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FACTSHEET

Inclusive and Productive Employment in Moldova

Addressing decent work deficits for more and better jobs, improved employability of people through TVET and adult learning, and formalization of employment.

The Inclusive and Productive Employment project supports the implementation of the Decent Work Country Programme 2021-24 of the Republic of Moldova. It uses well-tested ILO methodologies to address the root causes of low employment rates, high informality, and skills mismatches, with a view to driving lasting change.

Areas of intervention

The project intervenes on three interlinked Outcomes, namely:

- Inclusive and productive employment through decentralized implementation of the new National Employment Programme (NEP) and improved performance of the National Employment Agency (NEA).
- an advanced skill needs anticipation system is operational
- Effective protection of workers at the highest risk of informal employment.

The table below provides an overview of current and future activities being implemented.

Results so far

The project has contributed significantly to Moldova's alignment with international labour standards and related EU acquis. It has supported the implementation of the NEP, which focuses on labour market exclusion, particularly of inactive women and youth. The NAE has received technical assistance for, refinement of performance indicators, and improvement of active labour market measures.

The expansion of Local Employment Partnerships (LEPs) to two additional facilitates the decentralized implementation of the NEP and maximizes its potential for job creation and formalization. Efforts to address skills gaps included a functional analysis of Moldova's Skills Needs Anticipation System, validated by tripartite partners as a crucial initial step in introducing state-of-the-art skills needs anticipation services. To bolster formalization efforts, technical assistance has been provided for designing a cross-cutting policy programme aimed at promoting formalization across all sectors of the economy. In the construction sector, tripartite negotiations and a Market System Analysis laid the groundwork for pilot programs targeting formalization.

Country/region

Republic of Moldova

Executing agency

International Labour Organization (ILO)

Duration

2022-2024

Total budget

CHF 25,000,000

SECO contribution

CHF 2,000,000



International
Labour
Organization

ILO constituents



GUVERNUL
REPUBLICII MOLDOVA



ILO Products and tools

✓ **Employment component**

- methodology for impact assessment of ALMMs; provision of training and support for the first impact assessment exercise;
- technical package for the NEA modernization in alignment with ILS and EU accession requirements, including a robust performance management framework;
- capacity building for local social dialogue committees, followed by LEPs design in Hincesti and Floresti districts to promote job creation and transition to formality, with a focus on vulnerable groups, including refugees;
- territorial audits to understand the local labour market and entry-points for LEP actions.

✓ **Skills Development component**

- mapping of the Skills Needs Anticipation System in the country with recommendations for strategic advancements in skills needs analysis and anticipation;
- capacity building of tripartite partners in methodologies for detecting and anticipating skills needs;
- tripartite workshop on micro-qualifications to introduce international practices and design a roadmap for development.

✓ **Formalization component**

- diagnosis of the UDW (following the ILO methodology) through the evaluation of the particularities of labour market in Moldova;
- comprehensive legal analysis of NSFE with a view to ensuring proper protection of workers engaged in these forms of employment and prevent informality;
- expert roundtable on the production of statistics about minimum and average wages including the issue of envelope wages and its impact on the official data on average wages in the sector and its implications for procurement processes;
- ILO's Market Systems Development on opportunities and constraints to formalise informal workers and economic units in the construction sector.

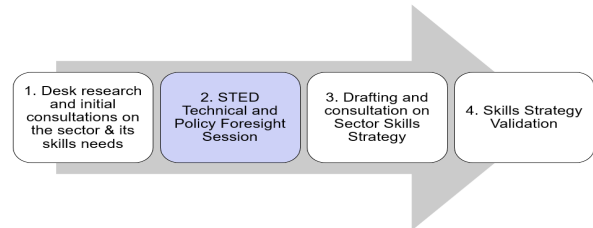
What is next

Employment

1. Technical advice to the institutions mid-term evaluation to NEP establish evidence on policy effectiveness, and prompt necessary adjustments and actions;
2. Strengthen the capacities of NEA and enhance the delivery of ALMMs;
3. Roll-out of the two LEPs to support the job creation and transition to formality in Hincesti and Floresti districts.

Skills development

1. rapid assessment of skill needs to drive growth in road construction and maintenance and renewable energy sectors (based on ILO STED – Skills for Trade and Economic Development).



2. roadmap for micro-qualification development, advancing Occupational Standards and Qualifications and a Lifelong Learning system.
3. analysis of core employability skills and piloting of a digital literacy skills training programme, to support the upskilling of low-skilled adult populations, incl. persons with disabilities, refugees, and other groups.

Formalization

1. small-scale piloting focused on transitioning informal workers and economic units to formality;
2. roll-out of a voucher system in agriculture to expand coverage of social protection of daily workers;
3. piloting of validation of informal competencies (recognition of prior learning, RPL) and award of micro-credentials for informal workers in the construction sector, as part of their formalisation.

Synergies at work

All three components interlink to enhance project effectiveness. LEPs serve as an integrator between the business advisory services, access to finance and equipment, upskilling/reskilling, employment subsidies, collective representation building, and incentives for formalizing workers and enterprises. The skills component complements the formalization component through upskilling programs for undeclared workers in the construction sector, incorporating occupational safety and health and labour rights components. Enabling outcomes for all components include promoting social dialogue to actively engage tripartite constituents in consultation for employment policy review, LEP design and implementation, skills needs' anticipation exercises validation, formalization initiatives, and nationwide campaigns advocating for the benefits of formalization among workers.

Further information and contact details

[Inclusive and productive employment in the Republic of Moldova \(ilo.org\)](https://ilo.org/publications/newspapers/2022/01/05/inclusive-productive-employment-republic-moldova)

[EU support to inclusive labour markets in the Republic of Moldova \(ilo.org\)](https://ilo.org/publications/newspapers/2022/01/05/eu-support-to-inclusive-labour-markets-republic-moldova)


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Market-oriented skills



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