

TORINO PROCESS 2014

REPUBLIC OF MOLDOVA



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EXECUTIVE SUMMARY

The progress recorded by technical vocational education in the Republic of Moldova¹ since 2010 is significant, given its central position in the policy agenda and the implementation of preliminary steps for the needed reforms. The approach to reforming the technical vocational education system was to design a uniform, coherent vision regarding the required changes as reflected in the approved Strategy for the Development of Technical Vocational Education 2013-20. In order to achieve its strategic objectives, financial resources and technical assistance from the European Union (EU) have been assured and a new legal framework, the Education Code, has been approved that reflects the new socioeconomic conditions in Moldova.

The Strategy for the Development of Technical Vocational Education 2013-20 is part of a broader package of programmes and strategies that establish medium- and long-term objectives for the development of technical vocational education, defining guidelines and priorities from the lifelong learning and European integration perspectives. Thus, by 2020 technical vocational education is planned to be more attractive, of better quality, relevant to labour market needs, affordable, career-oriented and flexible, and, moreover, will allow validation of non-formal and informal learning and will foster mobility in Europe. Technical vocational education graduates can expect to have enhanced job opportunities as a result of the key skills, attitudes and professional competences acquired in the reformed system.

In this context, reform entails rethinking vocational education in order to create a new professional training system, namely, the vocational/technical education system (as renamed in the new Education Code). In light of this new vision, the vocational/technical education system includes all institutions specialized in the training of skilled workers, supervisors, technicians and other types of specialists in accordance with International Standard Classification of Education (ISCED) levels III and IV.

The achievement of the established strategic objectives requires the combined efforts of all relevant public and private stakeholders cooperating in an effective, permanent and trustful partnership.

In the economic and social areas, the overall situation has generally improved since the period covered by the last Torino Process report. The data show that gross domestic product (GDP) grew on the basis of improved results for agriculture but also due to increased consumption based primarily on remittances. The trade balance continued a trend of higher imports than exports. More than half of GDP continues to correspond to Chisinau and about one third of GDP is from small and medium enterprises (SMEs) representing 97.5% of all active companies. Policies to promote private initiatives and increase their contribution to GDP have been developed, but the main economic challenge is transforming the growth pattern to one that ensures sustainability while creating well-paid jobs.

The active population continued to decrease, falling to under two fifths of the total population. About one third of the population is employed in agriculture and just under half in services. The unemployment rate is relatively low, but reflects a high level of underemployment in various economic sectors (especially agriculture and services). Growing emigration combined with demographic decline challenge the myth that the Moldovan pool of labour is plentiful, skilled and cheap. There are substantial imbalances between supply and demand in the labour market and a shortage of skilled workers.

To identify the skill needs on the labour market studies are conducted (annually) by Employment Agency with results being mainly used for planning the training for the unemployed. Partnerships

¹ Hereafter 'Moldova'.

dedicated to vocational training have been built, in the form of sectoral committees that were involved in the development of methodologies for occupational standards and qualifications. They were developed to take over their roles related to labour market and training, including the identification of training needs and the recognition of prior learning. The Classification of Occupations in Moldova has been revised based on ISCO 08 and the nomenclature of qualifications provided within the VET system has been revised.

Work on development of the National Qualifications Framework (NQF) for the technical vocational education sector has intensified and work on a concept paper for the national validation system for non-formal and informal learning has been completed. The new Education Code is now the legal basis for the institutionalisation of reforms in the technical vocational education system.

Despite the economic difficulties, in recent years the Moldovan authorities ensured a steady increase in funds allocated to education, in conditions of demographic decline and of a significant decrease of the population included in the education process.

Expenditure per capita has increased substantially, but mainly as a result of maintaining an oversized technical vocational education network. In the last two decades the number of students enrolled in secondary vocational and specialist secondary education decreased by almost 53%, while the infrastructure remained almost unchanged. There are, on average, 4.8 students for every employee, with between 9.7 students per teacher in colleges and 8.2 students per teacher in vocational schools. Between 2006 and 2011, the total cost of training per student tripled in technical vocational schools and doubled in colleges.

Profound reform of the system started, with EU support, in 2014, with a mapping of existing technical vocational education institutions so as to develop a restructuring plan. In Moldova there are 100 technical vocational public education institutions (41 are colleges, 46 vocational schools and 13 trade schools) and a further six institutions in the prison system. According to the National Bureau of Statistics, the number of secondary education institutions has decreased by about 11% and the number of post-secondary education institutions by about 5%.

Policy documents developed in the 2010-14 period suggest the need for deep reforms in the education system, focusing mainly on quality assurance. A new configuration is proposed for the system that supports lifelong learning, facilitates the recognition of prior learning and describes qualifications in terms of learning outcomes and key competences. The aim is to redefine the educational goals of schools so as to train people with initiative, who are capable of self-development and who have not only the knowledge and skills required for employment but also independence of opinion and action.

Starting in the 2013/14 academic year, all technical vocational education institutions in Moldova have implemented entrepreneurship education as a compulsory subject based on a modular curriculum. A further six modular curricula have already been designed for secondary vocational schools, with three of them already being implemented.

With the entry into force of the Education Code, the technical vocational education route after gymnasium offers two options: secondary technical vocational education (vocational school) and post-secondary technical vocational education (college). The trade schools that existed under the previous system will cease to exist. From 2018, education will be compulsory up to the age of 18 years.

For the coming years, the priorities of the Ministry of Education in relation to technical vocational education are as follows:

- to continue the reform and restructuring of the technical vocational education network in accordance with the socioeconomic requirements of Moldova;

- to build and strengthen the quality assurance system in the technical vocational education system;
- to strengthen cooperation and partnerships, and increase the relevance of technical vocational education provision in relation to the demands of society.

INTRODUCTION

Torino Process reports record progress and propose policies for technical vocational education. In Moldova the Torino Process was launched in 2010 as a self-assessment process with at least two objectives: to involve Moldovan stakeholders more in assessing policies for technical vocational education and to enhance Moldovan national capacity for policy making based on evidence regarding achievements.

In order to prepare the 2010, 2012 and (current) 2014 reports, the Ministry of Education appointed the Republican Centre for the Development of Vocational Education to collect and process information and coordinate the activities of a working group representing key institutions operating within the Moldovan socioeconomic context. This report was therefore drafted jointly by representatives of the Republican Centre for the Development of Vocational Education of, the Ministry of Education, the Ministry of Labour, the Employment Agency, the Ministry of Economy, the Ministry of Territorial Development, the National Bureau of Statistics and the social partners.

1. VISION FOR THE NATIONAL VET SYSTEM

1.1 Introduction to the VET system

In the course of drafting the 2014 Moldovan Torino Process report, the Moldovan education system took a major step into the future with the adoption, in summer 2014, of a new Education Code.

Still in force is Law No 547-XIII/1995 (on education), which structures the education system as follows:

- Preschool education (age three-seven years) organised in nurseries and kindergartens
- Primary education (grades I–IV)
- General secondary education:
 - Gymnasium (grades V–IX)
 - Lyceum (grades X–XII)
- Secondary vocational education (organised in one-year trade school courses and three-year vocational school courses)
- Specialist secondary education (organised in two- to five-year college courses)
- Higher education:
 - Cycle I (three- to five-year bachelor's degree)
 - Cycle II (one- to two-year master's degree)
 - Cycle III (three- to four-year doctoral degree and postdoctoral studies lasting up to three years).

Compulsory education starts with preschool preparatory education (age five-six years) and ends with gymnasium education. After gymnasium, if students do not choose employment, they have four educational options: (i) lyceum (with an entrance exam), (ii) vocational school, (iii) trade school, or (iv) college. As for higher education, lyceum or college graduates holding the baccalaureate diploma are eligible for bachelor studies (cycle I); thereafter, successfully completing each cycle enables access to the next cycle.

1.1.1 The technical vocational education system²

The technical vocational education system includes secondary, post-secondary and post-secondary non-tertiary technical vocational education (i.e. ISCED levels III, IV and V). The system includes (in addition to six prison institutions) 100 public technical vocational institutions: 41 colleges, 46 vocational schools and 13 trade schools.

Secondary technical vocational education (ISCED level III) is organised in vocational schools offering three-year courses (training in related occupations, based on gymnasium education), two-year courses (training in a single occupation, based on gymnasium education) and one- to two-year courses (training in a single occupation, depending on complexity, based on lyceum studies, or general studies or dual education, based on gymnasium education). This level of education may also

² From now on, specific terms from the Education Code will be used in the Torino Process country report 2014, since some education forms are already under restructuring (disbanded).

take place in prisons or correctional institutions in the form of programmes organised under the auspices of secondary technical vocational education institutions operating in the area.

Post-secondary technical vocational education (ISCED level IV) is organised in colleges offering two-year courses (lyceum and gymnasium graduates), two- to three year courses (technical vocational education graduates, based on certified qualification in specialisms related to the initial occupation), three-year courses (lyceum graduates with lyceum certificate, part-time gymnasium graduates and integrated art school in ballet /dancing graduates, based on gymnasium education), four-year integrated programme courses (based on gymnasium education), and five-year integrated medicine and pharmacy courses (based on gymnasium education).

Post-secondary non-tertiary technical vocational education (ISCED level V) is organised in colleges and is similar to post-secondary technical vocational education except that admission is based on the baccalaureate diploma and studies last two or three years.

Vocational education institutions also offer — depending on labour market needs — continuing training programmes and professional training for skilled workers, supervisors, technicians and other categories, retraining for workers and specialists in various fields and courses to build professional competences for skilled workers.

Programmes for technical vocational education are expected to be developed and implemented in accordance with levels III (secondary), IV (post-secondary) and V (post-secondary non-tertiary) of the eight levels provided for in the Moldovan NQF.

1.1.2 Legal and regulatory framework

Over the past 20 years the technical vocational education system in Moldova has been governed by the following:

- the Constitution of the Republic of Moldova of 29 July 1994;
- Law No 547-XIII (education) of 21 July 1995;
- Law No 1070-XIV (classification of specialisms for training in specialist secondary education institutions) of 22 June 2000;
- Law No 154-XV (Labour Code) of 28 March 2003;
- Law No 102-XV (employment and social protection for jobseekers) of 13 March 2003.

In addition, the following have been considered: the concept on orientation, preparation and training of human resources (approved by Parliament Decision No 253-XV of 19 June 2003); the regulations on the organisation of continuing professional training (approved by Government Decision No 1224 of 9 November 2004 on the organisation of vocational training), developed under the concept on orientation, preparation and training of human resources; the nomenclature of qualifications provided within the VET system (approved by Decision No 1421 of 18 December 2006) – a flexible document in which the Ministry of Labour, Social Protection and Family, together with the Ministry of Education, supervises the proposals to include/exclude certain occupations/professions, according to the labour market demands and the demands of specialists in the secondary technical vocational education; the National Strategy on Employment Policies for 2007-15 (approved by Government Decision No 605 of 31 May 2007).

The legislative reforms initiated in Moldova, which take into account changes in the national economy and in the social sphere, have been inspired by European experiences and EU documents referring to technical vocational education.

Between 2010 and 2014 numerous laws and strategies were developed. The laws include one on social inclusion of people with disabilities (2012) and a tax code supplemented with tax exemptions for training spending (2013); a law on the working professions is also currently being finalised. Under Decision No 952/2011, occupational standards have been developed and reviewed. Furthermore, several strategies have been developed, among which the Strategy on Migration and Asylum 2011-20 (Government Decision No 655 of 8 September 2011), and the Action Plan for 2011-15 on the implementation of that strategy; the Methodology on the development and review of occupational standards for the working professions (Government Decision No 952/2011); the National Development Strategy 'Moldova 2020' (Government Decision No 187 of 3 April 2012); the National Regional Development Strategy for 2013-15; the Strategic Development Programme for 2012-14 of the Ministry of Economy; the Development Strategy of Small and Medium Enterprises for 2012-20; the Domestic Trade Development Strategy of Moldova for the years 2014-20; the Development Strategy of Vocational/Technical Education for the years 2013-20; and the Classification of Occupations in Moldova (CORM 006-14, 2014).

The essential legislative achievement aimed at modernising the education system — including the technical vocational education system — is the Education Code enacted in 2014 and still to be implemented). According to the Education Code, legal relationships in education will also be governed by international treaties such as the Universal Declaration of Human Rights, the United Nations (UN) Charter, the European Convention on Human Rights, the European Social Charter, the UN Convention on the Rights of the Child, the Framework Convention for the Protection of National Minorities, the United Nations Educational, Scientific and Cultural Organisation Convention Against Discrimination in Education, the UN Convention on the Rights of Persons with Disabilities, the International Convention on the Elimination of All Forms of Racial Discrimination, the UN Declaration on the Elimination of All Forms of Discrimination against Women, the Bologna Declaration and other international treaties to which Moldova is party.

1.2 Vision for the VET system

The overall vision regarding the socioeconomic development of Moldova is reflected in the Moldova 2020 National Development Strategy (approved by Law No 166/2012), which proposes seven priorities for economic growth and poverty reduction. Moldova 2020 recognises that professional training is a key dimension in sustainable development, so the first of the seven development priorities is 'linking the education system to labour market demands in order to increase productivity and employment'. Achieving this goal requires deep and unitary reforms in the technical vocational education. Thus, a Development Strategy for Technical Vocational Education 2013-20 was developed and approved (Government Decision No 97/2013) in order to develop a strategic vision on technical vocational education:

'By 2020 technical vocational education has to become attractive, qualitative, relevant to market demands, affordable, career-oriented and flexible and must allow for the validation of non-formal and informal learning and for mobility in Europe in compliance with the provisions of the Copenhagen Process and the Bruges Communiqué. Graduates of the technical vocational education system should have increased employment opportunities as a result of the key skills, attitudes and professional competences acquired.'

A significant impact is expected on economic development from the correlation between labour market demand and educational supply. The modernisation of professional training and the improvement of mechanisms for continuing training of the workforce will enable people to adapt to new labour market conditions. Strategic partnerships between the education system and labour market components are expected, based on which the education system will be able to adapt quantitatively, qualitatively and structurally to labour demand.

Education policy should be oriented to quality by (i) directing the educational process to the development of skills as required in the labour market and as described by the NQF and occupational standards; and (ii) increasing the capacity to forecast labour market skill needs while focusing on the creation of lifelong training opportunities (see Annex 1 for additional details regarding strategies that aim to contribute to the development of technical vocational education).

1.3 Capacity for innovation and change

The capacity for innovation and change of the technical vocational education increased during 2010-12 due to several investments in the system, with (i) financial support and technical assistance provided by international projects, and (ii) reforms initiated by the Government in the system. This year started the process of the unitary reform in the technical vocational education, with substantial support from the EU in the following programmes: (i) technical assistance for upgrading the technical vocational education, and (ii) budget support.

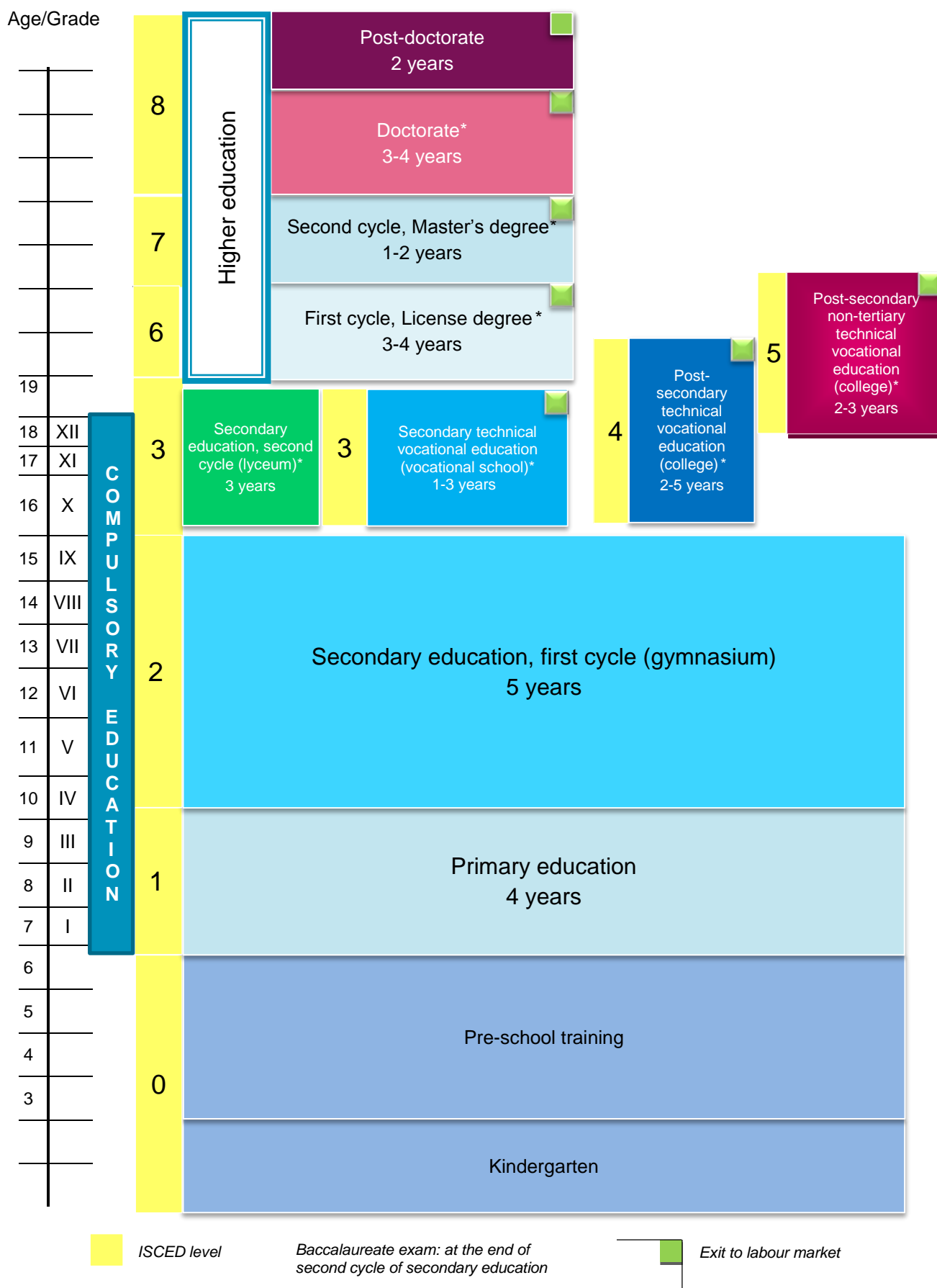
The Education Code will change the structure of the education system. The new system will be structured in levels and cycles in accordance with ISCED 2011 (see **FIGURE 1.1**):

- primary education (level 1) with four years of study – grades I-IV;
- secondary education, cycle I – gymnasiums (level 2) with five years of study, grades V-IX; and cycle II – lyceums (level 3) with three years of study, grades X-XII;
- secondary technical vocational education – vocational schools (level 3) with one-three years of study;
- post-secondary technical vocational education – colleges (level 4) with two-five years of study;
- post-secondary non-tertiary technical vocational education – colleges (level 5) with two-three years of study;
- higher education, cycle I – license degree (level 6) with three-four years of study; cycle II – master's degree (level 7) with one-two years of study; cycle III – doctor's degree (level 8) with three-four years of study, and postdoctoral studies lasting two years.

Gymnasium graduates will have three possibilities for continuing their studies onto ISCED levels III and IV: (i) lyceum (with an entrance exam); (ii) secondary technical vocational education at a vocational school; or (iii) post-secondary technical vocational education at a college.

From 2018, compulsory education will be extended to include lyceum or technical vocational education (to the age of 18 years).

FIGURE 1.1 MOLDOVAN EDUCATION SYSTEM ACCORDING TO EDUCATION CODE, JULY 2014



In the reformed system, measures are planned to implement a system for the recognition of skills acquired in other learning settings, i.e. non-formal and informal learning. The plan is to ensure coherence with broad reforms regarding qualifications, which will be described according to learning outcomes and will be structured in a National Qualifications Framework (NQF). The aim is to harmonise training supply with labour market skill needs, as described in occupational standards by relevant partners organised in sectoral committees. In this way a national system of validation of non-formal and informal learning outcomes will be developed from a lifelong learning perspective. The concept paper on validation of non-formal and informal learning is in the final stage of development and approval.

1.4 Drivers for innovation and change drivers

The legal framework constructed by new legislation and policy documents developed in the 2010-14 period and outlining deep reforms in the education system reflect a pro-European vector in education development in Moldova. Taken overall, the reforms focus on ensuring education quality. The major differences with the previous legal framework are listed below.

- The lifelong learning setting includes general, technical vocational, higher education and continuing training for adults.
- Formal, non-formal and informal learning are recognised as part of the lifelong learning process.
- Learning outcomes are established for eight key competences: communication in the Romanian language; communication in the mother tongue and in foreign languages; mathematics, science and technology; digital skills; learning to learn; social and civic skills; entrepreneurship and initiative; and cultural expression and values.
- Educational goals are redefined to include the training of people with initiative, who are capable of self-development, who not only have the knowledge and skills required for employment but also have independence of opinion and action and are open to intercultural dialogue in the context of national and universal values.
- A viable partnership is established between educational institutions and businesses, research institutions, trade unions, civil society and the media.
- A system of mentoring is provided for.

The legal framework and policy documents for the technical vocational education system have been developed in view of solving major problems related to the following:

- standards in the field of technical vocational education;
- professional training of teachers;
- continuing professional training;
- forecasting the educational offer;
- partnership between technical vocational education and the business sector;
- technical, scientific and didactic provision for technical vocational education institutions;
- career monitoring for graduates of technical vocational education;
- assessment of graduates from technical vocational education.

1.5 Action and assessment of progress since 2010

Compared to previous periods, progress as recorded in this report is significant because the authorities, in partnership with relevant stakeholders in Moldova, have not only identified areas with potential but have articulated a coherent vision of development until 2020 (as reflected in the Development Strategy for Technical Vocational Education 2013-20).

The strategic vision, developed following a lucid analysis of the facts, reflects all the elements that reinforce the reforms launched in the technical vocational education system and aimed at modernizing and adapting the system to the demands of the Moldovan economy and society.

The development and approval of the strategic vision was followed up with the promulgation of a set of laws, culminating in the Education Code, a complex and innovative law for the education system in general and the technical vocational education in particular. It is an excellent opportunity for Moldova to reform its technical vocational education system, given the significant financial and technical resources provided by the EU in this regard.

2. EFFECTIVENESS AND EFFICIENCY IN ADDRESSING ECONOMIC AND LABOUR MARKET DEMAND

2.1 Economic and labour market factors shaping skills demand

According to the National Bureau of Statistics, during 2008-13, GDP in Moldova saw an overall increase of 16.3% and an average annual increase of 3.1%. In 2013 compared to 2012, GDP growth was 108.9% (Annex 2, Table A2.1).

However, economic growth remained largely based on consumption and had a limited impact on job creation. Remittances rather than wages have become an important source of growth in household incomes and consumption, especially in rural areas. The increase in consumption has not been accompanied by a corresponding evolution in supply; in many domestic market segments, imported goods prove to be more competitive than domestically produced goods. The economic crisis in 2008–09 confirmed the vulnerability of the national economy to external shocks, with exports and remittances as the main channels for crisis transmission.

In terms of using the GDP, the contributions of final consumption (113.5%) and net exports (37.8%) remain excessive. The development of exports has been limited by the shortcomings of the business environment and appreciation of the national currency (Moldovan leu (MDL)). The trade openness indicator highlights an export/import imbalance, which deepened between 2010 and 2013 (TABLE 2.1)³.

TABLE 2.1 EXPORT/IMPORT TRADE BALANCE

Code	Trade openness	2009	2010	2011	2012	2013
TRP14.23	Exports/imports (% GDP)	23.6/60.3	26.5/66.3	31.6/74.0	29.7/71.6	30.5/68.9

Source: National Bureau of Statistics

The largest contribution to GDP growth in 2013 was by the agricultural sector, whose gross added value increased by about 41.0%, contributing 4.5% to GDP growth. The difference over 2012 was due primarily to an increase in crop production (61.8%), while livestock production showed very moderate growth (0.7%). In 2013 industrial production increased by 6.8% compared to 2012, mainly in manufacturing (7.9%) and mining and quarrying (22.2%), adding 1.0% to GDP. Production of electricity and energy decreased by 4.3%, contributing 0.5% to a drop in industrial production. Positive developments in 2013 were recorded for trade and services. Turnover in retail trade increased by 3.1% (in real terms) over 2012, while services grew by 10.7%. Thus, the wholesale and retail sectors contributed 1.0% to GDP growth. Transport and communications added 0.4% to GDP growth, with freight activity increasing both in terms of volume (26.5%) and in terms of journeys (14.9%).

Investment contribution to gross fixed capital formation in 2013 represented 22.6% of GDP — an increase of only 3.3% over 2012. The evolution of foreign direct investment — fairly constant between 2009 and 2013 — would suggest that Moldova remains attractive to foreign investors (TABLE 2.2).

³ See the Development Strategy of the Technical/Vocational Education for 2013-20.

TABLE 2.2 FOREIGN DIRECT INVESTMENT

Code	Indicator	2009	2010	2011	2012	2013
TRP14.22	Foreign direct investment (% GDP)	2.7	3.4	3.8	2.4	2.9

Source: National Bureau of Statistics

More than half of the country's GDP is produced in the capital, Chisinau, where most advanced economic activities, human resources and infrastructure are concentrated. The data indicate that Chisinau is the location of 59.3% of industrial activity, followed at a distance by the Northern (18.3%) and Central (15.5%) regions. The Southern region and ATU Gagauzia have the lowest shares in total industrial output, at 3.7% and 3.2%, respectively. However, the share of production for the external markets is highest in the Southern region (68.8%) and ATU Gagauzia (68.1%), followed by the Central region (46.5%) (see Annex 2, Table A2.2).

Global competitiveness index results remained favourable (Annex 2, Table A2.3), with Moldova ranked 89 in 2013 compared to 94 out of 142 countries in 2010.

However, according to the same report, entrepreneurs have identified the following as problematic factors in doing business: (i) political instability; (ii) corruption; (iii) limited access to finance; (iv) inefficiency in public administration; and (v) government instability. In relation to the workforce, the business community rated this as inadequately trained (WEF, 2013, p. 278).

In terms of company type (number of employees), SMEs accounted for 97% of all companies in 2012 (Annex 2, Table A2.4). However, in 2010, SMEs contributed 28.3% to GDP, representing 6.7 percentage points less than in 2006. This would suggest low productivity or a survival strategy for most SMEs (probably due to the economic crisis of 2008-09)⁴.

The Moldovan Organisation for SME Development (ODIMM) conducted a study of SMEs in February 2014 during the national Made in Moldova 2014 fair. The survey aimed to identify the main problems faced by Moldovan enterprises in terms of financial resources, outcomes, labour, tax burden, regulatory framework, raw materials and supplies, access to information, etc. The results pointed to problems regarding human resources qualifications and labour shortages, with 56.7% of interviewed business persons mentioning difficulties in finding suitable staff.

The socioeconomic dynamics are complex, with the economic situation playing a significant role in demographic processes and affecting how the population is structured; the result is declining birth rates, migration and a decreasing and ageing population.

Changes in the population structure may, however, help short-term economic growth (the 'demographic dividend'). The working age population has been steadily growing, by 244,000 between 2000 and 2013, representing 66% of the total population. In addition, over the medium term there has been a rejuvenation of the labour force because of entry to the labour market of the generation born in the 1980s, with relatively high levels of education. However, this demographic dividend is not being capitalised on due to few employment opportunities, poor working conditions and low wages; hence, migration has become an escape valve for the population.

According to the National Bureau of Statistics, the economically active population in Moldova in 2013 was 1.235 million people (an increase of 1.8% over 2012), broken down as follows: men 51.0% versus women 49.0%, and rural population 52.5% versus urban population 47.5%.

⁴ Small and Medium Enterprise Sector Development Strategy for 2012-20, p. 8.

The activity rate of the population aged 15 years and over was 41.4% (2013) — indicating a slight increase over 2012 — broken down as follows: men 44.5% versus women 38.6%, and rural population 38.1% versus urban population 45.6%. The activity rate was lower for the age group 15-29 years (30.7%) and higher for the age group 15-64 years (46.0%). The overall activity rate of the working age population (16-56 years for women and 16-61 years for men) was 48.9%.

The employed population in 2013 was 1.172 million people (an increase of 2.3% compared to 2012), broken down as follows: men 49.5% versus women 50.5%, and rural population 53.1% versus urban population 46.9%.

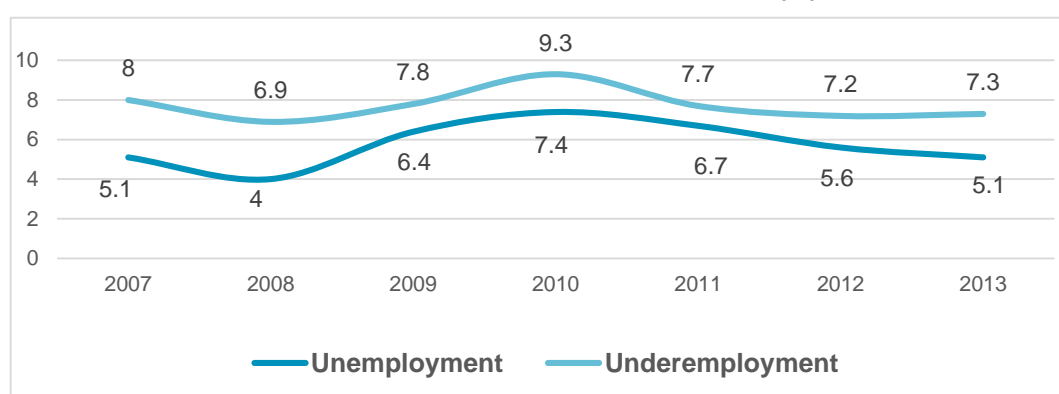
The 2013 employment rate of 39.3% for the population aged 15-64 years showed a very slight increase compared to 2012 (under 1%). It was broken down as follows: men 41.8% versus women 37.0%, and rural population 36.6% versus urban population 42.8%. The employment rate of the working age population aged 16-56/61 years was 36.6% in 2013.

In terms of the distribution of employment by sectors, agriculture accounted for 28.8% of total employment (337,900 jobs) in 2013, up by 11.4% compared to 2012. Non-agricultural sectors accounted for the remaining 71.2% of total employment (834,900 jobs), decreasing by 1.0% compared to 2012. Employment in industry was 12.1% in 2013 (down from 13.2% in 2012); construction employment was 5.5% (down from 6.1% in 2012). The services sector accounted for 53.5% of all employment, remaining approximately at the level of the previous year. However, there was an absolute increase in the number employed in this sector of 5,100 persons.

By form of ownership, 73.0% of the population was employed in the private sector and 27.0% in the public sector. By professional status, employees represented 68.8% of total employment (2.3% higher for women than for men). In the informal sector worked 13.9% of all persons employed in the economy, and 30.9% had an informal job.

The unemployment rate was 5.1% in 2013, a drop from a rate of 5.6% in 2012. The 2013 rate was broken down as follows: men 6.0% versus women 4.1%, and rural population 4.1% versus urban population 6.3%. The rate underemployment — defined as fewer 40 hours/week in the reference period and also referring to people who were available for overtime — was 7.3% of all persons employed in 2013 (**FIGURE 2.1**).

FIGURE 2.1 UNEMPLOYMENT AND UNDEREMPLOYMENT RATES (%)



Source: National Bureau of Statistics

The inactive population aged 15 and over accounted for 58.6% of the total population in 2013. These broadly fell into two main categories: discouraged persons (about 19,300 in 2013 compared to 27,400 in 2012); and persons declared to have emigrated to work or seek work (estimated at 332,500 people in 2013). Of the emigrants, 65.2% were men and 71.6% were from rural areas.

In 2013 the employment rate of young people (15-29 years) was 28.0% (26.7% in 2012). The same slight increase was recorded for the activity rate, while the unemployment rate (8.7%) decreased against 2010 (**TABLE 2.3**).

TABLE 2.3 ACTIVITY, EMPLOYMENT AND UNEMPLOYMENT RATES (15-29 AGE GROUP, %)

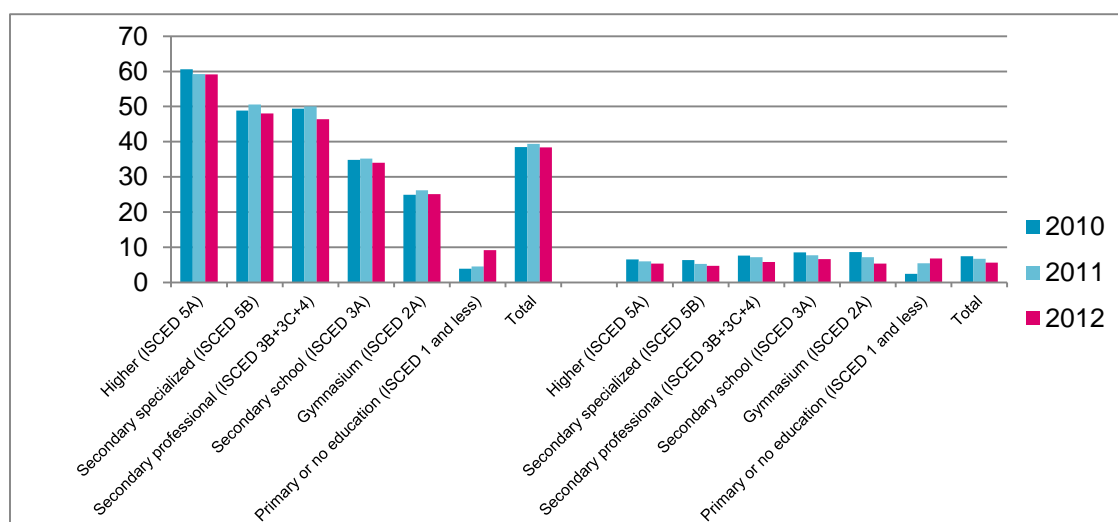
Population aged 15-29 years	2009	2010	2011	2012	2013
Activity	29.7	30.8	31.3	29.6	30.7
Employment	26.2	26.5	27.4	26.7	28.0
Unemployment	11.7	13.9	12.3	9.9	8.7

Source: National Bureau of Statistics, Labour Force Survey

In 2013 about 43,500 unemployed people were registered, 15.4% fewer than in 2012. Of these, 21.6% were aged 50-65 years, 42.7% were aged 30-49 years, and 35.6% were aged 16-29 years (unemployment rates of 21.5% and 14.1% for the 16-24 and 25-29 age groups, respectively).

Employment and unemployment rates according to education level indicated better labour market outcomes for individuals with higher levels of education and qualifications. For 2012 compared to 2010, there was higher demand for unskilled workers with primary or incomplete education (**FIGURE 2.2**).

FIGURE 2.2 EMPLOYMENT AND UNEMPLOYMENT RATES (15+) BY EDUCATION LEVEL (%)



Source: National Bureau of Statistics

2.2 Mechanisms for identifying demand for skills and matching skills supply

For the last six years, the National Employment Agency has annually developed (with EU support) a Labour Market Forecast and a Professions Barometer. As a whole the forecasts aim to reflect labour market trends and to obtain qualitative and quantitative indicators of the labour market.

The Labour Market Forecast provides data on the possibilities of correlating and structuring supply and demand for skills. The 2014 Labour Market Forecast surveyed 3,270 of the total list of 16,399 (registered according with NBS) businesses, representing around 20% of businesses with over five employees.

General information is obtained (from questionnaires) about the main trends in the labour market, including the structure of employment by sectors and subsectors, job creation, labour shortages and employer cooperation with employment agencies in training programmes. The survey, as a source of information for lyceum and gymnasium graduates choosing their profession, represents a marketing instrument for the labour market.

The Labour Market Forecast results are used for National Employment Agency planning purposes regarding territorial structures and activities, including financial planning, information sessions on labour demand for final year students, requirements for adult training courses and priority occupations. According to the Labour Market Forecast and the Professions Barometer, in 2013 the jobs most in demand were nurse, medical assistant, pharmacist, electronics engineer, manager, power engineer, software engineer, sales representative and design engineer.

The Professions Barometer for 2014 indicates the existence of employment opportunities for doctors, nurses, marketing and sales managers, software engineers and other engineers as well as tailors, cooks and confectioners, waiters and bartenders, cashiers and sales assistants. Further investigation of labour market needs (demand-supply balance) is planned for secondary and special education teachers, police inspectors, civil engineers, design engineers, educators, social workers, etc. Balancing for workers is also planned for computer operators, leather workers, stonemasons, plasterers, painters, carpenters, etc. The National Employment Agency regularly publishes an information bulletin (*Piața Muncii: Locuri Vacante*), and information on registered vacancies and jobseekers in its website, twice a month.

The basic mechanism for inventorying trades and professions by level is the Classification of Occupations (CORM 006-14, approved by Order of the Ministry of Labour, Social Protection and the Family No 22/2014 and prepared in accordance with a structure previously approved under Decision No 461/2013). Study programmes and qualifications awarded by secondary vocational education institutions are included in the Nomenclature of Trades/Professions for Secondary Vocational Education Training, which defines about 80-90 trades and professions for which training is available in technical vocational educational institutions in Moldova. It is planned to update the 2006 version of this nomenclature to adapt it to the Classification of Occupations.

One of the mechanisms that reflect the skill requirement of the labour market is the occupational standard, as it describes / defines skills for the jobs. They provide valuable information to the training system in general and help adapt the offer of secondary vocational education to labour market needs in terms of anticipating and matching labour demand and education supply. Sectoral vocational training committees — aimed at developing training partnerships — play an important role in developing the occupational standards system and methodologies and in identifying training needs in particular sectors. The first two committees were established in 2010 in the agro-food and construction sectors: six standards have been completed and approved and one sectoral study has been completed, with another due for completion in 2014 (see Annex 4 for a summary regarding occupational standards and the framework regulation governing the activities of the sectoral committees).

In 2013 the National Council Meeting examined and approved by the common Order of the Ministry of Education and the Ministry of Labour, Social Protection and Family six occupational standards for the trades: painter; locksmith-installer of sanitary equipment; vine maker; confectioner, (published in the Official Monitor No 49-55/256 from March 2013); and ironman-concreter and worker in stone-mason (published in the Official Monitor No 262-267/1712 from November 2013).

2.3 Potential of VET system to influence the economic and labour market needs

Entrepreneurship education is a strategic dimension of the new technical vocational education system. The legal framework governing the implementation of related activities consists of the Education Code, the Strategy for Consolidated Educational Development 2011-15, the Strategy for the Development of Technical Vocational Education 2013-20 (and the corresponding Action Plan) and the Strategy for SME Development 2012-20.

In secondary technical vocational education, entrepreneurship education has been carried out, since September 2013 (Order of the Ministry of Education No 861/2013), as a compulsory subject in all institutions (96 hours of theory/practice and 24 hours of consultations). The modular curriculum for Fundamentals of Entrepreneurship was developed within the Moldovan Employment and Entrepreneurship Education and Training Activity (MEEETA-II) project funded by the Liechtenstein Development Service (LED) and implemented by Winrock Moldova. Additional support materials have been developed for the course, namely, a methodological guide for teachers, specifications for students and suggestions for lesson plans. The curriculum, piloted in 13 colleges, has been implemented in 66 secondary vocational educational institutions and eight agricultural colleges.

A total of 54 teachers have been trained to teach Fundamentals of Entrepreneurship in 40 secondary vocational educational institutions. The training of teachers for entrepreneurship education is carried out in the Centre for Entrepreneurship Education and Business Assistance within a new LED-supported project, namely, MEEETA-III 2014-17. The same centre also organises activities to implement business plans with vocational school graduates and business start-up courses for secondary technical vocational education graduates.

Currently, the education sciences curriculum (teacher training and psycho-pedagogy) includes the mandatory course Fundamentals of Entrepreneurship. For other specialisms (economics, engineering, and agronomy), the curricula include the following optional courses: Fundamentals of Entrepreneurship, Business Start-ups, Social Entrepreneurship, Innovation Stimulation Methods, Conceptualising Ideas for New Businesses, Business Management, and Financial and Entrepreneurial Risk Management.

According to the work plan of the Ministry of Education for the 2013/14 academic year, educational policies for the promotion of economics training for general secondary education students are to be implemented by including (in the framework plan for all levels of the pre-university education) the following optional subjects: business ethics, consumer protection, entrepreneurial training, ABC of economics, me and the economy, the entrepreneurial spirit, and education in economics.

Junior Achievement Moldova (a civil society association) runs 18 programmes for students aged 16-18 years, including six each for primary education, secondary education and gymnasium and lyceum education. In the current academic year, these programmes have enrolled 9,295 students.

Education in economics in pre-university education is provided by the Ministry of Education under a partnership agreement with Junior Achievement Moldova. In the 2012/13 academic year this programme trained 120 teachers from pre-university institutions across the country; for the 2013/14 academic year 163 teachers from 26 districts have enrolled.

Since 2011, a business plans competition has been held in secondary technical vocational education centres; 93 students participated in 2013, of whom 45 received equipment grants (worth about USD 1,500).

Entrepreneurship education in post-secondary technical vocational education institutions is offered as an optional Fundamentals of Entrepreneurship course in 31 colleges.

The Training Firm Programme offers a modern concept of training in the form of interactive learning aimed at the development of an entrepreneurial spirit. In 18 technical vocational educational institutions (14 colleges and four vocational schools), 53 training firms have been established, involving about 800 students.

Vocational guidance centres and business incubators have been created to strategically guide students in choosing a profession and to advise them regarding the labour market situation and requirements. Comrat State University has created an innovation incubator called InnoCentre, which includes two resident private companies, one manufacturing equipment for efficient use of wooden non-waste in furniture production and the other optimising grape production technology. The State University of Moldova has launched an incubator called Inventica-USM, with three resident companies in the faculties of physics and chemistry, operating projects related to information technology and organic chemistry. It also has the Selectia Research Institute for Field Crops (Balti) and the Innovative Entrepreneur Incubator, with six private resident companies.

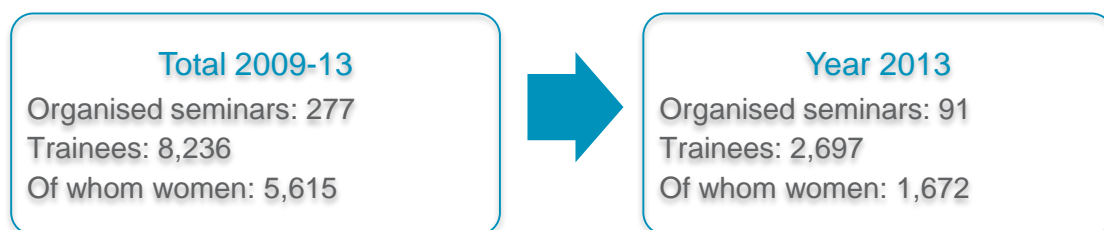
Since summer 2013 the Ministry of the Economy has been implementing a project called Innovative Entrepreneurship for Sustainable Employment with the support of the UN Development Programme and the Norwegian Ministry of Foreign Affairs. The project proposes to develop SYSLAB career development centres aimed at developing, adapting and implementing new technologies and methods for professional career development, job search assistance and entrepreneurship promotion. Of the total of 282 candidates interviewed, recruited and trained in the SYSLAB centre in Chisinau, 193 found work or started a business in Moldova. A second SYSLAB centre opened in 2014 in Rezina and two others are due to open in 2014 in Balti (Raut Industrial Park) and Cahul.

Entrepreneurial training courses were offered in support of returned migrants in the 2010-14 period, as provided for by the Strategy for SME Development 2012-20 (and its implementation plan) and also by the National Action Plan for Employment (developed annually), part of the Pilot Programme for Investing Remittances in the Economy (PARE 1+1) 2010-12 (implemented by ODIMM). In the last five years, ODIMM has conducted training and entrepreneurial skills development through two important programmes.

- The Efficient Business Administration Programme, launched in 2009, aimed at developing the knowledge and skills of entrepreneurs for efficient and sustainable administration of businesses. Training consists of 21 academic hours dedicated to each of the following modules: business planning; financial management; marketing; efficient sales techniques; accounting; labour law and human resource management; exports/imports and customs; VAT regulations and registration; public procurement and legislation; and access to finance and credit management. Seminars were geographically distributed as follows: North 11%, Centre 69%, and South 20%.
- The National Youth Economic Empowerment Programme (launched by Decision No 664/2008 and extended until 2016 by Decision No 124/2014) aims to promote and support the involvement of young people aged 18-30 years from rural areas in entrepreneurial activities. Its main components are as follows: (i) 50 hours on 10 consecutive days of training and business consultancy, covering the development of entrepreneurial skills and optimal management of financial, human, material and time resources; (ii) funding of up to MDL 300,000 (40% as grants) to fund rural investment projects; and (iii) project monitoring and follow-up. In the 2008-13 period, business advice was provided to about 8,000 young people (1,500 in 2013) and 4,138 young people (47.62% women) were trained (680 in 2013). Training was geographically distributed as follows: North 35%, Centre 48%, and South 17%.

Key figures for the ODIMM Efficient Business Administration Programme and National Youth Economic Empowerment Programme are summarised in **FIGURES 2.3** and **2.4**.

FIGURE 2.3 EFFICIENT BUSINESS ADMINISTRATION PROGRAMME RESULTS



Source: ODIMM

FIGURE 2.4 NATIONAL YOUTH ECONOMIC EMPOWERMENT PROGRAMME RESULTS



With the support of the Lead Your Way to Business Programme, ODIMM has established a National Centre for Excellence, which has a library with publications of interest to entrepreneurs such as on management, marketing and law, specialist dictionaries, etc.

2.4 Action and assessment of progress since 2010

Overall trends in the economy and labour market have been positive, although the business environment is affected by shortages in certain labour skills. Important progress has been achieved in identifying skills needs in the labour market and in elaborating methodologies and piloting tools in this regard. Progress has been achieved in terms of economy and labour market information gathering by the technical vocational education system (sectoral committees, occupational standards and a new nomenclature of occupations); this information will be fed into training programmes. Also being promoted is assistance — through entrepreneurial training — aimed at helping students cope with the challenges of a labour market offering poor employment opportunities.

The technical vocational education system is still subject to all sorts of challenges, given that reform is in the early stages, painful changes are required and a large number of partners need to be involved. Further challenges lie in the activation, stimulation, involvement and empowerment of partners in support of educational reform, the pooling, processing, communicating and use of information to identify medium- and long-term skill needs, completion of the legal framework and stimulation of partnerships for vocational training (legalisation of sectoral committees).

3. EFFECTIVENESS AND EFFICIENCY IN ADDRESSING DEMOGRAPHIC, SOCIAL AND INCLUSION DEMAND

3.1 Demographic and social factors that shape demand for VET

The population of Moldova in early 2014 (3.5576 million) experienced a slight decrease compared to 2010 (3.5637 million). Over the last decade, the population has fallen by an annual average of around 4,900 persons. Around 42.2% of the population lives in urban areas and 57.8% in rural areas, with a trend towards internal migration to urban areas (in 2004, 41% and 59%, respectively).

Women make up 51.9% of the population (52.1% in 2004), with a ratio of 108 women per 100 men (109 in 2004). However, share by sex varies significantly depending on age group, with men predominating in the 0-15 age group and in the working age population, and with women predominating in the age groups over the maximum working age (women 69.5% versus men 30.5%).

Life expectancy at birth in 2012 was 74.99 years for women and 67.24 years for men (an increase of two years since 2008). Compared to 2010, life expectancy increased in men living in rural areas (see Annex 2, Table A2.5). Life expectancy is higher for urban compared to rural inhabitants (by 3.5 years for men and 4.5 years for women).

The birth rate (per thousand) remained at around 11.0% until 2013 when it fell to 10.6% (the birth rate of the first decade of this century). The birth rate has only increased in nine of the 37 districts in Moldova.

The mortality rate in 2013 fell to 10.7%, the lowest rate of the last decade. Mortality in the working age population in 2013 was 26.0% (418.9 compared to 454.9 in 2012 per 100,000 inhabitants), with the main causes as follows: diseases of the circulatory system (21.7%), cancer (20.3%), and accidents (15.4%).

The number of infant deaths (under 1 year old) was 359 in 2013 (493 in 2009). The natural growth rate in 2013 was -0.1% (-0.4% in 2009 and -1.0% in 2004).

The demographic burden (ratio of people below and above working age dependent on the working age population) rose to 51.7 in 2013 (50.46 in 2012 and 50.11 in 2010).

Demographic decline is attributed to a rapid and significant decrease in the birth rate, a high level of mortality and emigration, although the interrelatedness and complexity of these phenomena is not as yet well understood. The age structure is increasingly imbalanced and the population ageing process has intensified, running at a rate faster than in developed European countries.

Data on external migration indicates that 3,062 people left the country in 2013 to reside permanently abroad. The most active migration ties are with Ukraine and Russia (1,360 and 772 emigrants, respectively); 245, 218 and 198 persons emigrated to the USA, Germany and Israel, respectively. Most emigrants (with no difference by sex) are from active and childbearing age groups (20-39 years) and their education level is generally average (lyceum). Higher education graduates represent fewer than 18.5% of the total.

Inflows to Moldova comes from repatriated persons and immigrants. According to the Ministry of Internal Affairs, 378 persons were repatriated in 2012 (Moldovans 50% and the rest mainly Ukrainians, Russians and Gagauzes). Most returnees arrived from Russia (60.8%) and Ukraine (29%). Throughout 2012, 3,093 immigrants arrived in Moldova: 13 were granted permanent residence and

3,080 received a fixed-term residence permit. The reasons were family reunification (34.1%), work (30.9%), education (19.8%), and other reasons (15.2%).

As for internal migration, 36,700 persons changed their place of residence within Moldova in 2012. The mobility index for the Moldovan population in 2012 was 10.3 persons per 1,000 inhabitants. The intensity of departures per 1,000 inhabitants was higher than the national average in 17 districts: Dubasari (19 departures), followed by Telenesti, Calarasi, Cantemir, Leova, Soldanesti, Rezina, Floresti and Falesti (12-14 departures). Departures per 1,000 inhabitants were lower than the national average in Balti, Taraclia and ATU Gagauzia (under seven departures). The intensity of arrivals was highest in Dubasari, Chisinau and Calarasi (22, 16 and 13 arrivals per 1,000 inhabitants, respectively). Only Chisinau, Balti, Dubasari and Ialoveni had positive internal migration balances, while departures and arrivals balanced each other out in the Straseneni district.

Over 90% of internal migrants are of working age, with most aged 20-34 years. Women accounted for 57.5% and men 42.5% of arrivals and departures. About two thirds of the total population that changed residence in 2012 originated in villages. The internal migration indicators for rural compared to urban areas were 10.6 and 9.9 departures per 1,000 inhabitants, respectively.

According to the World Population Report for 2013⁵, from 2010 to 2015, Moldova ranked highest in the world in terms of mean population decline (0.8% annually). Only Bulgaria among European countries is experiencing a similar rate of decline. According to estimates by the Centre for Demographic Research of the National Institute of Economic Research (attached to the Academy of Sciences of Moldova), about 25% of the population aged 18-60 years currently works abroad (for rural areas the corresponding figure is 40%).

As a trend the birth rate is about 40% lower than the population replacement level.

According to the Report on Poverty in the Republic of Moldova (made by the Ministry of Economy in 2012), in 2011 Moldova had a poverty rate that was 7.6% higher than the average for the EU-27 Member States.

Rural versus urban residence is a key poverty factor in Moldova, with the rural poverty rate (30.3% in 2010 and 25% in 2011) over three times greater than the urban poverty rate. Of the 585,000 people living in poverty in Moldova, 480,000 (82%) are from rural areas. Regionally there are significant discrepancies: the poorest region is the South, followed by the Centre, the North and Chisinau. Poverty in the South is 1.7% higher than in the Centre, 6.4% greater than in the North and 10 times greater than in Chisinau. The economic growth achieved after the economic crisis of 2008-09 was reflected in the reduction of the poverty rate, which fell to 16.6% in 2012 as compared to 26.3% in 2009 (**TABLE 3.1**).

Inequality is increasing, as reflected by the Gini coefficient dropping from 0.3094 in 2009 to 0.2824 in 2012, and great gaps between rich and poor persist. The average expenditure of the poorest 10% of the population is about 5.8 times lower than the average expenditure of the richest 10%.

⁵ The annual State of World Population (United Nations Population Fund) draws together demographic indicators for countries engaged in the implementation of the Programme of Action of the International Conference on Population and Development (Cairo) and the Millennium Development Goals.

TABLE 3.1 POVERTY INDICATORS

Code	Indicator	2009	2010	2011	2012
TRP14.20	Poverty rate (%)	26.3	21.9	17.5	16.6
TRP14.21	Gini coefficient	0.3094	0.3050	0.2943	0.2824

Source: World Bank

The poorest subpopulation belongs in the agricultural sector, which is unprofitable due to low output from a large number of small holdings, limited use of modern technology and machinery and high exposure to risks. Unemployed people and jobseekers are also affected by poverty, although around 7.6% of people with a job in a non-agricultural sector are poor. Older people are another vulnerable group, with a standard of living below the average; pensions amounted to 82% of the poverty threshold income in 2011.

Children face a greater risk of poverty than the general population. In 2011 about 20% of children lived at or below the poverty line and the highest poverty rates were in households with three or more children (38%). Although the poverty level in this category is twice that of the national average, it decreased by 2.2% and 13.9% compared to 2010 and 2009, respectively. Households with three or more children account for 12% of all households, compared to 47% for households without children. About 85% of poor children live in rural areas. Besides material poverty, rural children are exposed to other social risks that negatively impact their emotional health and educational performance, e.g. parent migration.

People without education and people with higher education had the highest and lowest poverty rates, respectively. Around 45% of all households are headed by persons with incomplete secondary and primary education (poverty rate around 34%); in contrast, the share of households headed by people with higher education is around 2.8% (poverty rate around 3%). Relatively low levels of poverty are also observed in households headed by people with secondary vocational and specialized education (around 12.5% of all households). Clearly, the risk of poverty decreases significantly in line with an increase in the level of education.

3.2 Delivering to the individual demands and aspirations of learners: access, participation, progression

Enrolment rates for secondary technical vocational education and post-secondary technical vocational education were 18,248 and 29,251 students, respectively, in the 2013/14 academic year – representing a 14.8% and 9.1% drop compared to the 2010/11 academic year, respectively.

The average number of students decreased by 10% in the same period, highlighting an overall decrease in the attractiveness of technical vocational education. Higher education accounted for a 19.5% share of the total student population — a 9.8% decrease compared to 2009/10 (see Annex 2, Table A2.7).

The Education Strategy 2020 indicates that students graduating from gymnasium make their decision on career pathway. In 2012 about half of gymnasium graduates (46.5%) continued their studies in lyceums, 21.4% chose secondary vocational education and 19.2% chose secondary specialist education (post-secondary technical vocational education). About 12.9% of gymnasium graduates exited the education system.

The decision on career pathway after gymnasium is made somehow empirically, as indicated by a survey of college students who said that the reason for their decision was the insistence of parents. It was found that motivation often changes over the years of study: some students in employment are

tempted to improve their education, while others abandon the education system because they feel their choice was inappropriate.

Career counselling and guidance is provided in general education⁶ directly through certain mandatory subjects (e.g. technological education, civic education, computer science) or optional subjects (career guidance, wood carving, computer graphics, motor vehicles, ABC of economics, school mini-farm, entrepreneurship, education in economics, etc.). For the secondary vocational, secondary specialized and higher education sectors, 'open day' and similar activities are offered, as well as professional orientation and career guidance meetings with parents and students.

Secondary technical vocational education remains unattractive. Problems start with career guidance (incomplete and with no relevant information on the labour market) and continue with initial training in skills that are irrelevant to labour market needs. In the last five years, the number of persons enrolled in secondary technical vocational educational institution has fallen (8.7% fewer enrolled students in 2012 than in 2011); graduates in 2012 accounted for 80% of graduate numbers for the 2007-10 period. Secondary vocational education was taken up by 11.6% of young people aged 16 years (compared to 12.8% in 2007) and by 9.7% of young people aged 17 years (compared to 10% in 2007). Secondary vocational education is more popular with boys (68.7% in the 2012/13 academic year)⁷.

Most students who choose to study in colleges come from families of intellectuals or from rural and poorer households; many also have a job, which implies poorer study outcomes. In the adaptation period, about 90% continue their studies in their chosen specialism. Very few choose to transfer to another specialism in the same college, and very rarely to another college. Post-secondary technical vocational education is chosen mostly by girls (over 55% of all students). In recent years, the number of enrolled students has fallen (in 2012 there were 8,800 students, 13.1% fewer than in 2007). The number of graduates rose by 13% in 2012 compared to 2007-08.

In accordance with Law No 102-XV/2003 (employment and social protection of jobseekers) and Decision No 1080/2003 (approval of the regulation on organisation of vocational training for unemployed people), the National Employment Agency organises courses offering qualifications, re-qualification and skills development for people affected by unemployment in order to increase their competitiveness and labour market integration.

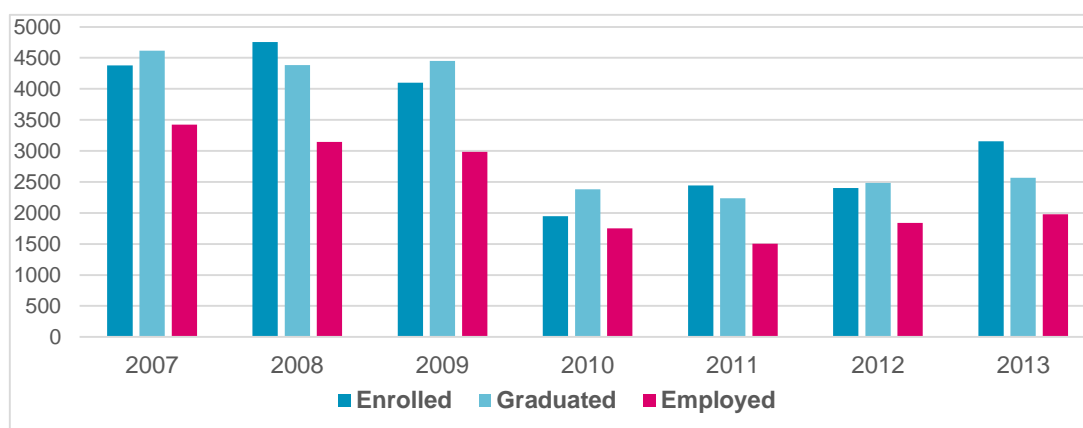
As a priority, graduates from boarding schools, orphans, children lacking parental care and wards of court, children from large families, children from single-parent families, victims of domestic violence, victims of human trafficking, persons with disabilities and persons released from detention or social rehabilitation institutions are enrolled on vocational training courses. The share of such young people aged 16-29 years who completed training courses was 71% in 2013. The number of people with disabilities who completed a training course increased from 29 students in 2012 to 47 students in 2013, of whom 53% found employment.

The number of unemployed people who completed training courses in 2013 (2,546 persons) represented 55% of graduate numbers in 2009 and 107% of graduate numbers in 2010. In terms of course types, 67% were for initial qualifications, 26% were for re-qualification and 7% were skills improvement courses; 77% of graduates found employment. Overall, 5.9% of registered unemployed people in 2013 graduated from vocational training courses, compared to 3% in 2011 (**FIGURE 3.1**).

⁶ Activity Report of the Ministry of Education in 2013, pp. 9-10.

⁷ See Vocational/Technical Education Development Strategy for the years 2013-20, p. 4.

FIGURE 3.1 VOCATIONAL EDUCATION FOR UNEMPLOYED PEOPLE, 2007-12



Source: National Employment Agency

In recent years, the number of employees taking continuing vocational training has increased. According to the National Bureau of Statistics, of 5,720 businesses surveyed in 2012 (with about 590,000 employees), 12% participated in training as compared to 11.6% in 2011 and 10% in 2010. About 42.8% of employees studied in a state institution, 47.7% in a company, 7.5% abroad and 3.3% in courses sponsored by an international organisation. Of the total number of trained employees, 46.9% were women and 25.1% were young people aged under 30 years (Annex 2, Table A2.8). In recent years, continuing vocational training expenditure has been growing — by 36.6% in 2012 over 2010. Most expenditure was borne by enterprises (83.1%), with the remainder (14.8%) contributed from the national budget.

3.3 Delivering to socio-economic and inclusion demand

According to the Ministry of Education, the reliability of data on the employment of graduates is questionable, because there is no data collection or information system in place to ensure data transparency and comparability.

No methodologies have been developed to track the careers of graduates. Currently graduates are followed up ad hoc by direct communication or using social networks. The ad hoc data collected by teachers show that about 20% continue full-time studies at higher educational institutions, 40% combine employment with part-time studies at higher educational institutions and 20% are employed full-time; the situation of the remaining 20% is unknown.

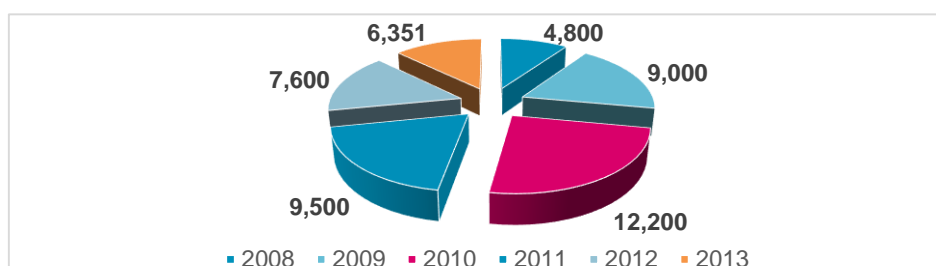
In 2013, 45,661 jobseekers (82% unemployed) benefited from employment services. The National Employment Agency recorded 37,530 vacancies in 2013, of which 25.6% were jobs for clerks and 74.4% were jobs for workers. The National Employment Agency, in collaboration with local agencies, organised 84 fairs and micro-job fairs and 718 information seminars, in which 2,172 companies and 8,623 jobseekers participated.

Information and counselling activities were provided to 84,519 people (51% were women and about 38% were people aged 16-29 years); as a result, 14% were employed and 3% enrolled in vocational training courses. Young people aged 16-29 years accounted for 54% of unemployed people placed.

People registered with the National Employment Agency for over six months and people experiencing special difficulties in finding employment (2,083 people in total) attended 345 job club sessions covering job search and professional integration methods and techniques, interviewing techniques, CV preparation, etc.

A total of 6,351 registered unemployed people received unemployment benefits in 2013 — a decrease of 17.3% compared to 2012 (**FIGURE 3.2**).

FIGURE 3.2 UNEMPLOYMENT BENEFIT RECIPIENTS, 2008-13



Source: National Employment Agency

The average amount of unemployment benefit in January-December 2013 was MDL 1,031.2, representing a decrease of 0.9% compared to the same period of 2012.

Beneficiaries of professional integration and reintegration allowances (granted to financially support vulnerable categories of uninsured persons against the risk of unemployment) amounted to 3,251 people in 2013 (an increase of 2.9% over 2012). Of these, 6% were persons who did not find a job after military service, 7% were persons who had been released from detention, 83% were persons for whom childcare had ended, and under 1% were persons whose disability period had expired.

3.4 Action and assessment of progress since 2010

Poverty is still one of the main problems facing Moldova, although the data show that poverty levels are falling, driven by economic developments. Education and vocational training help reduce poverty, although education alone cannot solve the problem as long as the socioeconomic context continues to be unpromising.

Policies have been implemented since aimed at reducing the risk of exclusion due to a lack of the skills required by the labour market. A further problem is poverty among children, especially those from rural areas where access to education is limited — based less on the needs of individuals or informed decision making, and more on proximity and local offer of facilities.

Vocational training as delivered is unattractive and irrelevant to the current socioeconomic environment; furthermore, no tools are available to evaluate results or to follow up graduates. Decisions regarding career pathways indicate that career guidance and counselling is poorly organised, particularly in terms of information on professions and trades and labour market demand for certain skills.

The challenges which reforms need to consider include tracking the careers of graduates as they unfurl, promotion of lifelong learning, validation of prior learning and the provision of appropriate information and of guidance and counselling regarding the labour market.

4. INTERNAL EFFICIENCY OF THE VET SYSTEM

4.1 Quality assurance

4.1.1 Planning

Quality in education, as defined in the Education Code, refers to 'all the characteristics of a programme of study and of its providers, by which expectations of beneficiaries are met in terms of quality standards'. Quality is one of the fundamental principles of education, under which 'educational activities relate to reference standards and to best national and international practices'.

Quality assurance for the entire technical vocational education system is undergoing a comprehensive development process covering issues of relevance for the labour market — as reflected in occupational standards and transposed to qualification standards contained in the NQF — and is continuing with the development of an adapted curriculum and the tackling of issues related to infrastructure and networks. Evaluation and accreditation of programmes, institutions and teacher training in support of the process are also included.

4.1.2 Assessment and evaluation

Under the new Education Code, the quality of technical vocational education will be evaluated based on national standards and the methodology established by the National Agency for Vocational Education Quality Assurance (NAVEQA) and approved by the government.

NAVEQA is a national administrative authority with main responsibilities as follows:

- implementation of state policies regarding the quality of technical vocational, higher education and continuing training;
- development of methodologies for evaluating and accrediting providers of vocational training programmes in line with the relevant European standards;
- preparation and periodic review based on European and international best practices, accreditation criteria, national reference standards and performance indicators used in education quality evaluation and assurance;
- evaluation of providers of vocational training programmes and their programmes to temporarily authorise their operation and their accreditation and re-accreditation in technical vocational, higher education and continuing training;
- quality evaluation of certain programmes and providers of vocational training programmes in the technical vocational, higher education and continuing training;
- publication of textbooks, guides, best practices and synthesis papers on internal and external quality evaluation and assurance, etc.

Quality assessment of technical vocational education aims to assess (i) institutional capacity; (ii) education effectiveness, including academic achievements; (iii) training programme quality; (iv) institutional management of quality; and (v) correlation between internal assessments and reality.

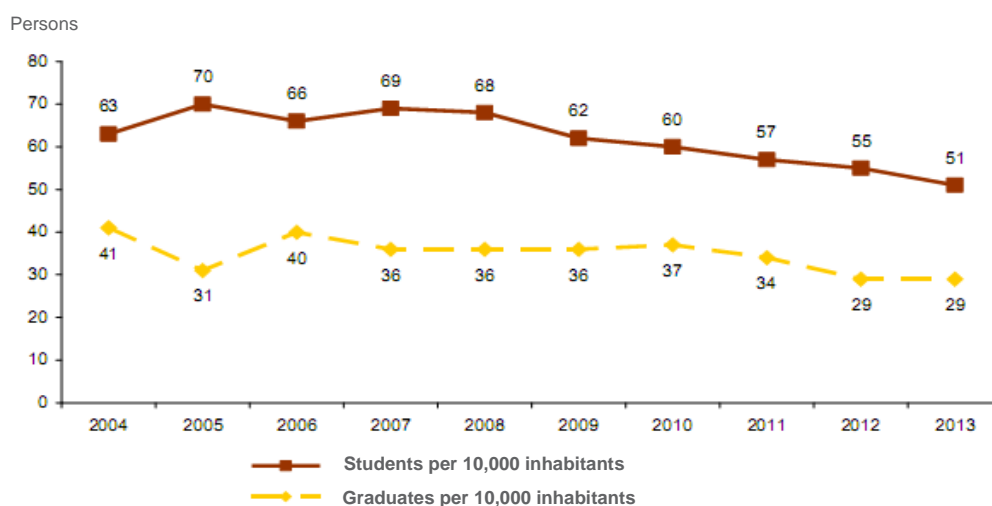
Quality assessment of technical vocational education is expected to be both external and internal. External quality assessment will be carried out by NAVEQA and other competent entities, whereas internal assessment will be implemented by internal quality assurance procedures on the basis of reference and accreditation standards developed by NAVEQA.

The current situation of quality in technical vocational education, and especially secondary vocational education, is confirmed by the beneficiary of its product: employers. Businesses face a significant gap between what they expect from employees and the level of education of secondary technical vocational education graduates. In the opinion of business community representatives, graduates are not ready or prepared to take up a job and become productive from the very beginning of their professional activity. As a result, companies have to invest additional resources in further training young employees — who themselves are not overly happy, as training is time-consuming and means a wage reduction. This situation can be explained by the fact that qualifications do not meet the needs of the labour market and also by the fact that the practical component in vocational training is below the level required for most jobs. According to employers, young workers do not have the set of skills required on the labour market because educational planning and curricular content do not ensure the relevance of studies. A vicious circle develops from low labour output and poor quality products and services, which, in turn, leads to lower wages. Non-competitive wages are another reason for the unattractiveness of enterprises, which, in contrast, require a higher level of professionalism and competence from employees.

The consequences of the above problems are felt directly in the economy. A relatively small share of young graduates are employed according to the qualifications they obtained in educational institutions, although the absence of mechanisms for monitoring professional careers makes for a lack of accurate data. Nonetheless, it is estimated that about 30% of graduates do not work at the level of the qualifications they obtained in vocational schools, colleges and universities.

Both enrolment and graduate numbers have shown downward trends, especially in secondary technical vocational education. Only 29 graduates per 10,000 inhabitants were enrolled in 2013 compared to 37 graduates in 2010 (a drop of 22%), with graduate numbers falling faster than enrolment numbers overall (**FIGURE 4.1**).

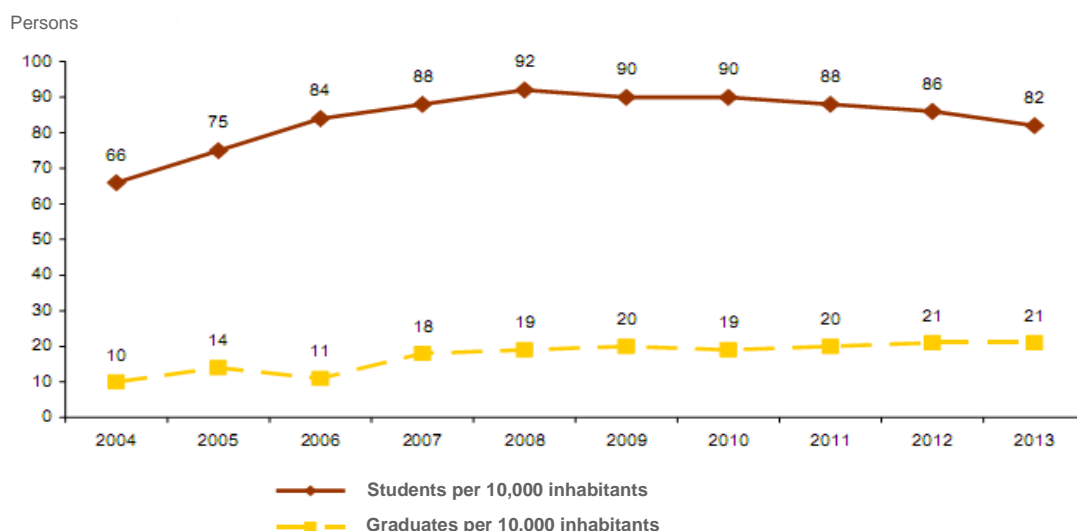
FIGURE 4.1 SECONDARY VOCATIONAL STUDENTS AND GRADUATES (PER 10,000 INHABITANTS)



Source: National Bureau of Statistics

Enrolment in post-secondary technical vocational educational colleges compared to secondary education institutions was around 50% higher in 2010 and almost 60% higher in 2013. Graduate numbers were much higher in secondary centres compared to post-secondary vocational educational colleges — by 95% in 2010 and almost 38% in 2013. There has been a downward trend in college enrolment since 2010, contrasting with an upward trend in graduate numbers. The information on enrolment and graduate numbers in the case of post-secondary technical vocational education place the attractiveness of these colleges in doubt (**FIGURE 4.2**).

FIGURE 4.2 COLLEGE STUDENTS AND GRADUATES (PER 10,000 INHABITANTS)



Source: National Bureau of Statistics

The impact on the labour market of the decrease in the number of technical vocational students is enhanced by graduation levels. Vocational institutions administrators explain low graduation rates as the result of transfers to higher education institutions, migration and abandonment for various reasons (health, childcare, family, etc.). Note that a significant number of students do not graduate from institutions with qualifications or diplomas, merely with a certificate attesting to attendance.

4.1.3 Accreditation of VET providers and programmes

According to the Education Code, technical vocational educational institutions are established, organised and closed by the government and their general organisation is governed by a framework approved by the Ministry of Education. Training in technical vocational educational institutions is organised on the basis of training standards and suitable curricula. The duration and structure of the academic year in technical vocational education is regulated by an education plan approved by the Ministry of Education.

NAVEQA has the role of evaluating centres for temporary authorisation, accreditation and re-accreditation in technical vocational education, higher education and continuing training. Evaluation is made on a contract basis at the request of either the Ministry of Education or the provider of the vocational training programme.

In accordance with the relevant European standards, NAVEQA is responsible for developing a methodology for evaluating and accrediting providers of training programmes for submission to the government for approval. It is also responsible for periodically preparing and reviewing accreditation standards, national reference standards and performance indicators used in quality assurance and evaluation.

Any public or private legal entity interested in offering training programmes is subject to mandatory external evaluation for authorisation on a temporary basis, with both the institution and curricula subject to formal accreditation procedures.

4.1.4 Qualifications

According to the Education Code, technical vocational education qualifications are awarded in accordance with the NQF, developed on the basis of occupational standards or profiles for each level of vocational education in line with the European Qualifications Framework and with labour market needs. The NQF is being developed by the Ministry of Education in collaboration with the relevant

ministries, sectoral committees, technical vocational educational institutions, businesses and other social partners and is approved by the government.

Qualification levels define the quantitative and qualitative parameters (descriptors) for the professional skills required in graduates in order to be able to perform their trade/profession or specialism, all in accordance with the descriptors in the NQF.

Reforms covering the whole system of technical vocational education pursue the unitary use of information on learning outcomes, with efforts focused on developing the NQF for Moldova. The concept of the NQF was developed and approved in 2010 starting with higher education reforms. In recent years, with the support of the European Training Foundation (ETF), the NQF concept has been further developed from the perspective of technical vocational education integrated and lifelong learning. A draft methodology for describing qualifications based on occupational standards has been prepared. NQF development is underway within the technical assistance project for the reform of the technical vocational education and taking into account the budget support conditionality involving elaboration of descriptors of the NQF qualifications.

Technical vocational education implies building professional skills consistent with qualification levels. Professional skills are built through teaching, learning and evaluation, and the cross-disciplinary promotion of professional values. One of the biggest factors with an impact on the quality of vocational training is the National Curriculum, with components including an educational framework plan, individual curricula with subjects, textbooks, teaching support, etc.

New models of framework plans have recently been developed for training workers over one, two or three years (transition periods). Courses cover general subjects (language and communication, mathematics and the sciences, social and humanistic sciences and sport) as well as professional training through theoretical and practical modules, internships/in-company training, optional subjects and entrepreneurship. Hours are allocated to general education and professional training in the proportion 40% to 60%, respectively. General subjects aim to develop generalist skills and to support progression to higher levels of education, with enrolment from either the third year of college (in the same vocational training area) or from lyceum grade XII.

Secondary technical vocational educational courses take place over five days a week. The week may not exceed 36 academic hours (2014/15 academic year) for theoretical and practical training both. Internships in enterprises, including apprenticeships, last a maximum of 24 hours a week for students aged up to 16 years, 36 hours a week for students aged 16-18 years, and 40 hours a week for students aged over 18 years

According to the framework plan, mandatory practical training — generally given in companies — in post-secondary technical vocational education must take up 30% of the course. Collaboration between institutions and the business community aims to provide students with placements. Currently, few institutions manage to come up with sufficient in-company training places, despite partnerships, so a large number of students continue to have to find an in-company training placement for themselves (except for medicine and culture studies).

4.2 Policies for VET trainers and directors

The level of training of human resources involved in education is also an issue that requires a solution. As of 1 March 2014, 8,920 employees worked in technical vocational institutions: 4,880 persons in colleges, 3,526 in vocational schools and 514 in trade schools.

Over 50% of all employees of educational institutions have a university degree (90% of teachers of general education and specialist subjects). Approximately one third of employees have a teaching

degree. Auxiliary employees in technical vocational educational institutions account for around 40% of all staff in these institutions.

The share of teaching staff who work with more than one teaching load is 45%, distributed as follows: 45.7% for general education teaching staff, 52.5% for professional education teaching staff, 37.2% for trainers and 11.9% for social teachers. A specific problem occurs with master trainers, where the teaching load is 40 hours/week, including 30 hours of contact time with students (i.e. a daily average of six hours).

About 25% of school managers have a managerial degree but only 1.7% of managers have the highest managerial degree. Around 11.3% of employees have attended psycho-pedagogical courses (with an above and below average rate for vocational schools and colleges, respectively). Around 20% of employees are hired from among retired persons.

During the mapping exercise, a direct link was identified between the general level of development of an institution and the quality of its management. Therefore, an important element in vocational education reform is managerial updates for school principals in all areas (educational, financial, human resources, etc.).

During the academic year, continuing training of teachers and managers is conducted in several forms:

- continuing vocational training at the Institute of Education Sciences, the Technical University of Moldova, the Ion Creanga Pedagogical State University and the Tiraspol State Pedagogical University (Chisinau Campus);
- training in international projects (LED, Winrock Moldova, Kreishandwerkerschaft Hersfeld-Rotenburg);
- national and regional conferences;
- methodical meetings for specific subjects;
- science and teaching seminars at the institution/district/municipality level in collaboration with education managers;
- teacher home study of relevant literature;
- round tables to disseminate good practices and mentoring experiences.

Continuing vocational training of teachers is a prerequisite to obtaining a teaching degree, according to the regulation governing the certification of preschool, primary, special, additional and secondary specialist education teachers (as approved by Order of the Ministry of Education 336/2013). This regulation provides for confirmation of the professional skills of teachers and their on-site evaluation based on professional credits. Responsibilities for this process are delegated to educational institutions. Evaluation committees are established in educational institutions by decision of the teaching board. Applicants for teaching degrees are in the sight of the academic and local community. Teachers are required develop their professional skills through extracurricular lessons and activities, attendance at seminars, methodological meetings and the lessons of colleagues. Thus, a greater role is assigned to the education unit in the certification.

In 2013, only 6,256 teachers and management staff attending the 13 training and continuing professional development centres⁸ received training in professional skills.

Professional inclusion programmes for young specialists and mentoring programmes designed to support novice teachers are currently being implemented, with 336 young specialists from the education system having received guidance to date.

By Order No 388 of the Ministry of Education of 14 May 2013, commissions of attestation have been established to evaluate teachers and managers as part of the public presentation of self-evaluation reports, methodological projects and performance interviews for teaching and managerial staff.

4.3 Teaching and learning

Teaching and learning issues have been addressed throughout the implementation of various projects to launch reforms in the technical vocational training system, part of the overall reform project supported by the EU.

Much of the teaching material used is outdated and does not reflect the curricula. Inadequate numbers of textbooks for technical subjects are published so their content is often inaccessible to students. Some textbooks are made available to institutions by businesses acting in partnership with institutions (e.g. Supraten). In other cases, textbooks are provided in projects for the training of craftspeople (e.g. translations from German textbooks are used for Kreishandwerkerschaft Hersfeld-Rotenburg, for carpenters, electricians and gas fitters). Textbooks for general education subjects are satisfactory and adequately reflect curricula.

4.3.1 Teaching and learning environment

Tangible support for improvement of the teaching-learning environment in technical vocational institutions has been provided in the framework of a number of international project.

The MOL-AGRI and Training Firm Programmes have been financed by the Austrian Development Agency and KulturKontakt Austria, with co-funding from the Ministry of Education. Under MOL-AGRI, two centres of competence in agro-industrial education have been established (Nisporeni and Leova vocational schools). A total of EUR 1.6 million has been invested in wine mini-plants and machinery and in teacher and manager training. Under the Training Firm Programme, a total of EUR 684,000 was invested in the creation of 18 vocational educational institutions (premises and equipment, national and international fairs, trainer and teacher training, curricula development and publication and materials for teachers and students).

The CONCEPT project, funded by LED in 2013, has provided vocational schools with equipment worth MDL 3.404 million.

An ongoing project (to end 2015) refers to Improvement of the Quality of Vocational Education and Secondary Specialist Education in the Information and Communication Technologies in Moldova. Four colleges and two vocational schools are participating, with a total budget estimated at EUR 540,000. Training was organised in 2013 for the development of curricula, analysis of training needs and promotion of the project.

⁸ Institute of Education Sciences, Technical University of Moldova, Ion Creanga State Pedagogical University, Tiraspol State Pedagogical University (Chisinau), Alecu Russo State University (Balti), Comrat State University, Moldova State University, Bogdan Petriceicu Hasdeu State University (Cahul), Institute of Continuing Education, State University of Physical Education and Sport, Centre for Information and Communication Technologies in Education, Pro Didactica Educational Centre and the Step by Step Educational Programme.

The Kreishandwerkerschaft Hersfeld-Rotenburg project-partnership to train craftspeople has a budget of EUR 1.4 million for materials and equipment. It is participated in by five vocational schools and an auxiliary boarding school. Guidelines and teaching materials for carpenters and welders have been developed and round tables have been organised to disseminate best practices on continuing vocational training, development of social partnerships, etc.

The 2013-16 AquaProf II (Capacity Building of Providers of Vocational Training in the Water and Sanitation Sector in Moldova), funded to the tune of EUR 658,000 by the Austrian Development Agency, runs a programme for internship training in secondary technical vocational institutions (workshops for locksmiths, sanitary installers, electricians and electrical maintenance workers in vocational schools (in Rezina, Corbu, Balti, Alexandreni and Sangerei), which were also renovated and equipped under this project.

LED (with the support of Winrock) is implementing the MEEETA projects. Funding of EUR 750,000 has covered the development of a modular curriculum for entrepreneurship, course support for students and teachers and training for teachers in using entrepreneurship materials.

With financial support to the tune of EUR 620,000 from Caritas Switzerland, Caritas Moldova repaired the practical training workshop of the Stefan Voda and Vulcanesti vocational schools and funded machinery. A similar project has been launched for Rascani vocational school.

An EU-funded technical assistance project (EUR 3.5 million) within the budget support programme (worth about EUR 25 million) was launched in 2014 for completion in 2018. The project aims to improve the Moldovan technical vocational system by reforming the network of institutions and by improving training and the quality of skilled workers and specialists in accordance with labour market needs.

One factor with a negative influence on vocational training efficiency is teacher turnover and insufficient numbers of master trainers with the relevant level of training and experience. Vocational colleges are particularly affected by staff turnover, since remuneration as specialists in the labour market is better than that for teachers, especially in the early years; an additional drawback is that psycho-pedagogical training has to be paid for by the teachers. Other problems are dropout rates and teacher–student ratios. In colleges, for instance, funding problems often lead to classes being combined and students ending up in classes with 30-35 students.

4.3.2 Learning content

Starting in 2013, the development of curricula and study programmes has intensified with the aim of achieving the objectives set by the Strategy for the Development of Technical Vocational Education 2013-20 and developing the scientific, curriculum and methodological background so that, by 2020, all curricula in the system will be in line with the NQF.

Six modular curricula have been developed for secondary vocational education, three of them implemented in the school year 2013 (fundamentals of entrepreneurship, locksmith and sanitary installer, electrician and electrical maintenance worker) and three are being piloted (vine-grower, cook, electro-welder). A further four curricula are being developed for the occupations of stonemason, painter, confectioner and ironworker-concrete layer.

Programmes have been developed for post-secondary technical vocational education based on general and specialist competences for over 80% of subjects in 78 specialisms (years 1-4). The novelty of the new programmes is that they train in vocational competences both at the level of the subject and at the level of the specialism. New programmes have been updated in line with modern scientific and technological achievements. A credits system for post-secondary technical vocational

education was approved in September 2013 and is being piloted in 13 colleges. In this regard the following steps have been taken:

- development and approval of regulations governing a vocational education credits system in secondary specialist education along with implementation guidelines;
- development, approval and implementation of 57 credit-based education plans for 57 specialisms;
- development of syllabuses for general and specialist subjects for the first year for the specialism for which the credit system is being piloted.

4.3.3 Parental involvement

The relationship with parents of technical vocational students is not characterised by clarity and timeliness. In urban institutions the relationship tends to be more developed, since parents are more active in decision making by the administration board and in the organisation of extracurricular activities, etc. An analysis of the strategic and operational components of institutional development projects shows, however, that there is a lack of a viable partnership with parents. In some secondary technical vocational institutions there are no parent committees.

On the whole, meetings with parents are limited to general information with respect to compliance with internal rules, the results of assessments and compliance with rules. Some institutions, usually those based in towns, address, in meetings with parents, educational issues related to causes of deviant behaviour, parent-child relations, etc.

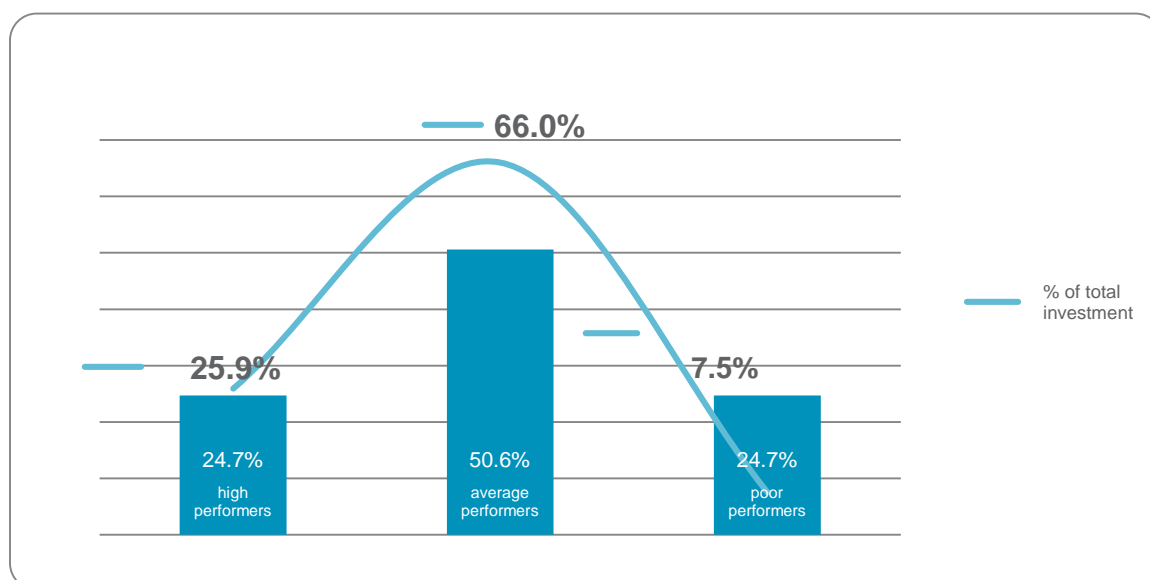
4.4 Efficiency of use of resources

According to Ministry of Education data, in the last five years, the network of technical vocational institutions has benefited from substantial investments (in 2013, around 10% of the annual state education budget). Investment in institutions increased from MDL 12.3 million in 2008/09 to MDL 58.3 million in 2012/13 (academic years), with a small decrease observed only in 2010/11 (MDL 16.5 million).

Although investment funds have generally originated around half from the state budget and the remainder from businesses or donors, in recent years, business-sourced funding and support from donors has exceeded the amount contributed by the state. The state typically funds repairs to buildings and roofs, etc., whereas donors fund equipment for workshops, refurbishments to make adaptations to education needs, etc.

Investment in high performers, average performers and poorer performers — around 25%, 50% and 25% of the total number of institutions — was 26%, 66% and 7.5%, respectively, of total investment (**FIGURE 4.3**).

FIGURE 4.3 INVESTMENT IN HIGH, AVERAGE AND POORLY PERFORMING VOCATIONAL INSTITUTIONS, 2013



Source: Ministry of Education

The weaker performers need a more comprehensive overhaul, as investment without applying other performance incentive mechanisms will not bring the desired results. Investment is uneven in geographical terms, with the larger investments made in Chisinau and Balti explained by the fact that these areas have more and better performing institutions. Institutions in Nisporeni, Cahul, Ungheni have also benefited from investments (Annex 2, Table A2.9). Overall, however, there is a strong need for investments in infrastructure, which is generally old and obsolete, and ill-adapted to the new socioeconomic context.

Investment in the technical vocational education system is insufficient. For a long time no capital investments were made by the state, as there was no well-defined plan or enough resources to meet needs. In recent years, this situation has improved but financial resources need to be channelled from a more strategic perspective, based on identifying guiding principles for funding, such as strengthening centres of excellence, orientation to trades and professions most in demand on the labour market, regional targeting, etc.

Besides investments made with support from the state (HG297/2013 and HG838/2013), 84 colleges and vocational schools have benefited from being equipped with computers, multimedia equipment and similar, amounting to an investment of MDL 12.5 million.

TABLE 4.1 shows the cost of educating students in each stage of second and third level education; the final column, showing the percentage increase between 2006 and 2011, indicates very large increases in expenditure in the six-year period.

TABLE 4.1 EDUCATION COST PER YEAR PER STUDENT IN VOCATIONAL EDUCATION (MDL)

Education level	2006	2007	2008	2009	2010	2011	% increase 2006-11
Secondary vocational	5,399	7,366	8,510	10,224	15,335	16,776	311
Post-secondary vocational	6,979	6,900	8,200	8,709	14,725	15,029	215
Higher	4,714	5,050	5,873	6,802	17,861	20,158	428

Source: Education Strategy 2020

Post-secondary technical vocational education has suffered efficiency losses for the following reasons:

- insufficient or excessive number of places in relation to the enrolment plan;
- excessive indicator of promotion at national level and repetition of years;
- distribution undue, for unjustified long-term provision for some study programmes;
- insufficient teaching staff or great variability in staff;
- inappropriate student/teacher ratio and excessively large classes.

4.5 Action and assessment of progress since 2010

The technical vocational education system has improved since 2010, especially in terms of structural reforms and the number of different reform projects piloted. An integrated approach based on a coherent development vision is now largely ensured by the new legislative framework and by the strategic objectives promoted and financially secured under EU technical assistance and budget support.

Further priorities for internal efficiency improvements are a review of training programmes and their connection to labour market requirements, ensuring a teaching and training base for the provision of a modern teaching and training framework (including for adults) and ensuring efficient and effective management for training institutions.

5. VET GOVERNANCE AND POLICY

5.1 Defining vision and strategy

The general objective of the Development Strategy for Technical Vocational Education 2013-20 is to upgrade and enhance technical vocational efficiency so as to improve national economic competitiveness. It plans to do this by training a competent and qualified labour force in line with the current and future requirements of the labour market. Relevant policy and other documents and ongoing reforms represent an operational continuity of actions as laid down in the Moldova 2020 National Development Strategy.

MATRIX 1 DISTRIBUTION OF RESPONSIBILITIES

	Setting objectives	Implementing	Monitoring
Who is responsible?	Government, Ministry of Education, other relevant ministries	Ministry of Education, other relevant ministries	Ministry of Education, other relevant ministries, NAVEQA
Who is accountable?	Government, Ministry of Education, other relevant ministries	Ministry of Education, other relevant ministries	Ministry of Education, other relevant ministries
Who is consulted?	Ministry of Labour, Social Protection and Family, Ministry of Finance, Ministry of the Economy, other relevant ministries, Chamber of Commerce and Industry, civil society, sectoral committees, employers and branch unions, technical vocational educational institutions, foreign donors, academic community	Ministry of Labour, Social Protection and Family, Ministry of Finance, other relevant ministries, Chamber of Commerce and Industry, sectoral committees, employers and branch unions, technical vocational educational institutions, foreign donors, academic community	Relevant ministries, Chamber of Commerce and Industry, sectoral committees, employers and branch unions, foreign donors
Who is (only) informed?	Parents, pupils	Parents, pupils, foreign donors, businesses-partners of educational institutions	Ministry of Labour, Social Protection and Family, Ministry of Finance, Ministry of Economy, local, regional, national communities, academic community, parents, pupils, foreign donors

MATRIX 2 ACTION/DECISION MAKING BY THOSE RESPONSIBLE

	Setting objectives	Implementing	Monitoring
Full autonomy/ unilateral	Government, Ministry of Education	Ministry of Education, other relevant ministries	Ministry of Education, other relevant ministries, NAVEQA
After (mandatory) consultation*	Ministry of Education	Directorate of Technical Vocational and Secondary Specialized Education, Vocational Education Development Centre, directorates in charge of education of the relevant ministries	Directorate of Vocational Secondary and Specialized Education, Vocational Education Development Centre, directorates in charge of education of the relevant ministries, NAVEQA, civil society
If consultation: with whom?	Ministry of Labour, Social Protection and Family, Ministry of Finance, Ministry of Economy, relevant ministries, Chamber of Commerce and Industry, civil society, sectoral committees, employers and branch unions, local public authorities, secondary vocational and specialized secondary educational institutions, foreign donors	Relevant ministries, Chamber of Commerce and Industry, civil society, sectoral committees, employers and branch unions, vocational educational institutions, foreign donors	Relevant ministries, foreign donors (as appropriate)

(*) Consultation may be due to an obligation to become involved or for accountability purposes.

5.4 Internal efficiency and effectiveness

MATRIX 3 DISTRIBUTION OF RESPONSIBILITIES FOR QUALITY STANDARDS

Quality standard	Setting objectives	Ensuring compliance	Monitoring/ evaluating
Learning environment	Ministry of Education, Vocational Education Development Centre, technical vocational educational institutions, NAVEQA (since 2015)	Technical vocational education institutions	Secondary vocational education and specialized secondary institutions, NAVEQA (since 2015), civil society
Learning outcomes	Ministry of Education, relevant ministries, NAVEQA (since 2015)	Technical vocational education institutions	NAVEQA (since 2015), reference businesses, civil society
Teaching	Ministry of Education, NAVEQA(since 2015), continuing vocational training institutions, Chamber of Commerce and Industry	Directorate of Vocational Secondary and Specialized Education, Vocational Education Development Centre, secondary vocational education and specialized secondary institutions	NAVEQA, Directorate of Technical Vocational and Secondary Specialized Education, Vocational Education Development Centre, technical vocational education institutions, civil society
Provider accreditation	Ministry of Education, other relevant ministries, NAVEQA (since 2015)	Technical vocational education institutions	NAVEQA

Note: From 2015, national reference and accreditation standards are established by NAVEQA and approved by the government.

MATRIX 4 DECISION MAKING WHEN SETTING QUALITY STANDARDS

Quality standard	Unilateral	Mandatory consultation	If consultation: with whom?
Learning environment	Resolution of the National Council for Curricula, resolution of the Board of Ministries, Order of the Minister of Education	+ Opinions of stakeholders	Educational institutions (lyceum, secondary technical vocational, post-secondary technical vocational, higher, cycle I)
Learning outcomes	National Qualifications Framework, NAVEQA (since 2015)	+ Opinions of stakeholders	Businesses, technical vocational education institutions, sectoral committees
Teaching	Resolution of the National Council for Curricula, resolution of the Board of Ministries, Order of the Minister of Education	+ Opinions of stakeholders	Educational institutions (lyceum, secondary technical vocational, post-secondary technical vocational, higher, cycle I)
Provider accreditation	Ministry of Education, NAVEQA (since 2015)	+ Opinions of stakeholders	Relevant ministries, Vocational Education Development Centre, technical vocational education institutions

Note: From 2015, quality assessment in technical vocational education will be based on reference and accreditation standards and methodology as established by NAVEQA and approved by the government. The evaluation of curricula, the educational process and school results for technical vocational education will also be regulated by the methodology developed by NAVEQA and approved by the government.

MATRIX 5 RESPONSIBILITY FOR CURRICULUM CONTENT AND TEACHING STANDARDS

Curriculum	Design	Mandatory consultation	If consultation: with whom?
Content	Directorate of Secondary Vocational and Specialized Secondary Education, Vocational Education Development Centre, NAVEQA (since 2015)	+ Opinions of stakeholders	Educational institutions (secondary vocational, specialized secondary, higher), Directorate of Higher Education and Science Development, Pre-university Education Directorate, Lifelong Learning Directorate, Chamber of Commerce and Industry, sectoral committees, employers and branch unions, technical vocational education institutions, National Centre for Public Health, non-governmental human rights organisations, social and professional inclusion bodies, International Labour Organisation, Labour Inspectorate
How taught	Directorate of Secondary Vocational and Specialized Secondary Education, Vocational Education Development Centre, NAVEQA (since 2015)	+ Opinions of stakeholders	Educational institutions (secondary vocational, specialized secondary, higher), Directorate of Higher Education and Science Development, Pre-university Education Directorate, Lifelong Learning Directorate, Chamber of Commerce and Industry, sectoral committees, employers and branch unions, technical vocational education institutions, National Centre for Public Health, non-governmental human rights organisations, social and professional inclusion bodies, International Labour Organisation, Labour Inspectorate

5.5 Progress since 2010

Increasingly active involvement by key players from society in solving the problems of professional vocational education is the basis for further reforms. This is reflected in the priorities established to improve governance and policy processes: (i) improve communication in the technical vocational education system, both vertically and horizontally; (ii) extend the participatory process in all policy development, implementation and monitoring cycles; and (iii) ensure coherence in the goals established through policies and in the monitoring and evaluation of results.

ANNEXES

Annex 1. Strategic VET documents and objectives

Strategy for the Development of Technical Vocational Education 2013-20

This is the most visionary document adopted in the technical vocational education sector in the last two decades in Moldova. It analyses the problems undermining the technical vocational education sector and proposes a series of development priorities: restructuring of the network of educational institutions; rallying vocational education to labour market needs and increasing the satisfaction of employers; establishing a national entity for assessment and accreditation of centres; aligning curricula and training of trainers with the NQF; increasing the quality of vocational training and increasing its attractiveness and accessibility. It establishes the medium- and long-term objectives and tasks for the development of vocational education in a European integration perspective. The development objectives focus on ensuring the connection between the national context and European and global trends in vocational education and meeting European integration aspirations. The quality of vocational education largely determines the development of a national economy based on knowledge and innovation and facilitates opportunities for building individual capacities. In this context, the provisions have been correlated with relevant policy documents — such as the Strategic Development Programme of the Ministry of the Economy 2012-14, the Strategy for SME Development 2012-20 and the Strategy for Domestic Trade Development 2014-20 — and so ensures the continuity of actions set out in the Moldova 2020 National Development Strategy.

Strategic Development Programme of the Ministry of the Economy 2012-14

This programme reflects the prioritisation of different objectives set out in policy documents, including business support infrastructure development (through the establishment of the National Centre for Excellence), the building and development of entrepreneurship in businesses and the fostering of an entrepreneurial culture among young entrepreneurs.

Strategy for SME Development 2012–20

The development of human capital by promoting entrepreneurial skills and culture is a primary objective while specific objectives are aimed, among others, at developing and promoting education and an entrepreneurial culture, and creating an educational support infrastructure.

Strategy for Domestic Trade Development 2014-20

Given the scarcity of qualified personnel engaged in commercial activities, guidelines have been established to improve the human capital involved in commercial activities and trade and to upskill the labour force via the technical vocational training system. The latest policy documents focus on solving technical vocational education issues in terms of specific major reforms, as follows:

- harmonisation of technical vocational education to the requirements of the labour market;
- implementation of the NQF;
- establishment of a national system for validating non-formal and informal learning;
- implementation of quality assurance procedures and mechanisms;
- establishment of a National Agency for Vocational Education Quality Assurance;
- reconfiguration and strengthening of technical vocational education;
- establishment of 10 centres of excellence;

- dual education implementation (where possible);
- implementation of modular curricula and subjects.

Analysis of the roadmap of government actions to develop technical vocational education for the 2013-14 period point to close cooperation within the Ministry of Education (10 central public authorities, sectoral committees, NAVEQA, etc.) to implement actions in five intervention areas (all actions below refer to technical vocational education unless otherwise indicated).

I. Regulatory and institutional framework

- Development of a regulatory framework
- Amendment, supplementation and development of the legal framework for apprenticeships
- Development and approval of the apprenticeship contract
- Amendment and supplementation of the Fiscal Code on training expenditure tax deductibility for businesses
- Regulation of entrepreneurship as taught in institutions
- Development of a methodology for identification, assessment and recognition of non-formal and informal competences
- Development and approval of a methodology for assessment and quality assurance
- Update of the regulation on operation and capacity building of the National Coordination Council for Technical Vocational Education
- Development of the regulation governing the operation of centres of excellence
- Amendment and supplementation of the regulatory framework governing continuing vocational training in institutions and enterprises
- Development of the concept of social dialogue and a social dialogue platform.

II. Analytical and planning framework to meet labour market needs

- Development of a methodology for analysing the national (and regional and local) labour market to identify skill gaps
- Implementation of a labour market study to identify national (and regional and local) skill gaps
- Review of the Classification of Occupations (completed)
- Review of the Nomenclature of Trades/Professions for Secondary Vocational Education Training, in accordance with European standards (completed)
- Development of technical vocational occupational standards
- Development of the corresponding part of the NQF.

III. Reconfiguration of the network of institutions

- Development of a methodology for mapping the network of institutions (completed)
- Mapping of the network of institutions (completed)
- Development of a plan for restructuring the network of institutions, taking into account territorial particularities

- Identification of institutions as centres of excellence for three national economy priority areas.

IV. Upgrading of education and training content and organisation

- Piloting of a dual education system in partnership with the business community
- Review and approval of a framework plan to increase the number of subjects and internships
- Development of a continuing training programme for company supervisors.

V. Enhancement of system attractiveness

- Development and dissemination of newsletters on professions in demand, pay, etc.
- Dissemination of successes (centres of excellence, dual education, individual achievements, etc.)
- Organisation of national competitions to identify talent, promote career achievements, etc.

Similarly, for 2014, dual education has been piloted in a number of secondary technical vocational education institutions and the education credits system has been implemented in all post-secondary technical vocational education institutions. Steps have been taken towards compliance with the established roadmap, with progress as follows:

- development and approval of the Classification of Occupations;
- review of the Nomenclature of qualifications provided by VET, in accordance with European standards;
- development of the NQF technical vocational education component;
- completion of the national concept paper on validation of non-formal and informal learning;
- development of a working version of a lifelong learning strategy;
- development of a draft concept paper on social dialogue and a social dialogue platform;
- development of the draft methodology of monitoring of social and professional insertion of graduates of technical vocational education;
- development of draft methodologies for developing the professional qualifications of secondary technical vocational, post-secondary and non-tertiary post-secondary technical vocational education teachers;
- development, piloting and implementation of modular curricula for 10 trades;
- development of the regulation on the operation of centres of excellence;
- development and approval of the regulations on organisation of admissions to secondary vocational educational institutions and to specialist secondary educational institutions;
- completion of the regulation on organisation and operation of the technical vocational education system;
- development of the normative and regulatory framework for apprenticeships;
- review and development of technical vocational education curricula, including dual education;

- partial optimisation of the network of technical vocational educational institutions (75 in 2010 to 67 in 2012);
- reorganisation of pedagogical colleges;
- development and approval of six occupational standards;
- development of five draft occupational standards;
- development of credits-based curricula for 57 specialisms (colleges) and completion and approval of professional qualifications for levels III-IV of the NQF;
- establishment of two centres of competence in agro-industrial education (Nisporeni and Leova);
- implementation of the Training Firm Programme in 18 institutions (equipment for the central office, premises for the trading firm, national and international fair attendance, training of trainers and teaching staff, development and publication of curricula, course support materials for teachers and students;
- piloting of the education credits system in 13 colleges;
- development and piloting of the modular curriculum for Fundamentals of Entrepreneurship in 15 secondary vocational institutions for implementation (from 1 September 2013) as a mandatory subject in all such institutions;
- development of the methodological guide for implementation of the module Basics of Entrepreneurship (for teachers) and of specifications for students and suggested lesson plans;
- development of the methodology for mapping the network of technical vocational educational institutions;
- mapping of the network of technical vocational educational institutions as part of the technical assistance project;
- development of the plan for restructuring the network of technical vocational educational institutions.

Annex 2. Labour market and demographic data

TABLE A2.1 GROSS DOMESTIC PRODUCT

Code	Indicator	2009	2010	2011	2012	2013
TRP14.13	GDP growth rate					
	MDL (million) at current prices	60,429.8	71,885.5	82,348.7	88,227.8	99,879.1
	% change vs previous year	94	107.1	106.8	99.3	108.9
TRP14.14	GDP per capita (PCS), USD	2,830	3,067	3,347	3,383	–
TRP14.15	GDP per sector					
	Agriculture					
	MDL (million) at current prices	5,134.5	8,657.4	10,095.2	9,896.2	12,167.1
	% change vs previous year	90.1	107.4	105.2	76.7	141
	Industry					
	MDL (million) at current prices	8,030.8	9,534.8	11,518.3	12,313.8	13,825.1
	% change vs previous year	80.1	108.9	110.2	100.5	107.4
	Construction					
	MDL (million) at current prices	2,108.7	2,437.5	2,719.9	3,041.4	3,434.1
	% change vs previous year	73.2	112.7	101.9	101.8	105.1
	Other activities					
	MDL (million) at current prices	35,535.2	39,291.0	44,056.1	48,434.7	55,400.2
	% change vs previous year	99.5	105.1	105.8	103.2	103.9
TRP14.16	GDP per region	–	–	–	–	–

Source: National Bureau of Statistics

TABLE A2.2 INDUSTRIAL MANUFACTURING OUTPUT BY REGION, 2013

MDL (current prices, million)	Manufacturing output	% of total	Delivered output	Of which, foreign market	
				Value	% of total
Total	32,619.9	100.0	31,586.5	10,926.3	34.6
Chisinau	19,340.1	59.3	19,139.4	5,353.8	28.0
North	5,976.0	18.3	5,360.8	1,824.4	34.0
Centre	5,072.4	15.5	5,038.5	2,345.6	46.5
South	1,198.6	3.7	1,106.9	761.8	68.8
ATU Gagauzia	1,032.8	3.2	940.9	640.7	68.1

Source: National Bureau of Statistics

TABLE A2.3 EVOLUTION OF THE COMPETITIVENESS INDEX – MOLDOVA

Code	Index		2009	2010	2011	2012	2013
TRP14.17	Index of competitiveness	Place	–	94	93	87	89
		Score	–	3.86	3.89	3.94	3.94

Source: World Economic Forum, Global Competitiveness Index

TABLE A2.4 SMEs AS A SHARE OF ALL ACTIVE ENTERPRISES (%)

Code	Index	2009	2010	2011	2012	2013
TRP14.18	SMEs as % of total number of all active enterprises	97.8	97.7	97.5	97.5	–

Source: National Bureau of Statistics

TABLE A2.5 LIFE EXPECTANCY AT BIRTH, 2008-12

	Total			Urban area			Rural area		
	All	Men	Women	All	Men	Women	All	Men	Women
2008	69.36	65.55	73.17	71.22	67.12	75.10	68.22	64.59	72.00
2009	69.31	65.31	73.37	71.51	67.48	75.33	67.95	63.98	72.18
2010	69.11	65.00	73.41	72.04	67.77	76.25	67.38	63.41	71.71
2011	70.97	67.10	75.00	73.55	69.80	77.38	69.50	65.61	73.62
2012	70.99	67.08	74.86	73.42	69.31	77.24	69.55	65.71	73.40

Source: National Bureau of Statistics

TABLE A2.6 ETHNIC STRUCTURE OF POPULATION, 2004 CENSUS

Nationality	Moldova	%	Trans-nistria	%	Total	%
Native declared Moldovans	2,564,849	75.8	177,635	32.0	2,742,231	69.62
Ukrainians	282,406	8.34	160,069	28.82	442,475	11.23
Russians	201,218	5.95	168,678	30.37	369,896	9.39
Gagauzes	147,500	4.36	4,096	0.74	151,596	3.85
Bulgarians	65,662	1.94	13,858	2.5	79,520	2.01
Native declared Romanians	73,276	2.16	253	0.05	73,529	1.86
Others	48,421	1.43	30,758	5.54	79,179	2.01
Total	3,383,332	100	555,347	100	3,938,679	100

Source: National Bureau of Statistics

TABLE A2.7 STUDENTS BY TYPE OF INSTITUTION

Year	Total	Primary, gymnasium and lyceum	Secondary technical vocational	Post-secondary technical vocational	Higher education
2009/10	579,764	415,462	22,161	32,249	109,892
2010/11	557,884	396,488	21,419	32,164	107,813
2011/12	537,136	381,418	20,320	31,442	103,956
2012/13	520,015	367,251	19,581	30,725	102,458
2013/14	497,991	353,207	18,248	29,251	97,285
Per 10,000 inhabitants					
2009/10	1,626	1,166	62	90	308
2010/11	1,567	1,114	60	90	303
2011/12	1,508	1,071	57	88	292
2012/13	1,461	1,032	55	86	288
2013/14	1,400	993	51	82	273

Source: National Bureau of Statistics

TABLE A2.8 VOCATIONAL TRAINING FOR PEOPLE IN EMPLOYMENT

	2010	2011	2012	2012 as % of	
				2010	2011
Number of enterprises	5,964	5,771	5,720	95.9	99.1
Employees	596,699	586,666	589,818	98.8	100.5
Vocationally trained	59,612	67,774	70,892	118.9	104.6
Of vocationally trained employees:					
▪ Initial trainees	6,011	7,628	5,989	99.6	78.5
▪ Re-qualification trainees	3,214	5,771	4,433	137.9	76.8
▪ Professional improvement trainees	50,387	54,375	60,470	120.0	111.2
Of professional improvement trainees:					
▪ Market economy programmes	8,469	6,262	5,977	70.6	95.4
▪ European integration programmes	2,411	2,217	1,868	77.5	84.3
Of vocationally trained employees:					
▪ In company	28,334	32,956	33,836	119.4	102.7
▪ In national educational centres	26,022	27,044	30,390	116.8	112.4
▪ In foreign educational centre	3,511	3,588	3,558	101.3	99.2
▪ Sponsored by international organisations	2,061	1,371	1,751	85.0	127.7
Of vocationally trained employees:					
▪ Women	28,586	31,707	33,268	116.4	104.9
▪ Persons <30 years old	15,200	16,579	17,813	117.2	107.4
Cost (000 MDL)	79,208.7	97,115.8	108,237.6	136.6	111.5
▪ Company funding	55,684.9	83,143.1	90,009.6	161.6	108.3
▪ State funding	4,919.8	6,319.3	8,405.1	170.8	133.0
▪ Regional funding	5,450.8	6,278.7	7,576	139.0	120.7
▪ Foreign and international organisation funding	1,614.2	654.7	1,484.5	92.0	226.7
▪ Other sources (specific funds, sponsorship, etc.)	539	720	762.4	141.4	105.9

Source: National Bureau of Statistics

TABLE A2.9 INVESTMENTS IN TECHNICAL VOCATIONAL EDUCATION INSTITUTIONS

District/ Municipality	2008/09		2009/10		2010/11		2011/12		2012/13	
	MDL (million)	%	MDL (million)	%	MDL (million)	%	MDL (million)	%	MDL (million)	%
Anenii Noi	0.0	0.0	0.3	1.5	0.0	0.0	0.0	0.1	0.0	0.1
Balti	1.8	15.0	0.6	2.6	1.5	8.8	1.9	6.0	3.7	6.3
Basarabeasca	0.0	—	0.0	—	0.0	—	0.0	—	0.0	—
Briceni	0.0	0.0	0.1	0.4	0.0	0.0	0.0	0.1	0.0	0.0
Cahul	1.0	8.4	1.3	5.8	1.0	6.0	1.8	5.8	1.7	2.9
Calarasi	0.0	0.0	0.0	0.0	0.1	0.4	0.1	0.2	0.0	0.1
Cantemir	0.0	—	0.0	—	0.0	—	0.0	—	0.0	—
Causeni	0.1	0.6	0.3	1.5	0.8	4.9	0.6	1.8	0.8	1.3
Chisinau	5.0	40.9	7.4	33.1	3.6	22.0	4.8	15.0	11.4	19.5
Cimislia	0.0	0.2	0.2	1.0	1.0	6.0	0.9	2.7	0.5	0.9
Criuleni	0.0	0.0	0.0	0.0	0.0	0.0	2.5	7.7	0.5	0.9
Donduseni	0.0	0.0	0.0	0.0	0.0	0.0	2.1	6.5	1.9	3.3
Drochia	0.0	0.0	0.1	0.3	0.0	0.1	0.0	0.0	0.3	0.5
Dubasari	0.0	—	0.0	—	0.0	—	0.0	—	0.0	—
Edinet	0.4	3.4	0.4	1.7	0.0	0.2	3.1	9.6	1.2	2.0
Falesti	0.0	0.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Floresti	1.2	10.1	0.4	1.7	0.7	4.2	1.7	5.3	2.6	4.5
Glodeni	0.2	1.6	0.0	0.1	0.0	0.1	0.1	0.3	0.0	0.0
Hancesti	0.0	0.0	0.8	3.6	0.0	0.1	1.2	3.9	3.2	5.5
Ialoveni	0.1	0.5	2.0	9.0	0.5	3.0	0.0	0.0	0.2	0.4
Leova	0.3	2.3	0.0	0.0	0.5	3.0	1.2	3.7	0.4	0.7
Nisporeni	0.3	2.4	2.1	9.6	4.0	24.1	4.0	12.4	16.4	28.2
Ocnita	0.6	4.5	2.5	11.0	0.5	3.3	0.7	2.3	1.3	2.3
Orhei	0.0	0.0	0.5	2.4	0.0	0.0	0.0	0.1	0.0	0.1
Rezina	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.1	0.2
Rascani	0.3	2.2	0.0	0.0	0.3	1.5	1.0	3.0	6.7	11.4
Sangerei	0.2	1.8	0.4	1.8	0.0	0.0	0.0	0.0	0.3	0.5
Soroca	0.4	3.4	0.1	0.4	0.0	0.0	0.0	0.0	0.2	0.3
Straseni	0.0	—	0.0	—	0.0	—	0.0	—	0.0	—
Soldanesti	0.0	—	0.0	—	0.0	—	0.0	—	0.0	—
Stefan Voda	0.0	0.0	0.0	0.0	0.0	0.1	2.9	9.1	1.3	2.2
Taraclia	0.0	0.3	0.3	1.1	0.0	0.0	0.0	0.0	1.0	1.7
Telenesti	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Ungheni	0.2	1.6	0.0	0.0	0.5	3.3	0.7	2.2	1.6	2.7
ATU Gagauzia	0.1	0.5	2.5	11.0	1.4	8.7	0.7	2.2	1.1	1.8
TDS Nistru	0.0	—	0.0	—	0.0	—	0.0	—	0.0	—
Total	12.3	100.0	22.3	100.0	16.5	100.0	31.8	100.0	58.3	100.0

Source: National Bureau of Statistics

Annex 3. Positive internal factors in the Moldovan economy

Some internal factors with a positive impact on the Moldovan economy are presented below.

Enhanced exports. Although export growth depends on the foreign policy conjuncture, an increase in exports of 10.7% is forecast, due to a 6.5% increase in industrial output and the better quality and greater competitiveness of local products.

Business development and support. With a view to continuing structural reforms, the Ministry of the Economy has devised a roadmap and has developed a number of strategies and laws aimed at increasing the competitiveness of local enterprises in the European market, including the Strategy for SME Development 2012-20.

Development of the national economy. This objective will be achieved by attracting direct foreign investment to the national economy, considered a priority to ensure the development of the national economy.

Central European Free Trade Agreement. This agreement was concluded in 1992 between Poland, Hungary and Czechoslovakia, after the extinction of the Council for Mutual Economic Assistance (Comecon) system, in order to facilitate intraregional trade and economic cooperation. However, the agreement was perceived from the beginning as training for the participating states to join the EU. The granting of autonomous trade preferences by the EU (following approval by EU Council Regulation No 55/2008 of 21 January 2008) entailed the need to establish a mechanism for distributing quotas for products originating in Moldova, for which tariffs and quotas were established.

RM-EU Free Trade Agreement. The Deep and Comprehensive Free Trade Area between Moldova and the EU (DCFTA), part of the European Association Agreement, brings additional economic benefits to Moldova. It involves gradual liberalisation (until 10 years after signature) of trade in goods and services, the free movement of labour, the reduction of customs duties and technical and non-tariff barriers, the abolition of quantitative restrictions and the harmonisation of legislation with the EU acquis.

World Trade Organisation. Moldova is a member with full powers in the World Trade Organisation since it joined on 6 June 2001 (the first Commonwealth of Independent States (CIS) country to do so). The fact that it has preferential access (according to the most favoured nation clause) to the markets of other member states has opened up new opportunities and prospects for Moldovan enterprises, businesses and authorities in the global economy.

CIS Free Trade Agreement. This agreement, which covers the provisions of all existing bilateral CIS agreements, was ratified on 27 September 2012.

EU Association Agreement. Pending ratification by the EU Member States.

Annex 4. Occupational standards and framework regulations governing sectoral committees

Under Decision No 952/2011, referring to the development of occupational standards, a methodology on the development and review of occupational standards approved that provides the legal basis for the development of occupational standards. The authority in charge of drafting new and reviewing existing occupational standards are the sectoral vocational training committees, established by the National Committee for Collective Bargaining and Consultation.

For the development of occupational standards, the sectoral committees establish working groups and commissions: (i) the working group for occupational analysis and development of occupational

profiles; (ii) the working group for developing occupational standard funding; and (iii) the occupational standard verification and validation committee charged with verifying and validate occupational standards.

By Resolution No 4 (28 March 2012) of the National Committee for Collective Bargaining and Consultation, the framework regulation on the activity of the sectoral committees was approved, according to which sectoral committees are established at the sectoral level as consultative bodies with no legal personality and on the basis of the principle of parity between representatives of social partners, with no fewer than three members and two alternating members, appointed for at least five years without remuneration.

The Committee aims to develop, for the different branches of the national economy, a modern, competent labour force that is responsive to the changing demands of the labour market.

There are currently six sectoral committees, covering construction, agriculture and food, transport and road infrastructure, information and communication technologies and trade workers and non-food sectors (both within the Ministry of the Economy). The Strategy for the Development of Technical Vocational Education 2013-20 plans to establish sectoral committees in a further six sectors by 2020.

With the support of the European project to implement the Strategy for the Development of Technical Vocational Education 2013-20 and the roadmap for the development of new occupational standards, a complete set of occupational standards for technical vocational trades/specialisms are expected to be prepared by 2017.

ABBREVIATIONS AND ACRONYMS

CIS	Commonwealth of Independent States
ETF	European Training Foundation
EU	European Union
EUR	Euro (currency)
GDP	Gross domestic product
ISCED	International Standard Classification of Education
ISCO	International Standard Classification of Occupations
LED	Liechtenstein Development Service
MDL	Moldovan leu (currency)
MEEETA	Moldovan Employment and Entrepreneurship Education and Training Activity
NAVEQA	National Agency for Vocational Education Quality Assurance
NQF	National Qualifications Framework
ODIMM	Moldovan Organisation for SME Development
SME	Small and medium-sized enterprise
UN	United Nations
USA	United States of America
USD	United States dollar (currency)
VET	Vocational education and training

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