In such a situation, we strive to maintain a balance, to meet the needs of data users, and at the same time not to increase the burden on respondents.' (public servant, NBS)

In general, a range of data relevant for ALMPs is produced by public institutions, particularly the NBS and NEA. There is an established data collection process to gather information on the situation in the labour market as well as on participation in ALMPs. Data are also easily accessible for further analysis and shared with the relevant stakeholders, who may also play some part in defining the scope of evidence to be gathered. On the other hand, the coverage and quality of data is conditioned by the existing infrastructure, human and financial resources. Finally, communication from evidence users to evidence producers is not always active or consistent.

4.2 Evidence mediation

The aim of evidence mediation is to make connections between evidence creation and evidence use. This section investigates how the evidence mediation process takes place. Mediation is understood here as the process by which primary evidence is analysed and communicated to policymakers.

The analysis reveals that there is no specific entity to act as an intermediary body with a brokerage function between the two communities of evidence creation and evidence usage. Thus, data collected on the labour market and particularly on active labour market policies are processed and analysed by the relevant ministries and their analytical departments, donors, NGOs, think tanks and research institutions (see Figure 2).

The key institution in the case of ALMPs is the LMO within the NEA. The LMO is tasked with systematising and analysing statistical data produced by the NEA and other public institutions,

developing analytical studies, conducting in-depth analysis of the labour market, identifying labour market trends and challenges, and producing labour market and skills forecasting. Thus, it should bring added value to the work of the NEA and inform decision-makers at the MoHLSP and other interested actors. The analytical reports are usually disseminated through the NEA website, meetings or the media. The LMO has also produced several infographics to accompany its analysis.

Other actors involved in the data analysis process are at the level of ministries. There is an internal Policy Analysis, Monitoring and Evaluation (PAME) Department in each ministry, including the MoHLSP. These departments are responsible for seeking out data, reporting, analysing and interpreting information.

Each PAME department is governed by the Framework Regulation approved by Government Decision No. 168/2010 on units in charge of policy analysis, monitoring and evaluation. The main objective of PAME departments is to support and enhance the efficiency of public bodies. The number of their functions is rather large and includes the following:

- provision of methodological assistance in developing public policies initiated by internal units of the central (sectoral) public governance body in which the unit operates;
- analysis and presentation of conclusions on draft public policy documents, other legislative and regulatory acts, documents that contain the results of impact assessments, and monitoring and evaluation of public policies developed by other internal units, in order to ensure:
    1. conformity of any developed public policies with the provisions of national public policy documents;
    2. compliance with requirements related to the structure and content of public policy documents, the stages and procedures for their development, and analysis, monitoring and reporting on implementation;
    3. correlation of developed public policies with available financial resources
- coordination of the monitoring process and reporting on public policy implementation results;
- making proposals on the adapting and updating of existing public policy documents and initiating new public policies based on the results of sectoral, cross-sectoral and national public policy implementation;
- creation and management of databases necessary for analysis, monitoring, evaluation and reporting of public policy documents.

In addition to the above-mentioned public institutions, think tanks and private NGOs may also conduct analysis relevant for labour market policies upon request. The role of donors is also important as they can commission analytical work from these organisations. In addition, there are research institutions, such as the National Institute for Economic Research, the Public Institute of Legal, Political and Sociological Research, and the research departments in universities (ASEM, UASM, UTM, USM, etc.) that play a role in the process of evidence analysis and mediation.

Assessment of the evidence mediation phase

In the context of ALMPs and employment policies in general, Moldova has institutions that are responsible for the analysis of available evidence. Their roles are clearly defined. Both the NEA and PAME are part of institutions that are responsible for planning and implementing ALMPs. They have a formal agreement and access to available quantitative and qualitative evidence. Both disseminate their analytical products and seek to reach a wider pool of stakeholders and the public through their websites, workshops and the media. In addition, there is room for non-public actors to take part in the phase of evidence mediation and complement the capacities of public institutions.

However, some challenges do exist, mainly in the process of implementing and performing analyses. First of all, as in the case of evidence creation, there are limitations in terms of the quantity and quality of staff responsible for evidence analysis and communication. More specifically, there is not enough capacity to process and analyse data, including the capabilities needed to use statistical software. In addition, there is a shortage of staff vis-à-vis the amount of work required and there are no available financial resources to conduct and/or outsource research.

For example, under the new reform, the NEA has undertaken a series of new programmes. With the establishment of the LMO, the NEA is now expected to take on more complex, more comprehensive tasks related to data analysis and forecasting. Within the NEA, the LMO is intended to promote rigorous labour market analysis and provide useful inputs for policymakers, particularly the MoHLSP. However, the current set-up and staff numbers are insufficient to fully achieve this goal. The LMO has only five positions, and two of the positions have been vacant for more than a year because of a failure to attract candidates with the proper qualifications. In addition, NEA[8] staff at central and territorial levels need to perform a wide range of tasks, including some not envisaged in the regulations. For example, the NEA was fully involved in the development of the new Law on Employment, which required significant human resources that could not be dedicated to the NEA's regular tasks, including analytical activities. Furthermore, despite good recent performance and a stronger assertiveness in its role, the LMO would benefit from additional capacity building to strengthen its analytical and planning skills in order to fulfil its mandate and become more effective and efficient.

> 'Insufficient human resources are our main challenge. Thus, if you analyse the staff job descriptions both at headquarters and in the territories, a single person has to do very different tasks. If there were more specialised employees, the impact would be much better.' (public servant, NEA)

> 'I don't know what expectations we can have of the LMO in the NEA with only three people. While it is legally allowed to contract external research services and experts to do the analysis and research, in reality no funds are allocated for this purpose.' (public servant, MoHLSP)
>
> 'We have a lot of information, but we need help to do the analysis. I explained this to the MoHLSP and to our external development partners, the World Bank. We monitor our activity but not the situation in the whole labour market. How can we analyse the entire labour market, when there are so many issues and we have a shortage of staff, particularly qualified staff, and we also monitor the activity of private agencies, which is not our

[8] The NEA's portfolio has increased with the reform. Since 2019, the NEA has been in charge of nine different large programmes including: vocational and on-the-job training, traineeships, employment subsidies, self-employment grants, grants for local initiatives, mobility grants, and vocational rehabilitation and workplace adaptation for people with disabilities.

function? We work in three directions: we implement services and measures, deal with migration, and register employment contracts, which require a good knowledge of the law and bilateral agreements, plus we have unemployment insurance, we pay unemployment benefits, and much more has been put on us. There is a logic to all the responsibilities that are delegated to us, but we must also be given opportunities and support to carry out the activities; or at least do not reduce our staff and we would gladly carry out all the activities. It must be understood that without the allocation of resources we will be unable to do many of our activities.' (public servant, NEA)

'At the LMO we need research on the situation of inactive people in order to identify the problems in the labour market and find solutions. We reported to the Ministry of Finance that we need a budget to commission research because the LMO has limited capacities. We and the MoHLSP requested it, but in the end, we were not allocated any funding for research, only for salaries.' (public servant, NEA)

'The LMO has done some very good analysis lately, I think there is progress in their reports compared to before. They also need more training to learn from the experience of other countries, and if they had more finances for a common database program to receive more and better information, they would do much better analysis.' (public servant, MoECR)

To manage expectations in light of staff constraints, the NEA has sought to collaborate with the INCE and research units in universities. However, these efforts have not yet translated into results. At present, the NEA collaborates with the Academy of Economic Studies to attract students from undergraduate or graduate programmes who can conduct research and analysis on active labour market policies, because no specific budget is allocated for contracting out research.

Similar challenges face PAME departments, which should be responsible for data analysis. However, the departments were reorganised in 2017. After the reform, the number of positions was reduced and more responsibilities were assigned to the departments as other units were disbanded.

Formally, the principal function of PAME departments is to monitor and evaluate policy implementation. According to its mandate, the PAME Department in the MoHLSP is responsible for the analysis of public policy documents, drafts of legislative and normative acts, documents containing the results of impact assessments, and monitoring and evaluation of public policies developed by other internal subdivisions of the ministry, such as the Employment and Migration Policy Department. The PAME Department may also facilitate communication between the State Chancellery and other subdivisions of the ministry, but it is also requested to carry out supplementary tasks that are not necessarily envisaged in the regulations. The additional burden of activities that do not pertain to the main profile of the PAME Department is regarded as a potential problem for its functioning. In addition, the PAME Department has to deal with a wide range of issues (especially after the merger of different ministries), which vary in nature and content. Owing to the limited number of staff positions (currently five), it is not possible to have specialist personnel in all policy fields who can carry out the required analysis. The analysis of information and data for policy development is in fact left to the directly involved departments (the Employment and Migration Policy Department in the case of ALMPs), but the PAME Department prepares the so-called Monitoring and Evaluation Reports on the

implementation of national public policy documents, based on methodological instructions produced by the State Chancellery.

> ‘Previously at the ministry there was a Forecasting and Statistics Department (with four people, including a statistician, a person responsible for forecasting). It worked closely with the Ministry of Economy, which submitted information on labour market needs. The Forecasting and Statistics Department had statistical specialists, who were good analysts, but it was disbanded in 2006 (I think) after the reorganisation of the ministry. In 2007 the PAME Department appeared. In 2017 the structure of the ministry was again reorganised, and in the PAME unit we took on responsibilities in many areas since several ministries merged together but there remained only one PAME Department. Some other tasks were also assigned to us as other units were disbanded after the reform. But now all civil servants have much greater responsibilities, they are also economists and statisticians and they need to be trained because we had a great deal of turnover and lost many qualified staff.’ (public servant, MoECR)

In addition to staff constraints, communication is also identified as a challenging issue, both within institutions and between institutions. The issue is caused simply by the shortage of staff vis-à-vis the assigned responsibilities. For example, given the nature of the tasks performed by PAME departments, constant collaboration with other units is required to ensure the effective analysis of specific data. However, owing to the heavy workload in the other units of the ministry, such collaboration is not always successful. A second reason relates to the limited communication from data users on their needs. Some of the respondents perceive that there is limited clarity on what, how and why they should analyse. This, in turn, limits the potential role of these institutions as a mediating body between policymakers and evidence producers.

> ‘We want to make relevant, quality products that will later be taken into account when developing policies so that our effort is not in vain, but in addition to capacity building and the need for funding we also need to know exactly what information is needed by decision-makers, policymakers and data users.’ (public servant, NEA)‘At the moment we are really researching everything, but not exactly what we need.’ (public servant, GoM)

Finally, there is also recognition of a lack of communication between decision-makers and researchers, although various research institutes like the INCE and ICJPS, as well as research units in universities (ASEM, UATM, USM, ISE, etc.), periodically contribute to the process of evidence analysis and carry out research on the labour market.

> ‘Regarding research institutes in general I don't know what they do, what their products are, apart from the INCE. We at the ministry do not know what they are doing, we are not informed, they do not come to ask us what research is needed, etc.’ (public servant, MoHLSP)‘Occasional research is done, but there is no continuity …’ (public servant, MoECR)

The discussion with representatives of the research community showed that the decision about what research to conduct usually depends on the estimation of social priorities by directors of institutes and research teams directly involved in the preparation of project proposals. Such decisions are also based on the conditions and requirements of programme competitions organised by authorised state agencies and international projects. Government-funded research is indeed the most important source of funding. The resources are allocated on a competitive basis, which does not always favour areas specified as a priority in different strategic documents. There are also cases when specific requests for research come from the central authorities. This often stems from their need to back the promotion of a legislative act.

At the same time, research and analysis are carried out periodically by private-sector think thanks, which are funded by budgets other than the state budget. However, these activities are most often ad hoc and in line with the requests of funders and their priorities.

> ‘In our activity in the applied economy, we offer consulting services and depend very much on funding from foreign donors; and even if we conduct sporadic research on request in the field of labour markets, for example to see what the situation has been in the past five years, in the absence of previous research and analysis in the field, it is very difficult to translate certain conclusions into the preparation of public policies.’ (representative of a private research community)

To sum up, the main evidence pertinent to ALMPs and employment policies in general is analysed through specific departments in public ministries and agencies, particularly the LMO and PAME departments. These units have the right to request information from other public institutions responsible for evidence creation, such as the NBS and NEA. Their analytical outputs are disseminated through presentations and publications that are accessible on their websites. The main challenges lie in the quantity and quality of human resources, given that not all employees have the analytical skills and knowledge needed for data analysis. In addition, research institutions appear to be involved in the analytical stage to a very limited extent as a consequence of a lack of resources to outsource services, which could be used, for example, by the NEA, or a lack of communication with decision-making agents.

4.3 Evidence use

Government Decision No. 386, of 17 June 2020[9], on the planning, development, approval, implementation, monitoring and evaluation of public policy documents requires public policy proposals to contain the results of any ex-ante impact analyses of public policies that are developed for the identification of optimal solutions to economic, social and environmental issues. Thus, the role of evidence is formally recognised as an important element in policy decisions.

The State Chancellery of the Government of Moldova is responsible for ensuring the implementation, coordination and monitoring of policies as well as the application of established procedures by ministries and other public administration authorities.

The MoHLSP develops policies and strategies in the field of employment. It does so through its Employment and Migration Policy Department in close cooperation with other line ministries and relevant institutions. The MoHLSP coordinates the implementation of the National Employment Strategy, the development of the annual action plan, and the preparation of the annual implementation and evaluation reports, which are submitted first for validation to the National Commission for Consultation and Collective Bargaining and then to the State Chancellery.

To develop labour market policies, the MoHLSP relies on its internal units, mainly the Occupational Policies and Regulation of Migration Department and its PAME Department, but also the subordinate NEA and its regional units. The main sources used in the development of employment and social protection policies are employers' and occupational skills surveys produced by the NEA and labour market data produced by the NBS.

> 'We use data from the NEA. We establish models of reports on which the NEA must submit data to us, for example, on beneficiaries by employment measure, by gender, by age, by level of training, etc. Maybe the data are not the most efficient, but this depends on the information system for which most of the time there is not enough money from the state budget to make improvements or even maintain the system … [W]e also use NBS data, the labour market survey. I can rely on NBS data. They regularly come up with data that I can compare over a period of several years.' (public servant, MoHLSP)

At the level of ALMP implementation, the NEA uses data gathered on the registered unemployed, job vacancies, the occupations most in demand in the labour market, and the findings of the annual employers' survey to adjust the delivery of employment services and vocational training programmes. However, it is important to note that the training offer and the content of training courses are entirely the prerogative of the MoECR and its subordinate institutions. At the same time, the implementation of services and measures is largely influenced by the available budget that is allocated to the NEA for ALMPs. For example, following an analysis of available data, the Law on Employment was drafted and adopted together with an employment strategy. In addition, the MoHLSP approved a plan for the

[9] The decision establishes the National Strategic Planning Framework and addresses various aspects of public policy documents. It is accessible at: https://www.legis.md/cautare/getResults?doc_id=121921&lang=ro.

implementation of ALMPs with well-estimated costs. However, the final decision of the Ministry of Finance allocated only a portion of the financial resources requested.

> ‘We submit proposals to the ministry regarding the budget for each activity, which is usually established at the level of the previous year. But in the end, the Ministry of Finance is the one who decides: "Don't tell me where to cut, you will cut from your budget, because there is no money". Each time, some measures are not financed and remain unrealised. But if no resources are allocated, then we should not be asked to carry out the activities.’ (public servant, NEA)

Assessment of the evidence use phase

The usage of evidence is a formal requirement for the development of public policies. Key data users, such as the MoHLSP and NEA (with the State Chancellery), actively consider available evidence when planning their activities.

However, the extent to which data are used depends on institutional and professional capacities as well as cultural factors and political will. All these factors point to a limitation of evidence-based policymaking at the governmental level that is rooted in a shortage of staff and a lack of analytical capabilities at the ministerial level. The latter issue is confirmed not only by civil servants themselves but also by other participants in the interviews and focus group. A lack of understanding on how to interpret data leads to a situation where evidence is taken into account only as a formality.

> ‘When we work with ministries, we feel the lack of capacities especially at the evaluation reporting stage. If I am being very honest, evaluation capacities practically do not exist in the ministries. Maybe it's our fault that when reforms were enacted, we weren't very consistent. The functions of some departments were changed, while others disappeared or were merged. When departments were merged, they lost their duties and responsibilities along the way. In addition, there is a capacity issue. The newly appointed people who have responsibilities in the evaluation process are not always prepared well enough in this respect.’ (public servant, GoM)‘The analysis process needs to be improved, as do the analytical capabilities – which we lack – and the understanding and interpretation of data.’ (public servant, MoHLSP)

Evidence users also identify a lack of available information needed for their decisions or a lack of evidence that they would ‘trust’. Under such conditions, they search for alternative ways to take decisions (e.g. based on their personal beliefs). Finally, the decision-making process is also affected by external factors, such as the overall political situation or budget possibilities that are not necessarily in line with the priorities of different ministries.

‘We definitely do not use the data produced by the NEA and LMO, because they are created primarily on the basis of interviews or questionnaires. We cannot make a public policy based on questionnaires; we must have concrete information.’ (public servant, MoECR)

‘In the period of over six months since I have been here, I have seen only one or two impact analyses done well and argued with figures, with data, whereas most analyses are done only for the sake of doing them, just to complete the list for a draft normative act because it is necessary for a normative act submitted to the government for approval.’ (public servant, GoM)

‘In addition to the insufficient quality of existing human resources to do the data analysis, I think that a rather important factor should be objectivity in the use of data. To put it more delicately, … I am talking about the fact that as a result of data analysis, the identification of political solutions should be supported by decision-makers without being distorted, because initiatives are often distorted in the end, modified or rejected. And I think this is a factor that influences the process quite a bit.’ (public servant, GoM)

Another issue identified during the fieldwork is a limited consideration of evidence and analytical work produced by (private) research institutes or NGOs. According to the feedback obtained from the representatives of ministries, there are several reasons. First, they feel that a strong research base with rigorous, systematic research findings is not available in the case of key labour market issues. Research conducted by non-public actors is often ad hoc and/or in line with the requirements of funding institutions that do not necessarily reflect what ministries need. In addition, there are concerns about the methodologies and their robustness. Second, there is a general lack of awareness of what relevant research institutions are doing. On the other hand, the MoHLSP does periodically use the analyses and results of research commissioned by development partners, who manage to communicate their activities more effectively.

‘About research institutes in general, I don't know what they do, what their products are, apart from the INCE. We do not know what they are doing, we are not informed, they do not come to ask us what research is needed, etc. The MoECR, which the research institutes fall under, and the State Chancellery should better coordinate and plan the activities of institutes. I believe that the research policy needs to be revised, asking why and for whom so much research is done, because we still do not have evidence-based policymaking, no ministry does in principle.’ (public servant, MoHLSP)

‘We also look at the studies that are done by other actors (NGOs), but with great caution, especially when the data are based on questionnaires, as their quality and credibility depend a lot on the person who prepares them. I do not have enough confidence in these data. Research is not done according to a single methodology … So decisions are taken individually on the methodology, tools, sample and so on … Studies are done only

occasionally, there is no continuity, and we cannot consider them.' (public servant, MoHLSP)

In general, evidence should be used formally in the decision-making process. In the case of ALMPs and employment policies, evidence is considered when planning employment-related actions. However, the usage of evidence is dependent on several factors, such as external pressure (e.g. the available budget), the evidence culture (i.e. the trust and belief of decision-makers in the importance and/or quality of evidence) and the internal capacities of managers and decision-makers to understand the presented evidence.

5. LESSONS LEARNT (AND THE WAY FORWARD)

The planning and implementation of active labour market policies should be based on evidence so that the effects of any adopted measures can be assessed. This study has looked at the evidence cycle in the field of ALMPs to understand the relationships between evidence creation, mediation and usage in the policy cycle. Despite the focus on a particular policy area, the collected evidence and conclusions are likely to be applicable to other policy areas and the general evidence culture in Moldova.

ALMPs aim to support and (re-)integrate people into the labour market. The use of evidence is thus crucial to making judgements about the effects of different measures and the way to spend and distribute the existing budget. To make such judgements, however, relevant evidence needs to be collected, processed and communicated to the actors responsible for both the planning and the implementation of policies. In addition, the process assumes the capacities and understanding needed to interpret and use evidence as well as a strong belief in the importance of evidence-based policymaking.

The integration of evidence into the policy cycle is not always straightforward. Several barriers may exist, including low quality and limited data collection, inefficient ways of presenting data to decision-makers, and the poor ability of people to understand the presented data on which they should be making decisions.

The study has identified several strengths and opportunities for improvement. First of all, there is an established administrative and survey data collection process. The list of indicators and the process for gathering and compiling data are defined. In addition, there is formal inter-institutional cooperation, which provides opportunities for feedback and consultation.

On the other hand, the analysis has also pointed to limited capacity in terms of the number of staff and the skills of staff needed to conduct data analysis. Thus, despite a large amount of produced data, the usage of data is conditioned by the capacity and ability of the relevant institutions to process them. Moreover, even the data that are produced by public bodies are not always trusted. The lack of trust relates to a (perceived) lack of transparency or a limited understanding of the methodologies used. But it may also reflect a limited perception of the importance of using evidence for policy decisions.

Finally, despite the formally established cooperation among institutions, both mutual communication and coordination are lacking. This means that, on the one hand, those who are responsible for data collection and analysis are not always clear about the real purpose and usage of their analytical input. On the other hand, those responsible for decision-making often feel that they cannot take decisions based on what they receive. There is limited shared ownership of the evidence cycle, that is, of the process that clarifies what, how, by whom and for what purpose any evidence should be produced, and this in turn leads to a situation of general frustration and false expectations among different actors. At the same time, it may also lead to a situation where evidence is treated only as a formality and serves no real purpose.

Based on key conclusions, we draw the following recommendations, which pertain not only to the field of active labour market policies, but also more broadly to the skills development area.

Do less but with a clear vision (for change)

Having a purpose and clear understanding of how collected data will be used helps in specifying what needs to be collected and analysed. This, in turn, narrows the expectations between evidence users and producers. In the case of ALMPs, a range of data is collected on beneficiaries, types of intervention, and expenditure. However, information on, for example, the effects of such measures is missing. Consequently, making decisions on the content of ALMPs and corresponding budget allocations is a rather administrative exercise that relies on information related to the budget allocations in past years, which do not necessarily prioritise either the measures that have the greatest effects or the current overall situation in the labour market.

If evidence is to be used for policy decisions, setting priorities and clear objectives on what evidence is to be collected and for what purposes may improve the communication between evidence users and evidence producers and help to rationalise the use of available human and financial resources. In addition, the approach should take into account the full policy cycle, i.e. the phases of policy formulation, implementation and evaluation, the latter of which is often absent.

This approach calls for a better use of the existing formal inter-institutional cooperation. The MoHLSP should take the lead in specifying future plans and needs for analytical input, providing clear guidelines on the purpose and use of data. In the case of ALMPs, a formal evaluation programme should be defined. Such a programme could also help to specify the type of evidence to be produced as well as identify the institutions which should be responsible for data collection and analysis.

Approach to evidence for employment policies in Sweden

Swedish government offices take facts and research as a basis for decisions. In the case of any major change in legislation, the Ministry of Employment often appoints an inquiry to collect existing evidence and conduct impact assessments. A government office can request the generation of new statistics or evaluations if needed. Funds are also allocated for research every four years through the Research Bill. In the preparation of the Research Bill, policymakers, universities and other research institutions, as well as other relevant actors (e.g. research funders), are invited to identify where more research is needed and make suggestions for new research.

The analytical department of the Ministry of Employment is located in the Operational Support Secretariat. The ministry also cooperates with other bodies that are responsible for the generation of data and analysis relevant to ALMPs. For example, the Swedish Public Employment Service is responsible for analysing, following up and evaluating the implemented measures. Moreover, the Institute for Evaluation of Labour Market and Education Policy is responsible for scientific evaluations of the effects of labour market policies, studies on the functioning of the labour market, etc. The institute prepares studies and participates in workshops and debates to share the knowledge resulting from its work. In addition, official labour market data are collected by Statistics Sweden.

The ministry gives research assignments based on specific needs and policy priorities. This task is done in cooperation with the relevant (research) institutions and stakeholders. The ministry is then required to consider the provided evidence in its decisions.

- Use existing inter-institutional consultations to regularly review needs for the generation of new evidence and analysis in line with policy priorities under the leadership of the MoHLSP.
- Strengthen the involvement of the research community and employers in the inter-institutional consultations carried out in the area of employment policies, relevant data collection and usage.
- Shift from a focus on monitoring to (impact) evaluation in order to shape existing policies under the leadership of the NEA.

Use your human resources wisely and have realistic expectations

The role of the public administration is to develop, implement and monitor public policies and budgets. Roles and responsibilities are defined and so are relationships and duties towards one another. In the case of ALMPs, the decision-making body is the MoHLSP, while the NEA is the implementing institution, which also collects data to monitor the usage of ALMPs. In addition, any data that are relevant to the labour market and can have an influence in shaping employment policies in general come from the NBS and the Ministry of Education, Culture and Research. Beyond the public administration, research institutes have the capacity to develop and implement robust methodologies for policy-oriented research. Thus, they are equipped to assess existing policies and feed into the policy cycle.

Decisions on the role of different institutions in the evidence cycle must take into account the key responsibilities and capacities of the institutions involved. While the NEA focuses on the delivery and monitoring of active labour market measures, it is the involvement of the research community, universities and private consultants that can provide methodologically robust feedback on activities and help to shape employment policies. Involving external bodies should also lend greater credibility to the results, especially from any evaluation of active labour market programmes.

The MoHLSP should systematically involve the research community in the evidence cycle, particularly the assessment of policies. This can lead to the generation of evidence that is useful for the planning and implementation of policy measures and, at the same time, free public-sector administrators from tasks that they are not necessarily equipped to do.

Research Institute for Labour and Social Affairs (RILSA) in the Czech Republic

In the Czech Republic, applied research on labour and social affairs at the regional, national and international levels is performed by RILSA, a grant-aided institute under the Ministry of Labour and Social Affairs. The institute's research plan is formulated in line with needs and in cooperation with government institutions. In some cases, work commissioned by the non-profit sector, international organisations or social partners is implemented. This means that

the institute's funding is provided partially by the state, but also by local and international bodies.

The institute employs researchers, managers and staff in its documentation department. The work is organised around research teams, which are responsible for individual research projects. The management consists of an institute manager, a deputy manager and a scientific secretary. Also, an RILSA research centre has been established in close cooperation with the Faculty of Social Studies at Masaryk University in Brno, which is home to one of the institute's two seats.

- Establish formal cooperation between the NEA/MoHLSP and universities or (public) research institutions.
- The MoHLSP should provide a (limited) budget to outsource research activities in line with policy priorities. In this regard, explore how donors' funds can be integrated into the effort.

Be transparent and communicate your data

Trust in evidence generally increases with clear guidelines on the methodologies used and their limitations. This is valid for any subject area, including ALMPs. Mutual agreement on the quality criteria for any implemented study and for any evidence to be used by policymakers can help to clarify what evidence is trustworthy. At the same time, any communication of data and analysis must be understandable to the target audience. Making evidence accessible and easy to read may increase the chances that is considered by policymakers.

Moreover, trust can be also strengthened by increasing the capacities of public-sector staff to understand how to collect and analyse data. Consequently, they will be better equipped to assess the quality of any collected data and formulate their own needs in terms of data generation.

Evidence strategy of the Ministry of Employment in Denmark

Denmark has integrated an evidence strategy into the activities of the Ministry of Employment in order to strengthen the knowledge base for employment policy at all levels. The strategy has three main steps: the collection of existing evidence about what works, innovation in the production of new evidence, and the communication of results. The strategy also highlights the importance of evidence in different phases of the policy cycle, including the planning phase, where the potential effects of different policy proposals should be assessed, and the implementation and evaluation phases.

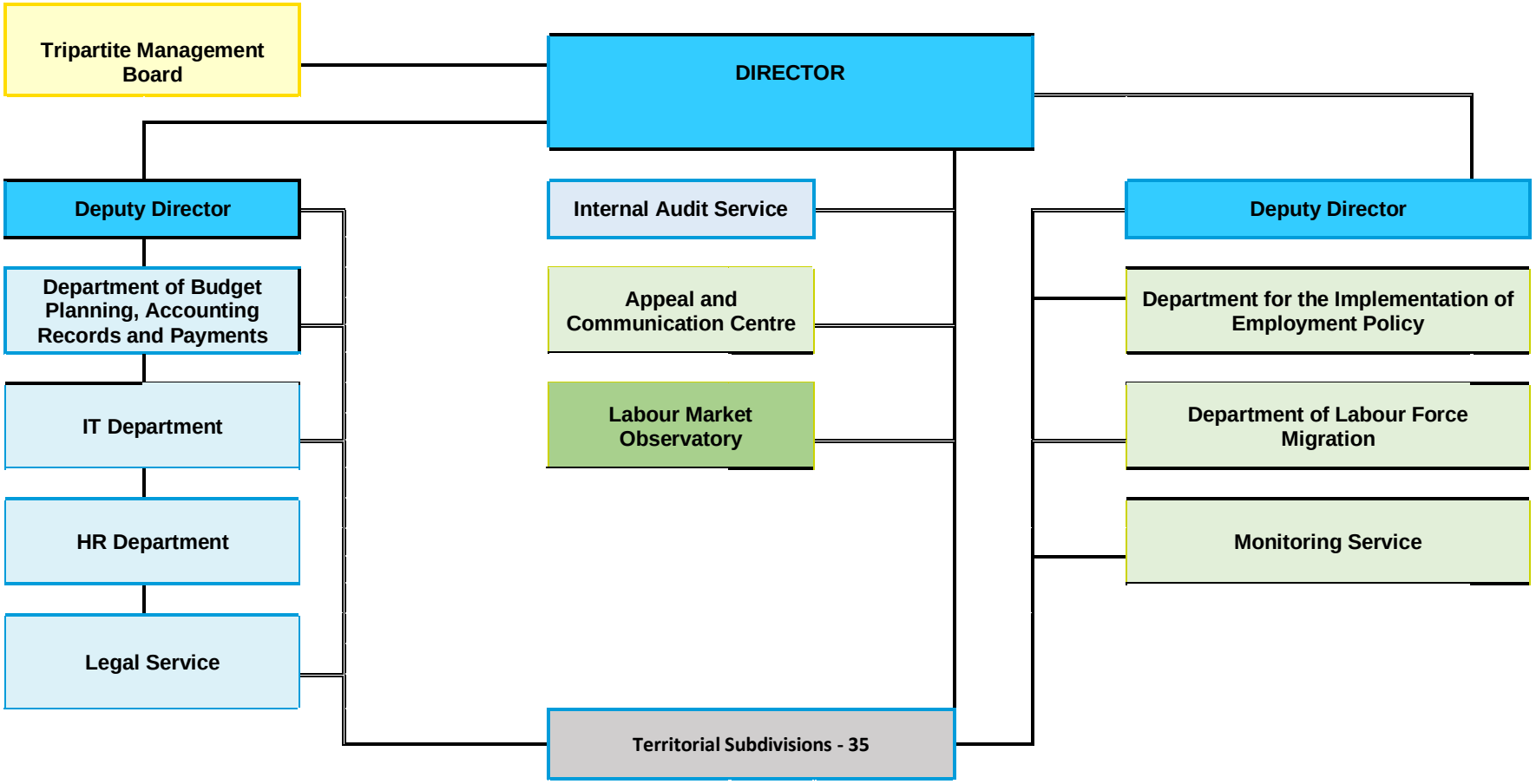
The Danish Agency for Labour Market and Recruitment, which is responsible for the implementation of employment policies, puts effort into systematic research and evidence collection. A dedicated budget for research studies is used mainly to assess the effects of labour market measures.

Research results are disseminated through a number of channels, such as the agency website, conferences and various other networks. Finally, all studies are stored in a web-based knowledge bank that is accessible to the general public. The knowledge bank (Jobeffekter.dk) houses a variety of studies, whose quality is assessed by independent researchers that decide which research papers to add to the database. Each study is awarded a stamp of quality, based on the quality of the data used, the robustness of the methodology, etc., and it receives a star rating, which indicates its aggregate effect.

- Create an open online repository of existing research into ALMPs and employment policies in line with agreed quality criteria.
- Support staff in ministries with basic training on research design, data collection methods and data interpretation, involving data producers, such as the NEA, NBS and research institutes or universities.

ANNEXES

A.1 Diagram of the National Employment Agency



A.2 List of interviews

No.	Institution
1	Centre of Excellence for Light Industry, Chișinău
2	VET Private School 'Insula Speranțelor', Chișinău
3	Labour Market Observatory Department, NEA
4	MoHLSP
5	ILO Moldova
6	ADA, Prodidactica, Project DevRAM
7	MoECR: Policy Analysis, Monitoring and Evaluation Department
8	State Chancellery of the Government of Moldova, Policy Coordination and Priorities Department
9	NBS
10	National Employment Agency
11	VET Department at the MoECR

A.3 Interview guide

The goal of this interview is to gather your reflections on evidence-based policymaking in the field of planning and evaluating active labour market policies (ALMPs)[10]. In other words, we would like to ask you questions related to evidence collection, communication and usage in the process of planning and evaluating different types of (active labour market) support/training[11].

a) Presentation of the institution and its responsibilities[12]
(This section aims to collect basic information about the institution in terms of its key responsibilities, its status and its role in the policy cycle – planning, implementation, review.)

Key information about the organisation:

- name of organisation, location and date of establishment
- status and role of the institution in the policy cycle (planning, implementation, review)
- number of employees (members)
- subordination (if any)
- name and position of the interviewee

Information about the activities of the organisation:

- the main goal/mission of the organisation
- the target groups/beneficiaries of the organisation
- the main tasks/functions of the organisation

[10] Refer to the definition of ALMPs, if necessary.
[11] To be adapted according to the type of interviewed institution
[12] This section can be (partly) 'pre-filled' by the local expert prior to the interview.

- the body and/or document which defines the role, tasks or functions of the organisation (the corresponding document should be provided)

b) Role and responsibilities in the evidence cycle

(This section aims to understand the role of the institution in the evidence cycle – evidence identification, creation, communication or usage – and the usual practices related to evidence identification, creation, communication or usage. Evidence can be also understood as data/statistics, analytical reports, research, etc.)

- What are the main responsibilities of your institution with respect to evidence? Do you mainly produce, communicate or use evidence for decision-making?

(Applicable to evidence producers)

- Please describe the broad categories of evidence that your institution has produced in the past six months. (Please provide a few examples.)
- How does your institution usually decide what evidence to produce? Why? (Please provide a few examples.)
- How do you usually collect evidence? Why? (Please provide a few examples.)
- How do you usually disseminate the evidence produced? Why? Do you use intermediate bodies (e.g. scientific committees, think tanks)?

(Applicable to evidence users)

- Please provide a typical example of a decision-making process in your institution and describe what steps are usually taken to arrive at a decision.
- How does your institution usually decide what evidence to use? Why?
- Does your institution influence what evidence is collected? How?
- How do you usually use existing evidence, i.e. at what stages, for what purposes? Why?
- How is your institution usually informed about existing evidence? Why? Do you use intermediate bodies (e.g. scientific committees, think tanks)?

c) Evidence cycle strengths and weaknesses

(This section aims to assess the overall evidence cycle with a focus on the main strengths and challenges.)

- Which phases in the evidence cycle are performed best? Why?
- Which phases in the evidence cycle are performed worst? Why?
- Which phases in the evidence cycle are missing? Why?
- What are the key strengths/good practices related to the current ways that evidence is produced/communicated/used? Why?
- What are the key challenges related to the current ways that evidence is produced/communicated/used? Why? What are the consequences?

d) **Way forward**

(This section aims to gather some suggestions on how to strengthen the evidence cycle for ALMPs, with a focus on elements such as mechanisms, actors and their responsibilities.)

- Building on the specified strengths and challenges, what kind of improvements in the evidence cycle are crucial to strengthen the link between evidence creation and evidence usage for policy decisions in the field of ALMPs?
  - What (new) mechanisms should be introduced/changed?
  - What (new) processes should be introduced/changed?
  - What (new) actors should be involved?
  - What (new) tasks and responsibilities of (which) actors should be introduced/changed?

e) Any other issues and/or recommendations

A.4 Focus group interview

The focus group aimed at understanding how research produced by the scientific community is used in policymaking in the country. The target population was made up of representatives of the research community in the field of education and labour market policies. The following institutions were represented: the Expert Grup, the State Agricultural University of Moldova, Moldova State University, the Institute for Development and Social Initiatives 'Viitorul', the Institute of Legal, Political and Sociological Research, and the Institute of Economic Research and European Studies in the Academy of Economic Studies of Moldova.

The key questions addressed in the focus group were:

1. **What are the perceptions of the research community with regards to the impact of its research?**

a) How does your institution usually decide what evidence/research to produce in the field of labour market/education? Why?
b) How do you usually disseminate the evidence that is produced? Why? Do you use intermediate bodies (e.g. scientific committees, think tanks)?
c) What is your view on the usage of the evidence produced in the field of labour market/education for policymaking? What are your reasons?

1. **What are the perceptions of the research community about the areas in which recently performed research was most widely used?**

a) Can you think of an example of ALMP/labour market/education research where the evidence produced by you was used by policymakers?
b) Explain how and by whom the results of your research were used, at what stages, for what purposes?
c) Why do you think that this happened?

2. **What are the opinions of the research community regarding factors that favour or inhibit the use of research in decision-making?**

a) What are the key strengths/good practices related to the current ways that evidence in the field of labour market and education is produced/communicated/used? Why?

b) What are the key challenges related to the current ways that evidence in the field of labour market and education is produced/communicated/used? Why? What are the consequences?

c) Building on the specified strengths and challenges, what kind of improvements in the evidence cycle are crucial to strengthen the link between evidence creation and evidence usage for policy decisions in the field of labour market and education?

The focus group was conducted in Chișinău, Moldova, on 18 September 2020. The group consisted of four men and four women.

The participants were asked to take part in a discussion, reflect on the process of evidence-based policymaking in the skills development sector, particularly ALMPs, and share their knowledge and opinions on how research produced by the scientific community is used for policymaking in the country. The discussion was recorded by a moderator and then used to create a summary report. The analysis of the results was then integrated into the overall report.

ABBREVIATIONS

ALMPs	Active labour market policies
ASEM	Academy of Economic Studies of Moldova
CAEM	Classification of Economic Activities of Moldova
BMZ	Federal Ministry for Economic Cooperation and Development of Germany
CoCI	Chamber of Commerce and Industry
CoE	Centre of excellence
DANIDA	Danish international development agency
DevRAM	Development of Rural Areas in the Republic of Moldova
EBPM	Evidence-based policymaking
EEE	Eastern European Foundation
ETF	European Training Foundation
EU	European Union
GoM	Government of Moldova
GIZ	German international development agency (Gesellschaft für Internationale Zusammenarbeit)
ICT	Information and communications technology
ICJPS	Public Institute of Legal, Political and Sociological Research
ILO	International Labour Organisation
INCE	National Institute for Economic Research
ISE	Institute of Educational Sciences
LFS	Labour Force Survey
LMO	Labour Market Observatory
MiDL	Migration and Local Development
MoARDE	Ministry of Agriculture, Regional Development and Environment
MoECR	Ministry of Education, Culture and Research
MoHLSP	Ministry of Health, Labour and Social Policy
MTBF	Medium-term budgetary framework
NBS	National Bureau of Statistics
NEA	National Employment Agency
NGO	Non-governmental organisation
OECD	Organisation for Economic Co-operation and Development
PAME	Policy analysis, monitoring and evaluation
SDC	Swiss Agency for Development and Cooperation
SIME	Education management information system
SMEs	Small and medium-sized enterprises
UASM	State Agricultural University of Moldova
UNDP	United Nations Development Programme
USM	Moldova State University
UTM	Technical University of Moldova
VET	Vocational education and training
WB	World Bank

REFERENCES

Davies, P. (1999), 'What is evidence-based education?'. *British Journal of Educational Studies*, 47, 2, pp. 108–121.

EC (2018), *Labour Market Policy Statistics: Methodology 2018*, Luxembourg: Publications Office of the European Union.

Gough D., Tripney J., Kenny C., & Buk-Berge, E. (2011), *Evidence Informed Policy in Education in Europe: EIPEE final project report*. London: EPPI-Centre, Social Science Research Unit, Institute of Education, University of London.

Graham I., Logan J., Harrison M., Straus S., Tetroe J., Caswell W., & Robinson N. (2006), 'Lost in knowledge translation: time for a map?' *Journal of Continuing Education for Health Professionals*, 26(1): 13–24.

Ion G., Iucu R. (2015), 'Does Research Influence Educational Policy? The Perspective of Researchers and Policymakers in Romania'. In: Curaj A., Matei L., Pricopie R., Salmi J., & Scott P. (eds) *The European Higher Education Area*, Cham: Springer.

Nutley S., Walter I., & Davies H. (2007), *Using evidence: how research can inform public services*. Bristol: Policy Press.

OECD (2007), *Evidence in Education: Linking Research and Policy*, Paris: OECD Publishing.

Walter I., Nutley S., & Davies H. (2005), 'What works to promote evidence-based practice? A cross-sector review'. *Evidence and Policy*, 1(3), 335–363.

Relevant legislation

Labour Code of the RM No. 154-XV of 28 March 2003

Law No. 166, of 11 July 2012, on the National Development Strategy Moldova 2020

Law No. 121, 2014

Law No. 105, on the Promotion of Employment and Unemployment Insurance, 2018

Law No. 30, on the Fiscal Code, 2019

Law No. 93, on Official Statistics, 2017

Government Decision No. 168, of 9 March 2010, on the Approval of the Framework Regulation of Policy Analysis, Monitoring and Evaluation Department

Government Decision No. 631, of 22 August 2011, on the Establishment of the Economic Council as an Advisory Body to the Prime Minister

Government Decision No. 425, of 3 June 2015, on the Approval of the Nomenclature of Professional Training and Trades/ Professions

Government Decision No. 425, of 3 July 2015, on the Nomenclature of Vocational Training Fields and of Professions

Government Decision No. 853, of 14 December 2015, on the Approval of the Nomenclature of Professional Training Areas for Post-Secondary and Post-Secondary Non-Tertiary Specialisations and Qualifications

Government Decision No. 1451, of 30 December 2016, on the Approval of the Strategy for the Development of the National Statistical System 2016–2020

Government Decision No. 1473, of 30 December 2016, on the Approval of the National Employment Strategy for 2017–2021

Government Decision No. 244, of 21 March 2018, on the Establishment of the National Council of Statistics

Government Decision No. 935, of 24 September 2018, on the Approval of the New Regulation of the NBS

Government Decision No. 990, of 10 October 2018, on the Approval of the Regulation of the NEA

Government Decision No. 1276, of 26 December 2018, on the Procedure for the Professional Training of the Unemployed through Qualification, Requalification, Improvement and Specialisation Courses

Government Decision No. 386, of 17 June 2020, on the Planning, Elaboration, Approval, Implementation, Monitoring and Evaluation of Public Policy Documents

MoHLSP Order No. 19, of 1 February 2018, on the Approval of Service for Policies in the Field of Medical and Social Personnel

NEA Order No. 88, of 28 December 2018, on the Territorial Units of the NEA

MoHLSP Order No. 3, of 9 January 2019, on the Approval of the Regulation of the Tripartite Council of the NEA