



REPUBLIC OF MOLDOVA

EDUCATION, TRAINING AND EMPLOYMENT
DEVELOPMENTS 2016



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KEY EDUCATION, TRAINING AND EMPLOYMENT DEVELOPMENTS IN THE REPUBLIC OF MOLDOVA¹

The European Union (EU) has increased support to Moldova with a view to economic integration and deeper political cooperation. On 1 July 2016, the Association Agreement between the EU and Moldova, signed in June 2014, entered fully into force. This agreement aims to deepen political and economic relations between the two parties and to create a Deep and Comprehensive Free Trade Area as a policy roadmap for the country's longer-term economic development. Under the Association Agreement, Moldova has committed to ambitious structural reforms in key areas, such as democracy, governance, rule of law, anti-corruption, administrative reform, human rights, security policy, trade, economic development, migration, employment, health, youth, education and training. An outline of short- and medium-term reform priorities for the period 2017–2020 is being prepared in the form of an updated version of the Association Agenda.

Education and training is one of the 28 key sector policy areas of the Association Agreement and is the number one priority on the government agenda. The focus is on promoting lifelong learning and encouraging cooperation and transparency at all levels of education and training, with special regard given to higher education and vocational education and training (VET), modernisation of education and training systems, enhancing quality, relevance and access, and to establishing a national qualifications framework (NQF) to improve transparency and the recognition of qualifications and competences.

Moldova has made good progress in educational reform over recent years. The new Education Code passed in July 2014 provided legislation on key elements for the modernisation of the education and training system, including the establishment of a quality assurance agency for VET and higher education; stronger involvement of social partners in education; implementation of the NQF; and the extension of compulsory education to the age of 18 from 2018.

The VET Development Strategy 2020 outlines various elements of the reform process from the lifelong learning perspective. This strategy aims to modernise and streamline VET provision and to re-conceptualise VET programmes. The plan is to establish a more efficient network of providers capable of responding to labour market needs, organised within a coherent framework that will provide quality-assured qualifications and tools for the recognition of lifelong learning achievements.

A similar outlook is reflected in the National Employment Strategy 2017–2020 that is currently being developed. The entire VET network is undergoing an optimisation process, where the downsizing of VET schools is being combined with the creation of 11 centres of excellence (approved by ministerial decision) that will be developed as multifunctional training providers. However, implementation of the strategic plans for the centres is being hampered by the restriction on the use of self-generated income imposed by the government in January 2016.

Financial resources are available to support VET reform through the EU technical assistance project (EUR 3.7 million 2014–2017) and the EU VET budget-support programme (EUR 25 million 2015–2017) and a number of bilateral initiatives. However, the political and financial turmoil of 2015 led to the suspension of EU budget support and interventions by many other leading donors in July of that year, and these will only be resumed after the International Monetary Fund (IMF) decides to begin a new programme. Any new agreement with the IMF will be dependent upon evidence of real and genuine implementation of reforms capable of achieving tangible change. The revision of the public institutional set up, to be completed by 2016, is a sign into this direction. A substantial reduction may be seen in EU budget support allocation during 2017 due to a combination of cuts and obstacles that lead to non-fulfilment of the conditions necessary for support to be granted.

¹ Hereinafter 'Moldova'.

1. Key demographic and economic characteristics

The total population of Moldova in 2015 numbered 3.55 million inhabitants, most of whom (57.6%) lived in rural areas (National Bureau of Statistics (NBS)). The demographic trend is marked by continuing negative annual growth, with a declining average annual rate of 0.2% from 2000 (World Bank) also partly due to heavy outward migration (12.9% of the population working abroad in 2015 (NBS)).

Demographic ageing is clearly visible in the population structure. The share of younger age groups has declined with 15–24 year-olds falling from 25.1% of the population in 2011 to 19.7% in 2015, while the oldest age group (65+) has increased to 10.3% (NBS). The dependency ratios of youth (21.2) and the elderly (13.4) in 2015 have several economic and social implications, threatening sustainable growth and future funding of social protection such as pensions.

In July 2016, the Minister of Labour reported an alarmingly high risk of deterioration of the demographic situation, due to population ageing, migration of the active population and the declining birth rate. Forecasts suggested that within 15 years there could be only one working person for every three pensioners. The Minister stressed the need to manage migration flows, create conditions to encourage the return of Moldovans and produce a new retirement policy (Infotag, 7 July 2016 – www.infotag.md).

According to the July 2016 ILO report, over 888 000 Moldovan citizens (23% of the total population) were living outside the country in 2015. One third of these live in Russia and almost one fifth in Italy. Outward migration plays an important socioeconomic role in the country, as remittances contribute substantially to consumption, covering an estimated 23.4% of GDP (NBS, 2015).

The GDP growth rate initially remained positive during the world economic downturn, with growth of 4.6% in 2014, but the outlook deteriorated in 2015 to a level of -0.5% growth. The unfavourable regional and domestic environment generated a sharp drop in remittances and foreign investment, while consumer inflation increased to the upper limit of the target range set by the National Bank. The Moldovan leu (MDL) has depreciated by around 20% against the USD. The financial sector needs urgent serious reforms following the turmoil of 2015 and the closure of three large banks. The IMF country report of January 2016 stated that macro financial stability has been broadly maintained despite this and other significant domestic and external shocks. Plans are however in place for a comprehensive structural reform of the public institutions and services (quality of governance, infrastructure, health, education and training) to be completed by end 2016 to preserve financial stability. The IMF projects growth of +1.5% in GDP for 2016.

The economy is dominated by the services sector, which accounted for 68.2% of GDP in 2015, down slightly from 68.4% in 2011. In 2015, industry and agriculture accounted for 31.9% and 13.8% of GDP, respectively (NBS). Chisinau continues to generate more than half of the GDP as most of the advanced economic activities, human resources and infrastructure resources are concentrated there. In the World Economic Forum Global Competitiveness Report 2014–2015 Moldova had moved up to 84th place in the world, from 93rd position in 2011.

The poverty headcount ratio (at \$2 per day, purchasing power parity (PPP)) has registered an impressive decline, falling from 28% in 2011 to 8% in 2015. Despite this sharp decline, however, Moldova remains one of the poorest countries in Europe with a GDP per capita (PPP, current international dollars) in 2015 of \$5 039, up from \$4 179 in 2011. The World Bank income classification places Moldova as a lower middle-income country, while inequality, reflected in the Gini coefficient, fell to 28.5% in 2013 from 30.6% in 2011.

2. Education and training

2.1 Trends and challenges

Within the context of general demographic decline, there has been a significant decrease of the population within the education system. Over the last two decades, the number of students enrolled in secondary and post-secondary vocational education has fallen by almost 53%, while the infrastructure has remained almost unchanged. In 2014 there were, on average, 4.8 students per employee, with 9.7 students per teacher in colleges and 8.2 students per teacher in VET schools.

The share of enrolment in vocational programmes has, however, remained relatively stable in recent years. VET is well represented at the secondary level, with 45.6% of gross enrolment, and at the upper secondary level, with 39.5%.

Despite the economic difficulties of recent years, the Moldovan authorities have ensured a steady increase in the funding allocated to education. No major economic or social impact has yet been seen from the relatively high levels of education expenditure in terms of GDP over the past five years (an average of 8% with a slight decline to 7% in 2015). The level of investment is not uniform across the country, with more severe problems in rural areas. The network structure of educational institutions no longer reflects the underlying demographic reality, with the greatest divergence seen in rural areas.

The VET sector is still highly centralised, with an inflexible system unable to adjust rapidly to labour market demand. This leads to a high degree of mismatch between the educational system and the economy.

2.2 Education and training policy and institutional setting

The overall vision for the socioeconomic development of Moldova is reflected in the Moldova 2020 National Development Strategy (www.imf.org/external/pubs/ft/scr/2013/cr13269.pdf). The government is committed to reforms in education and training starting with the adoption of the Strategy for the Development of Technical Vocational Education 2013–2020, which defines the vision and priorities for VET development in Moldova from the lifelong learning perspective. The main objectives are to increase the attractiveness, quality, affordability, flexibility and relevance of VET to labour market needs by 2020, ensuring that it is more career-oriented and, moreover, allowing for the recognition of diplomas and the validation of non-formal and informal learning in a manner that will foster mobility in Europe.

The EU VET Sector Reform Contract aims to ensure effective implementation of the VET strategy and to facilitate structural and institutional reform, while securing high-quality VET services in terms of knowledge, skills and competences, as well as physical assets. The contract includes development of quality assurance and quality management systems in VET, capacity building for key stakeholders and awareness raising on the new VET system. However, EU budget support has currently been suspended and will only be resumed once the IMF starts a new programme. The Moldovan government has also introduced substantial budget cuts to many areas including education.

In 2014, the Education Code shaped the education system into levels and cycles following the ISCED 2011 system. The current reform entails rethinking VET education in order to create a new professional training system in the form of TVET (described as vocational/technical education in the Education Code). This new vision plans for a two-pronged TVET route after completing year 9 in gymnasium school: secondary TVET (VET school) or post-secondary TVET (college). The trade schools that existed under the previous system will be dissolved.

VET qualifications are awarded on the basis of the Moldovan NQF as per the Education Code. The expectation is that TVET programmes will be developed and implemented in accordance with level III (secondary), level IV (post-secondary) and level V (post-secondary non-tertiary) of the eight levels covered by the new Moldovan NQF. The levels of qualification define the quantitative and qualitative parameters of the professional skills to be held by the graduate in order to be able to perform a trade or profession/specialty obtained in accordance with the qualification standards.

The NQF is a critical element of the EU-Moldova Association Agreement as it provides a framework for quality-assured qualifications and a tool for recognising lifelong learning. It is key to improving the permeability of the education system, links between VET, higher education and adult learning, and in skills recognition for returning migrants.

The NQF is being developed by the Ministry of Education in collaboration with relevant ministries, sector committees, technical vocational educational institutions, businesses and other social partners with approval from the government. Sector skills councils and working groups have contributed to the development of 33 occupational standards and 43 qualifications so far. The ETF is currently supporting an NQF revision process to align it with the European Qualifications Framework (EQF) and the Qualifications Frameworks of the European Higher Education Area (QF-EHEA) while also converting it into a more effective reform tool. Work is also underway on a concept paper for the validation of non-formal and informal learning.

The National Agency for Quality Assurance in Professional Education (ANACIP) was created in 2014 to provide quality assurance in the VET system. The agency is responsible for developing evaluation methodologies and for subsequent government approval. It is also responsible for periodically preparing and reviewing accreditation standards, national reference standards and the 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.

The Ministry of Education also established a VET centre to support implementation of the reforms. However, this centre has a staff of only two individuals instead of the planned twelve. This has had an immediate impact on progress in reform implementation, slowing coordination on curriculum adaptation.

A master plan to restructure the VET system was approved in 2015 on the basis of clear transparent criteria and a detailed VET network mapping exercise. The plan makes a commitment to rationalisation of the network including the establishment of eleven centres of excellence and the closure of low-performing institutions. Each centre is implementing a strategic plan, but the process is being hampered by the Ministry decision that all self-generated income must be returned to the State Budget. Progress has been registered where there has been private sector involvement and interesting results were achieved through adoption of a modern work-based learning approach (successfully piloted and now to be extended).

The Ministry has supported dual VET pilots involving 10 companies and 400 students. These pilots will be evaluated and the lessons drawn may also be of relevance to the more commonly practiced on-the-job training and internships that form a compulsory part of the curriculum.

Since the 2013/2014 academic year, all TVET institutions in Moldova have begun the implementation of entrepreneurship education as a compulsory subject within a modular curriculum. The Ministry is also piloting a methodology for tracer studies in 20 schools, tracking the career paths of VET graduates.

3. Labour market and employment

3.1 Trends and challenges

Moldova had a low activity rate of 42.4% in 2015 with a 5.2% gender gap, standing at 45.1% for men and 39.9% for women. The employment rate was also very low at 40.3% in 2015, with a smaller difference of 3.9% between the 42.3% for men and 38.4% for women. Informality is considered moderate, representing some 14% of total non-agricultural employment (2013).

The unemployment rate is relatively low, standing at 4.9% in 2015, and the latest figures on. Long-term unemployed showed it made up 13% of total unemployment in 2012. There was a slight decrease of youth unemployment from 14.9% in 2011 to 12.8% in 2015, but the decline in youth unemployment is not so much an outcome of improved employment prospects, as a reflection of youth reluctance to work, with many young people either receiving financial support from parents who are working abroad or not actively looking for employment in Moldova as they are planning to migrate for work. In fact, the rate of young people not in employment, education or training (NEET) is very high, standing at 30.4% in 2015, up from 29.2% in 2011. This could suggest serious problems in graduate employability and the existence of skill imbalances.

The employment structure suggests a rather service-oriented economy, with this sector hiring 53% of workers and generating about 70% of GDP. Comparatively, the agriculture sector only contributes some 14% of GDP (2015), even though it employs over a quarter of the workforce, suggesting a subsistence-style economic sector.

Productivity in Moldova is among the lowest in the region, reflecting an incomplete transition, informal employment and some education and skills challenges. More than half of the population lives in rural areas and almost one third of the employed population works in agriculture; a sector where productivity is low. Low productivity is also pervasive outside agriculture. Growing emigration combined with demographic decline challenge the myth that the Moldovan pool of labour is plentiful, skilled and cheap. There is a shortage of skilled workers and substantial imbalances exist between supply and demand in the labour market.

3.2 Employment policy and institutional setting

Moldova is facing a complex and challenging employment context with insufficient and poor quality jobs, low productivity, persistent informal arrangements and inequalities, all of which require multidimensional responses that cut across various policy areas (e.g., economic, fiscal and labour). This requires an integrated policy response that addresses macro and micro dimensions, labour demand and supply, and fosters both quantity and quality of employment.

To address these socioeconomic challenges, in 2010 the government of Moldova adopted the 'Moldova 2020' plan as a national development strategy presenting a vision of socio-economically cohesive, long-term, sustainable economic development. The plan recognises that economic development is based on economic factors (e.g., accumulation of capital and technologies) as well as the labour force and labour productivity, which should be increased by matching skills to economic needs and increasing the amount of employment in the economy. Moldova 2020 emphasises that the pathway towards sustainable and stable long-term growth requires continuous structural efforts that should be focused on simultaneous and coordinated reforms including institutional reforms (policy instability, corruption, improved access to finance, improved trading across borders and improved investment protection); educational reforms; labour market reforms; and social assistance reforms.

Significant steps have been taken to stimulate labour market development and functioning. The legal and institutional framework governing the labour market has been improved. Also labour market statistics and monitoring processes have been adjusted to market economy requirements. The EU Mobility Partnership has provided significant support to these developments through the EU-funded Targeted Initiative for Moldova, which strengthened the capacity of the country to manage labour migration.

A new National Employment Strategy for 2016 to 2020 (a period that may be extended to 2025) is under development. Effective implementation, reporting, monitoring and evaluation of the Strategy will involve all of the main actors of the sector, including the Ministry of Labour; the National Commission for Consultation and Collective Bargaining; the National Employment Agency, which has a leading role in its implementation; the National Bureau of Statistics; the National Institute of Economic Research; the National Confederation of Trade Unions; the National Confederation of Employers; and the Chamber of Commerce and Industry. Moldova is currently undergoing a comprehensive structural institutional review aimed at reducing the number of ministries and other governmental institutions by the end of 2016.

The Ministry of Labour, Social Protection and Family is responsible for the development of employment policy and for monitoring labour market trends. The National Employment Agency (ANOFM) is responsible for implementing labour market policies and for producing specific labour market information and, in recent years, this entity has been implementing a labour market forecast and a profession/trade barometer using methodologies developed with EU support. These instruments aim to identify trends for jobs and skill requirements in the near future and the results are used for planning ANOFM activities, determining the number of people to be trained (through continuing education courses for the unemployed) and identifying priority occupations in need of new courses. In accordance with the law on employment and social protection, the ANOFM organises training courses aimed at increasing the employability of unemployed and priority groups of people with special difficulties. A new law on employment promotion has been developed but it is still in the early debating stages within government institutions.

The Ministry of Labour, Social Protection and Family is promoting closer cooperation with the business sector and has played a leading role in establishing sectoral committees. In 2013, a Resolution of the National Committee for Collective Bargaining and Consultation adopted a framework regulation on the activity of the sectoral committees as consultative bodies at the sectoral level. There are currently five sectoral committees, covering construction, agriculture and food, transport and road infrastructure, information and communication technologies, and trade workers in non-food sectors. The committees are involved in the work on skills needs identification and the development of occupational standards. The draft law to strengthen the legal status of the sector skills councils has gone through many different versions, and the Ministry of Labour recently sent a new draft to the government for approval. The law is essential in defining the role of the councils in developing occupational standards and in supporting VET implementation.

Many institutions in Moldova are involved in producing information related to labour market skills needs and a significant amount of data is gathered, but there is a lack of analysis, management and dissemination of this information to the relevant stakeholders. Interested stakeholders do not always have access to the data, they are often unaware of where to find information or they do not understand how to interpret this.

In 2015 the ETF conducted a feasibility study on the establishment of a labour market observatory, and discussions are ongoing with various stakeholders on the matter. The World Bank and the United Nations Development Programme have shown an interest in supporting this type of observatory.

ANNEXES

Statistical annex

This annex reports annual data from 2011 and 2015 or the last available year.

Indicator		2011	2015
1*	Total population (000)	3 560.4	3 555.1
2*	Relative size of youth population (age group 15–24) (%)	25.1	19.7
3*	Youth dependency ratio (%)	22.1	21.2
4*	Old-age dependency ratio (%)	13.8	13.4
5	Global Competitiveness Index	Rank/all	93/142
		Score	3.9
6	GDP growth rate (%)	6.41	-0.5
7	GDP per capita (PPP) (current international \$)	4 179	5 039
8	GDP by sector (%)	Agriculture added value	14.8
		Industry added value	30.5
		Services added value	68.4
9	Poverty headcount ratio at \$3.10 a day (2011 PPP) (%)	3.5	M.D.
10	Gini index (%)	30.6	28.5 (2013)
11*	Educational attainment of adult population (aged 15+) (%)	Low	30.9
		Medium	53.3
		High	15.8
			29.9 (2014)
			53.4 (2014)
			16.7 (2014)
12	Gross enrolment rates in secondary education (%)	87.7	88.3 (2013)
13	Share of VET students in secondary education (%)	35.4	45.6
14	Gross enrolment rates in upper secondary education (%)	87	87.9 (2014)
15	Share of VET students in upper secondary education (%)	34.8	39.5 (2014)
16	Low achievement in reading, mathematics and science – PISA (%)	Reading	N.A.
		Mathematics	N.A.
		Science	N.A.
17*	Participation in training/lifelong learning (age group 25–64) by sex (%)	Total	1
		Male	0.9
		Female	1.2
			1 (2014)
			0.9 (2014)
			1.1 (2014)
18*	Early leavers from education and training (age group 18–24) by sex (%)	Total	22.4
		Male	27.2
		Female	17.2
			21.2
			25.6
			16.5
19*	Activity rates (aged 15+) by sex (%)	Total	42.3
		Male	45.6
		Female	39.3
			42.4
			45.1
			39.9

Indicator		2011	2015	
20*	Employment rates (aged 15+) by sex (%)	Total	39.4	40.3
		Male	42.1	42.3
		Female	37.1	38.4
21*	Unemployment rates (aged 15+) by sex (%)	Total	6.7	4.9
		Male	7.7	6.2
		Female	5.6	3.6
22*	Unemployment rates (aged 15+) by educational attainment (%)	Low	7.1	3.9 (2014)
		Medium	6.8	3.8 (2014)
		High	6	3.9 (2014)
23*	Youth unemployment rates (aged 15–24) by sex (%)	Total	14.9	12.8
		Male	14.2	12.4
		Female	15.8	13.5
24*	Proportion of long-term unemployed out of the total unemployed (aged 15+) (%)	13	M.D.	
25*	Long-term unemployment rate (aged 15+) (%)	M.D.	M.D.	
26*	Incidence of self-employment (%)	29.4	34.6	
27*	Share of the employed in the public sector (%)	M.D.	M.D.	
28*	Employment by sector (%)	Agriculture	27.5	28.8 (2013)
		Industry	18.7	17.7 (2013)
		Services	53.7	53.5 (2013)
29	Employment in the informal sector (%)	15.1	M.D.	
30*	Proportion of people aged 15–24 not in employment, education or training (NEETs) by sex (%)	Total	29.2	30.4
		Male	32	33
		Female	26.2	27.5
31	Public expenditure on education (as % of GDP)	8.3	7	
32	Public expenditure on education (as % of total public expenditure)	21.4	18.3	
33	Skill gaps (%)	M.D.	31.2 (2013)	
34	Contribution of SMEs to GDP (%)	M.D.	M.D.	
35	Share of SMEs in employment (%)	M.D.	M.D.	

Sources: *Indicators 1, 2, 11, 13, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 30, 31* – National Bureau for Statistics; *3, 4, 6, 7, 8, 9, 10* – World Bank, World Development Indicators database; *5* – World Economic Forum; *12, 14, 15, 32* – UNESCO Institute for Statistics; *33* – World Bank, World Enterprise Survey

Legend: N.A. = not applicable; M.D. = missing data

Notes: ⁽¹⁾ Information presented without data on districts from the left side of the river Nistru and municipality of Bender.

Definition of indicators

	Description	Definition
1	Total population (000)	The total population is estimated as the number of persons having their usual residence in a country on 1 January of the respective year. When information on the usually resident population is not available, legal or registered residents can be considered.
2	Relative size of youth population (age group 15–24) (%)	The ratio of the youth population (aged 15–24) to the working-age population (usually aged 15–64 or 15–74).
3	Youth dependency ratio (%)	The ratio of younger dependents (people younger than 15) to the working-age population (those in the 15–64 age group).
4	Old-age dependency ratio (%)	The ratio of older dependents (people older than 64) to the working-age population (those in the 15–64 age group).
5	Global Competitiveness Index	The Global Competitiveness Index assesses the competitiveness landscape, providing insight into the drivers of countries' productivity and prosperity. It is expressed as a score on a 1 to 7 scale, with 7 being the most desirable outcome.
6	GDP growth rate (%)	The annual percentage growth rate of GDP at market prices based on constant local currency.
7	GDP per capita (PPP) (current international \$)	The market value of all final goods and services produced within a country in a given period of time (GDP), divided by the total population and converted into international dollars using purchasing power parity (PPP) rates.
8	GDP by sector (%)	The share of value added from agriculture, industry and services.
9	Poverty headcount ratio at \$2 a day (PPP) (%)	The percentage of the population living on less than \$2.00 a day at 2005 international prices.
10	Gini index (%)	A Gini index measures the extent to which the distribution of income (or, in some cases, consumption expenditure) among individuals or households within an economy deviates from a perfectly equal distribution. A Gini index of 0 represents perfect equality, while an index of 100 implies perfect inequality.
11	Educational attainment of adult population (aged 25–64 or 15+) (%)	Educational attainment refers to the highest educational level achieved by individuals expressed as a percentage of all persons in that age group.
12	Gross enrolment rates in secondary education (%)	The number of students enrolled in a given level of education, regardless of age, expressed as a percentage of the official school-age population corresponding to the same level of education.
13	Share of VET students in secondary education (%)	The proportion of VET students in secondary education out of the total number of pupils and students in secondary education (general + VET).
14	Gross enrolment rates in upper secondary education (%)	The number of students enrolled in a given level of education, regardless of age, expressed as a percentage of the official school-age population corresponding to the same level of education.
15	Share of VET students in upper secondary education (%)	The proportion of VET students in upper secondary education out of the total number of pupils and students in upper secondary education (general education + VET).
16	Low achievement in reading, mathematics and science – PISA (%)	The share of 15-year-olds failing to reach level 2 in reading, mathematics and science.
17	Participation in training/lifelong learning (age group 25–64) by sex (%)	The share of persons aged 25–64 who stated that they had received education or training in the four weeks preceding the (LFS) survey.

Description	Definition
18 Early leavers from education and training (age group 18–24) by sex (%)	The percentage of the population aged 18–24 with at most lower secondary education who were not in further education or training during the four weeks preceding the (LFS) survey. Lower secondary education refers to ISCED 1997 levels 0–3C short for data up to 2013 and to ISCED 2011 levels 0–2 for data from 2014 onwards.
19 Activity rates (aged 15+) by sex (%)	Activity rates represent the labour force as a percentage of the working-age population.
20 Employment rates (aged 15+) by sex (%)	Employment rates represent persons in employment as a percentage of the working-age population.
21 Unemployment rates (aged 15+) by sex (%)	Unemployment rates represent unemployed persons as a percentage of the labour force.
22 Unemployment rates (aged 15+) by educational attainment (%)	Educational levels refer to the highest educational level successfully completed. Three levels are considered: low (ISCED levels 0–2); medium (ISCED levels 3–4); and high (ISCED 1997 levels 5–6 and ISCED 2011 levels 5–8).
23 Youth unemployment rates (aged 15–24) by sex (%)	Youth unemployment rates represent young unemployed persons (aged 15–24) as a percentage of the labour force (15–24).
24 Proportion of long-term unemployed out of the total unemployed (aged 15+) (%)	The number of unemployed persons aged 15+ who are long-term unemployed (12 months or more) as a percentage of unemployed persons aged 15+.
25 Long-term unemployment rate (aged 15+) (%)	The number of unemployed persons aged 15+ who are long-term unemployed (12 months or more) as a percentage of the labour force aged 15+.
26 Incidence of self-employment (%)	The share of self-employed as a proportion of the total employed. Self-employment includes employers, own-account workers, members of producers' cooperatives and contributing family workers.
27 Share of the employed in the public sector (%)	The share of those employed in the public sector as a proportion of the total employed.
28 Employment by sector (%)	The share of those employed in agriculture, industry and services.
29 Employment in the informal sector	The share of persons employed in the informal sector in total non-agricultural employment.
30 Proportion of people aged 15–24 not in employment, education or training (NEETs) (%)	The percentage of the population of a given age group who are not employed and not involved in further education or training.
31 Public expenditure on education (as % of GDP)	Public expenditure on education expressed as a percentage of GDP. Generally, the public sector funds education either by directly bearing the current and capital expenses of educational institutions, or by supporting students and their families with scholarships and public loans, as well as by transferring public subsidies for educational activities to private firms or non-profit organisations. Both types of transactions together are reported as total public expenditure on education.
32 Public expenditure on education (as % of total public expenditure)	Public expenditure on education expressed as a percentage of total public expenditure. Generally, the public sector funds education either by directly bearing the current and capital expenses of educational institutions, or by supporting students and their families with scholarships and public loans as well as by transferring public subsidies for educational activities to private firms or non-profit organisations. Both types of transactions together are reported as total public expenditure on education.
33 Skill gaps (%)	The percentage of firms identifying an inadequately educated workforce as a major constraint.
34 Contribution of SMEs to GDP (%)	The share of value added from small and medium-sized businesses.
35 Share of SMEs in employment (%)	The share of persons employed in small and medium-sized businesses.

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COMMUNICATION DEPARTMENT
EUROPEAN TRAINING FOUNDATION
VIALE SETTIMIO SEVERO 65
I - 10133 TORINO

E: INFO@ETF.EUROPA.EU

T: +39 011 6302222

F: +39 011 6302200

WWW.ETF.EUROPA.EU