

MOLDOVA

VET GOVERNANCE COUNTRY PROFILE 2021



1. INTRODUCTION

In June 2020, the Moldovan parliament approved the National Development Strategy 2030, known as Moldova 2030. The goal of the strategy is to significantly improve the quality of life in Moldova, reduce the outflow of young people from the country, increase its investment attractiveness and create jobs and personal development opportunities for young professionals across the country. Moldova 2030 includes four elements of sustainable development: a sustainable and inclusive economy, reliable human and social capital, honest and efficient institutions, and a healthy environment. Ten long-term goals for sustainable development have been set at the national level.

In 2020, ETF implemented the VET Governance Inventory Tool in Moldova, which focuses on a set of 65 governance indicators, measuring progress in governance functions such as VET and skills policy, institutions, financing, quality assurance and system monitoring. The self-assessment instrument involved 36 key stakeholders responsible for the VET and skills system in Moldova. They noted

achievements and shortcomings in the capacity of Moldova's VET system to deliver training. There were 65 key indicators to enable analysis and self-assessment, based around seven core VET governance functions: formulation and implementation of overall policy framework, including strategic policy tools; provision of the legal and regulatory framework; management of the VET and skills provider network; alignment and coordination of financial arrangements; management of public-private partnerships (PPPs) for VET and skills development; monitoring, evaluation and review of VET and skills policies, including research and development; management of information systems, including data and statistical provision¹.

The Moldova country profile paints a picture of VET governance based on the findings of the ETF VET Governance Inventory tool.

¹ Results of the assessment on 65 governance indicators are presented in the VET Governance self-assessment results in Moldova: Assessment Report. 2020 ETF

COUNTRY CONTEXT

The two main factors shaping the population structure and demographic change in Moldova are ageing and migration. The share of young people (aged 15–24) in the active population declined from 19.3% in 2013 to 14.8% in 2018. The increasing dependency ratios – young people (21.3%) and old age (14%) – have important economic and social implications, threatening sustainable growth and the future sustainability of social protection, including pensions. Moreover, in the coming decades, population decline will continue at a rapid pace. According to the demographic forecast (2015–2035), the annual decrease in population will fluctuate between 1.1% and 2.0%.

Moldova has relatively low enrolment rates in primary and secondary education: in 2018 net enrolment rates were 90.62% for primary schools and 86.91% for secondary schools. In the same year, the gross enrolment ratio in higher education was relatively high, at 39.82% VET is well represented at upper secondary level and enrolment in vocational programmes is increasing, reaching 46.6% in 2018, up from 37.1% in 2013.

Moldova has a significant challenge with school dropouts. Although the number of early leavers has decreased slightly, it remains remarkably high. One in five of those aged 18–24 leave early, which is one of the highest rates in Europe.



2. VET AND SKILLS POLICY

During last years, Moldova has been effectuating reforms in the Vocational Education and Training (VET) system to strengthen the sector and support socio-economic development. The primary policy document, VET Development Strategy 2013-2020, outlines the general objective as: 'Modernise and streamline VET to increase the competitiveness of the national economy, by training a competent and qualified workforce, in line with the current and future requirements of the market'. It defines the reform process and sets specific objectives: a) restructuring VET into two levels – secondary and post-secondary – and reconfiguring the network of institutions by 2017; b) ensuring skill-based VET and adjusting it to labour market requirements; c) increasing the quality of VET by improving the utilisation efficiency of financial resources and by creating and implementing a quality assurance system; d) a scientific, cultural and methodological provision of VET, so that all curricula are adjusted to the National Qualification Framework (NQF) by 2020; e) enhancing the quality and motivation of the teaching staff so that, by 2020, the entire teaching staff is trained according to the NQF; f) increasing attractiveness and access to VET.

The implementation of the VET Development Strategy 2013-2020 and the accompanying action plan has brought considerable achievements in VET system development. Many VET processes were improved, and many VET practices strengthened. Nevertheless, it was not possible to fully overcome all the challenges. Therefore, the strategy remained relevant during its entire period of validity. A new Education Strategy 2030, also covering the VET, is under development.

The ETF VET Governance Inventory Tool assessed the quality of the policy through selected VET governance indicators². As an example, the findings reveal that most of the stakeholders agreed that 'the national VET and skills policy has been developed involving both state and non-state stakeholders'³ (average mark 2.2) and that 'the VET policy combines long-term objectives

2 Results of the self-assessment of the policy framework are available in VET & Skills Governance Inventory 4.0. Assessment Results Report: Moldova. ETF, 2020 (unpublished)

3 Indicator A1, ETF VET Governance Inventory Tool

and short-term targets'⁴ (2.1). The fourth statement, 'the national policy for vocational education has a multi-year perspective'⁵, had fewer supporters (2.4).

The level of agreement with two other statements – 'cooperation and coordination between national and sub-national (regional, local) public departments and agencies are effective' and 'cooperation between government and non-government organisations (including social partners) is transparent and effective' – was the lowest in this section, with the same distribution of pros and cons and an equal average mark of 2.7. (Indicators A, See Table 1.)

4 Indicator A2, ETF VET Governance Inventory Tool

5 Indicator A3, ETF VET Governance Inventory Tool

6 Indicator A4, ETF VET Governance Inventory Tool

7 Indicator A5, ETF VET Governance Inventory Tool

METHODOLOGY

ETF VET Governance Inventory 4.0 is a pioneering tool for assessing the institutions' readiness to advance policy priorities in the VET and skills sector. In 2020 it was implemented in 5 ETF partner countries – Albania, Jordan, Kazakhstan, Moldova, and Uzbekistan. This exercise's key focus is on a set of 65 governance indicators to measure progress in overall VET policy, management, and financing. The self-assessments on VET governance and financing arrangements in Moldova were conducted as a follow up of previous work and objectives, with 36 key stakeholders from the VET system in Moldova taking part. As a data collection tool, online survey questionnaires were used. They contained sets of positively formulated statements as per the sections mentioned above, and the respondents were asked to answer to what extent they agreed with those statements. The following grading was used: (1) Strongly agree, (2) Agree, (3) Neither agree nor disagree, (4) Disagree, (5) Strongly disagree. Therefore, in the sections below, where the self-assessment results are summarised, the lower the average mark, the stronger the aggregated agreement of the stakeholders with the statement. There was also an option 'Do not know / Not applicable', which was considered but not considered when calculating the average marks.

TABLE 1: SUMMARY OF ANSWERS FOR THE SECTION A, % OF ANSWERS AND AVERAGE

	AVERAGE MARK	Strongly agree	Agree	Neither agree nor disagree	Disagree	Strongly disagree	Do not know/Not Applicable
(A.1) The national policy for vocational education and training (VET) - and skills- has been developed involving both state and non-state stakeholders.	2.2	12	67	9	12	-	-
(A.2) The policy for VET combines long term objectives and short-term targets.	2.1	15	61	15	6	-	3
(A.3) The policy can be updated to include new developments in both initial training for young people and continuing training for adults.	2.0	33	48	3	15	-	-
(A.4) The national policy for vocational education has a multiyear perspective.	2.4	6	61	23	10	-	-
(A.5) Cooperation and coordination between national and sub-national (regional, local) public departments and agencies are effective.	2.7	6	34	41	16	-	3
(A.6) Cooperation between government and non-government organisations (including social partners) is transparent and effective.	2.7	6	41	34	19	-	-

3. INSTITUTIONAL ARRANGEMENTS AND LEGAL FRAMEWORK

The VET system in Moldova and its governance are centralised at the national level. The Ministry of Education, Culture and Research (MoECR) is the key actor responsible for VET administration and policy development. It acts through its various bodies, which include the VET Department, the NQF Department and the Lifelong Learning Department. All VET institutions directly report to the MoECR. Some VET institutions report in both to the MoECR and to the ministries covering their sector (the Ministry of Agriculture, Regional Development and Environment (MoARDE), the Ministry of Health, Labour and Social Protection (MoHLSP) and the Ministry of Internal Affairs (MoIA), but there are no regional or local bodies with tasks in the VET governance area.

The ministries are responsible for VET governance and are accountable to the Prime Minister's Office. The Ministry of Finance participates in VET governance by funding the VET institutions. Other sectoral ministries have an indirect relationship with VET Governance, e.g. through participation in preparing qualification standards and modifying the nomenclature of professional training.

There are also some support structures under the MoECR, MoHLSP and MoARDE, as well as different councils, but the degrees of their functionality and effectiveness vary widely. The Republican VET Centre, the Republican Methodical-Instructional Cabinet of the MoHLSP and Methodical Centre for Training

of the MoARDE are there to provide technical support to the VET system, VET institutions, and ministries, including the promotion of VET policies, development of the regulatory framework, preparation of curricula, development of methodologies, carrying out training in career guidance and counselling, coordination of further training for teaching and managerial staff, etc. However, these entities face difficulties fulfilling their mandate due to the shortage of financial and human resources and due to the burden of other ministerial duties.

The National Agency for Quality Assurance in Education and Science (ANACEC), under the MoECR, is an organisation whose mission is to develop and promote the culture of quality in the field of Initial Vocational Education and Training (IVET), Continuous Vocational Education and Training (CVET) and higher education and science. ANACEC develops the quality assurance policies, but it does not directly evaluate the quality at each institution in terms of performance results.

There are 89 public and private VET institutions in Moldova, subordinated to the MoECR (42 VET schools, 19 colleges, and 8 centres of vocational excellence), the MoHLSP (4 colleges and 1 centre of excellence), the MoARDE (six colleges and two centres of excellence), and the Ministry of Internal Affairs (1 college). The local authorities have no responsibility in the field of VET.

The National Coordination Council for VET, which was established in 2014 to act as 'coordinator in the mediation process between the educational institutions and the labour market',

8 Under the MoECR



has been dysfunctional since 2017. Thus, social partnership/dialogue in VET at the national level is undermined.

An important challenge is the absence of a structure that plays an intermediate role between the policymaking level on the one hand and the VET institutions and other players – be it private partners, development partners and donors, sector committees, NGOs, and VET institutions – on the other.

The Sectoral Committees are set up at the level of industries or branches of industry. To date, only six SCs have been legally registered. In 2017, the Law on Sectoral Committees gave SCs the capacity to adopt a legal personality, thereby allowing them to establish official lines of cooperation with other institutions. The National Qualifications Framework⁹ (NQF) was adopted by the government in 2017.

The concept of the ‘social dialogue platform in VET’ underpins the social partnerships in VET, aiming to strengthen and maintain an effective dialogue and partnership between the business environment and the VET sector. However, in

practice, the situation is still far from satisfactory. At the national level, the role of mediator between the VET institutions and the labour market is assigned to the National Coordination Council for VET, which has not been active since 2017.

The Chamber of Commerce and Industry’s (CoCI) principal cooperation area with VET is the coordination of Dual VET. The Chamber has been involved with this since 2017 and is also engaged in doing annual surveys and using the collected data, particularly for advising on VET planning in dual VET.¹⁰

Overall, the role of social partners is consultative, with limited involvement from the private sector in shaping the development of policies and systems.

The ETF VET Governance Inventory Tool assessed the set of indicators related to the quality of policy measures that support VET providers in ensuring a high-level performance of the VET institutions network and a degree of autonomy, potentially leading to the development of the VET sector.

9 For more information on NQF development in Moldova, see National Qualifications Framework Moldova, ETF 2021 available at: www.etf.europa.eu

10 The National Confederation of Moldovan Employers (CNPM) is also employer player in the social dialogue arena

TABLE 2. SUMMARY OF ANSWERS FOR THE SECTION C, % OF ANSWERS AND AVERAGE

	AVERAGE MARK	Strongly agree	Agree	Neither agree nor disagree	Disagree	Strongly disagree	Do not know/Not Applicable
(C.1) VET providers are accessible to users, such as students, parents, and employers (etc.).	1.7	43	43	10	3	-	-
(C.2) The network of VET providers is optimal and based on clear governance structure.	2.3	7	60	30	3	-	-
(C.3) A quality assurance policy is in place across the system and provider levels.	2.4	7	57	23	13	-	-
(C.4) Measuring quality, internal and external, is undertaken to support the performance of VET providers.	2.6	7	50	20	23	-	-
(C.5) VET schools are able to make decisions on curriculum and teaching and innovation practices.	2.5	17	33	33	10	3	3
(C.6) VET school financial autonomy is sufficient to support effective and efficient provider operations and partnerships with industry, employers, civil society (etc.).	2.3	13	53	20	13	-	-
(C.7) VET schools are accountable for the decisions they make.	1.9	20	63	10	-	-	7
(C.8) Centres of Excellence exist in the country and, overall, these institutions meet stakeholder expectations.	2.5	3	47	43	3	-	3
(C.9) Centres of Excellence are partnership-based institutions (public-private, university and research, etc.), which are well resourced in terms of both financial and human capacities.	3.1	-	23	43	23	3	7

The stakeholders strongly supported the statements' VET providers are accessible to users, such as students, parents,¹¹ and employers'¹² (average mark 1.7) and 'VET schools are accountable for the decisions they make' (1.9).

The same average mark of 2.3 was given to the statements 'the network of VET providers is considered optimal and based on a clear governance structure'¹³ and 'VET schools' financial autonomy is sufficient enough to support effective and efficient provider operations and partnerships with industry, employers and civil society'¹⁴, followed by 'a quality assurance policy is in place across the system and at provider level'¹⁵ (2.4). At the same time, the stakeholders did not tend to agree that 'measuring quality, internal and external, is undertaken to support the performance of VET providers'¹⁶ (2.6), which is not surprising since, as stakeholders explain, there are properly designed policies for many VET practices which, however, are not effectively applied in practice. (Indicators C, See Table 2.)

11 Indicator C1, ETF VET Governance Tool

12 Indicator C7, ETF VET Governance Tool

13 Indicator C2, ETF VET Governance Tool

14 Indicator C6, ETF VET Governance Tool

15 Indicator C4, ETF VET Governance Tool

16 Indicator C3, ETF VET Governance Tool

4. FINANCING ARRANGEMENTS

VET funding as a share of the total state budget gradually decreased from 2.8% in 2018 to 2.1% in 2020. However, as a total amount, it is stable, at about MDL 1.1 billion. In 2017, a new per-capita VET financing mechanism was introduced. The new funding mechanism foresees a considerable level of autonomy for VET institutions in managing the allocated financial resources, and it is based on rational, equitable and transparent allocative methodology. However, its application is still truncated as the rates are calculated taking into consideration the budget ceiling and not accounting for the actual cost of training as per the categories of qualifications. Nevertheless, the new mechanism provides VET institutions with many opportunities for additional activities to generate income. At the same time, the financial autonomy is given to VET institutions also requires them to have enhanced and appropriate capacities to work under this new condition and implies a higher level of responsibility, with a particular business way of thinking.

The regulatory framework covers and regulates all aspects of the functioning of the system. This includes a set of regulations regarding complementary funding of the VET institutions, project-based competition funding of VET institutions, organisation of technical vocational education during the COVID-19 pandemic, organisation of the qualification exam, further training of adults, organisation and functioning of ANACEC, external evaluation of VET institutions, organisation of VET programmes for dual VET, organisation of admission into VET institutions, validation of non-formal and informal education,

organisation of the qualification examination, the technical concept of the National Register of Qualifications of the Republic of Moldova and the methodology for the development of qualifications. Furthermore, approved curricula were developed for all specialities and trades, as well as new occupational and qualification standards¹⁷.

Overall, the main funding sources for VET institutions are allocations from the state budget, own income obtained from sales of goods and services, resources from projects financed by external sources (such as national/international donors, private companies, PPPs, and other revenues allowed by law).

When it comes to PPPs and governance indicators, the strong disagreement regarding the management of PPPs for VET and skills provision is understandable as, in fact, there is a minimal number of effectively functioning PPPs in VET in the country. Therefore, the restrained attitude of the stakeholders to the statements about this topic is to be more than expected. Nevertheless, stakeholders were again closer to 'Neither/nor' for: 'PPPs in VET and skills are supported by relevant legislation'¹⁸ (average mark 2.7), 'financial and non-financial incentives motivate employers' participation in VET and skills policy

17 Results of the self-assessment of the financial arrangements are available in VET & Skills Governance Inventory 4.0. Assessment Results Report: Moldova. ETF, 2020 (unpublished)

18 Indicator E1, ETF VET Governance Tool



development¹⁹ (2.8) and 'social partners' and employers' cooperation with VET schools is structured and effective, for instance, for having sound WBL policies and practices²⁰ (2.8).

Fewer stakeholders agreed with the statement that 'fiscal arrangements are adequate for the formation and implementation of PPPs'²¹ (3.1). It is, however, not surprising that the statement 'social dialogue plays an effective role at national and, in concrete, sectoral levels for VET and skills policy formation and implementation'²² found the most favour (2.2) among the others. This is to say, that stakeholders realise that, when it exists, social dialogue is strongly beneficial for policymaking and implementation. (Indicators C, See Table 3.)

19 Indicator E4, ETF VET Governance Tool

20 Indicator E5, ETF VET Governance Tool

21 Indicator E2, ETF VET Governance Tool

22 Indicator E3, ETF VET Governance Tool

TABLE 3: SUMMARY OF ANSWERS FOR THE SECTION E, % OF ANSWERS AND AVERAGE

	AVERAGE MARK	Strongly agree	Agree	Neither agree nor disagree	Disagree	Strongly disagree	Do not know/ Not Applicable
(E.1) PPPs in VET & Skills are supported by relevant legislation.	2.7	3	33	53	10	-	-
(E.2) Fiscal arrangements are adequate for formation and implementation of PPPs.	3.1	3	7	53	27	-	10
(E.3) Social dialogue plays an effective role at national and, in concrete, sectoral levels for VET & skills policy formation and implementation.	2.2	17	52	24	7	-	-
(E.4) Financial and non-financial incentives motivate employer's participation in VET & skill policy development.	2.8	7	30	37	20	-	7
(E.5) Social partners' and employers' cooperation with VET schools is structured and effective, for instance, for having sound Work Based Learning policies and practices.	2.8	7	23	53	17	-	-

5. QUALITY ASSURANCE AND MONITORING FUNCTIONS

As regards quality assurance, at the national level ANACEC is the administrative authority under the MoEcR, with the mandate to prepare and promote quality in the field of IVET, CVET, higher education and science. The Commission for Internal Evaluation and Quality Assurance monitors internal quality assurance at the VET institutional level.

The Regulation on the Organisation and Functioning of ANACEC and the External Quality Assurance Methodology are the two main documents that define the status, mission, tasks, and functions of ANACEC and set the methodological and procedural framework for quality assurance, including internal and external quality assessment. ANACEC launched the external quality evaluation in 2017. All VET institutions and their programmes must undergo an external evaluation for accreditation every five years. There are ten quality standards used for external evaluation. However, there is the

need for more indicators for self-assessment to facilitate the processes of monitoring, evaluating and analysis.

Overall, the existing quality assurance mechanisms can be described as an input tool, which ensures: the quality and relevance of VET supply in terms of providers, programmes and qualifications, obtained through the procedure of accreditation of the VET institutions and programmes; tools to insure unity and transparency in qualifications across the educational and training system, national qualifications framework and transferable credit framework (for VET level 4 and 5) and certificate/diploma supplements; and mechanisms to ensure that VET institutions have the capacity to deliver VET programmes to the required standards. However, there are no quality mechanisms to assess the results of VET and ensure the appropriateness of the VET on offer or the products such as, for example,

through VET student and graduate or company satisfaction surveys, and the degree and quality of employability.

At the national level, all aspects related to lifelong learning (LLL) are under the responsibility of the LLL Service at the MoECR, whose key role is the development of policies. LLL has gained prominence over recent years. However, adult training is limited, and financing for it remains low. Ongoing professional training is provided by a limited number of institutions on request, and some companies provide short courses for their own needs. There is a need for clarity about how LLL can be operationalised.

There are several entities in the country that are formally responsible for monitoring and evaluating different VET processes as well as the functioning of the entire system. The role of the MoECR Policy Analysis, Monitoring and Evaluation Department at the MoECR is to analyse, monitor,

evaluate and report on the implementation of public policies.

The main VET strategic document set up a monitoring and evaluation framework in relation to policy, along with the MoECR Board, the National Coordination Council for VET, Sectoral Committees, the private sector, and development partners. The idea was to independently monitor strategy implementation, yet this did not become a reality.

A monitoring system is established at the institutional level. The strategic planning system is mandatory for all VET institutions, and VET institutions regularly carry out and publish annual monitoring reports. However, it is not clear how/whether the results are used for the next planning period to improve the effectiveness of the institution. At the same time, external monitoring and evaluation of VET institutions is currently missing.

6. POLICY POINTERS FOR MOVING FORWARD

The Moldovan VET system needs to become more effective in aligning training provision more closely to labour market needs and the country's socio-economic development. The following measures could support such a process in a systemic context:

- Enhancing cooperation and coordination between public and private stakeholders and strengthening social dialogue by the following means:
 - improving stakeholder coordination by revising (or re-establishing) the role and composition of the National Coordination Council for VET and an appointing Secretariat;
 - facilitating social dialogue and collaboration at the business level by supporting capacity building and the development of concrete actions within the SCs;
 - supporting employers actively involved in VET by financial and non-financial incentives;
 - introducing a donor/development partner coordination mechanism with a national entity to better align the activities of international agencies and increase their impact, to monitor and coordinate investments and evaluate the impact.

- Reinforcing the quality of WBL and dual VET by developing a functional quality control mechanism for monitoring and evaluating WBL, including impact evaluations on employability and transition to employment.
- Enhancing the management of VET institutions by increasing their capacity to diversify income sources and to effectively capitalise on them through sustainable reinvestments and be more performance-oriented.
- Supporting the centres of vocational excellence to fulfil their mandate, developing innovation and quality assurance, and becoming a methodological hub, applying prior learning recognition and adult learning, increasing social dialogue and labour market linkages, and supporting other VET institutions.
- Establishing supporting mechanisms to foster the transition of VET graduates from school to quality jobs in the labour market.
- Strengthening the organisational and technical capacities of key stakeholders, in particular: SCs to support their analytical capacities to detect and address skills gaps; ANACEC to strengthen quality assurance processes in



initial and continuing VET; and the Republican VET Centre to implement VET policies and assist the MoECR in developing the regulatory and normative framework and implement VET processes (quality assurance, development/revision of qualification standards and curricula, training methodologies, tracer study, career guidance, teacher/manager training, WBL, etc.).

- Operationalising the monitoring and evaluation system for VET policy implementation and external monitoring and evaluation for VET institutions and the entire VET network performance.

- Rationalising the VET governance institutional settings by establishing, at mezzo level, a functional and effective national structure for the complete range of VET support activities.
- Unifying the types of VET institutions by allowing the provision of all types of VET programmes, with a view to boosting the attractiveness of VET schools.
- Introducing a multi-level, including regional, and multi-stakeholder governance and management of VET institutions.

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