

MOLDOVA

DECENT WORK COUNTRY PROGRAMME DOCUMENT 2012 - 2015

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Abbreviations

CA	Collective Agreements
CEACR	Committee of Experts on the Application of Conventions & Recommendations
CNPM	National Confederation of Employers
CNSM	National Confederation of trade Unions
DWCP	Decent Work Country Programme
DWT/CO	Decent Work Technical Support Team and Country Office
EC	European Commission
EO	Employers' Organisation
EU	European Union
ILO	International Labour Organisation
ILS	International Labour Standards
IMF	International Monetary Fund
LDS	Labour Dispute Settlement
LI	Labour Inspection
MDGs	Millennium Development Goals
OSH	Occupational Safety and Health
TU	Trade Unions
UN	United Nations
UNICEF	United Nations Children's Fund
UNPF	United National Partnership Framework
UNFPA	United Nations Population Fund
UNDAF	United Nations Development Assistance Framework
VET	Vocational Education and Training

REPUBLIC OF MOLDOVA

DWCP 2012-2015

Introduction

The primary goal of the International Labour Organisation (ILO) is to promote opportunities for women and men to obtain decent and productive work in conditions of freedom, equity, security and human dignity. Decent Work Country Programmes (DWCPs) promote decent work as a key component of development policies and at the same time as a national policy objective of governments and social partners.

The present country programme is informed by international development agendas such as the Millennium Development Goals (MDGs), as well as the United Nations Development Assistance Framework (UNDAF) for 2012-2015. The DWCP is based on the “Rethink Moldova” and “Moldova 2020” strategies and national development objectives.

The programme aims to ensure sustainable economic growth and the creation of new jobs in order to secure macroeconomic stability and an improved level and quality of life for Moldovan people. It aims to have Moldova recognised as a modern G-20 state with a competitive 21st century economy applying European practices.

The DWCP is a continuation of joint work on the promotion of decent work principles in Moldova based on tripartite social dialogue which took into account balanced policy, a combination of economic growth and decent employment, changes in social development, and increases in living standards. The DWCP will contribute towards Moldova achieving its development goals and national priorities.

In technical consultations with ILO Decent Work Technical Support Team and Country Office (DWT/CO) for Central and Eastern Europe, the Government and social partners of Moldova set DWCP priorities for Moldova. Evaluation of results of the previous DWCP implementation in Moldova assisted the drafting of new DWCP priorities by ILO experts with the participation of tripartite partners. In line with the priorities of cooperation between the ILO and Moldova for 2012-2015 the Programme sets key outcomes, as well as major planned activities and strategies needed to achieve objectives and outcomes. An implementation plan for the DWCP Moldova for 2012-2015 will be developed to ensure its effective impact, monitoring and evaluation of the results of promotion of decent work objectives in Moldova.

The programme targets closer cooperation between the ILO and its tripartite constituents in Moldova as well as further expansion of ILO activities in order to achieve positive changes in the social and labour spheres.

The DWCP details the policies, strategies and results required to realise progress towards decent work for all. This document reflects the strategic planning of ILO cooperation activities with Moldova for the period 2012-2015. Reflecting the constituents’ as well as the ILO experts’

assessment of past cooperation, the programme aims at ensuring greater synergies and stronger coherence of ILO activities in Moldova and thus contribute to achieving sustainable and positive change in the labour and social areas.

I. The current situation from a Decent Work perspective

The socio-economic context

During the last decade Moldova registered sustained economic growth (with a slight deviation in this trend in 2009 due to the world financial crisis, followed by rapid recovery in 2010). Growth remained constant however, and this was primarily due to remittances from Moldovan migrants abroad and partly by increasing salaries. These factors determine the core feature of economic development as consumption-driven, jobless and unsustainable. A failure to attract investment in the first decade of transition kept Moldova in a poor position according to FDI stock per capita. Moreover, the global economic crisis, accompanied by a political crisis in Moldova meant investment suffered a severe drop, particularly in 2009 when it fell from more than 5 times its previous level, and did not recover in 2010¹. The country has periodically suffered the impact of external economic shocks such as export restrictions of major commodities like wine and fresh vegetables into the Russian market, as well as significant increases in the price of imported gas.

Such factors exacerbated the vulnerability of many Moldavian households, widening the gap between women and men in terms of income and access to jobs. These factors also highlighted differences, between first time jobseekers and experienced workers, those with permanent and precarious employment, and the plight of those with poor quality jobs in the informal economy. Migration is often seen as the only alternative to open unemployment, underemployment and informal work, because whatever the economic growth may be, it is not accompanied by a similar positive evolution on the labour market. On the contrary, activity and employment rates decreased during the whole period, Moldova registering a job-less growth.

One reason for the high economic inactivity of Moldovans is their high reservation wages. This means that especially persons in households living at least partially on remittances will go to work only if wages offered are sufficiently high. The employment rate dropped from 54.8 per cent in 2000 to 38.5 per cent in 2010, in absolute terms; this meant a loss of 420,000 jobs in ten years. The labour force participation rate in 2010 stood at 43 per cent for men and 38.6 per cent for women. The decline in employment rates for men and women affected both women and men similarly. For example, between 2006 and 2010 men's employment rate fell 4.6 percentage points from 45.5 per cent to 40.9 per cent, while for women it fell by 4.1 percentage points from 40.5 per cent to 36.4 per cent. Labour non-participation (inactivity) has emerged as a salient feature of Moldovan society over the past decade. The total number of economically inactive people increased by 35 per cent during the period 1999–2009, and its share increased from 38.7 per cent to 57.2 per cent of the total population aged over 15 years. In 2010, inactivity stood at 58.4 per cent (61.4 per cent

¹ The Republic of Moldova, National Bureau of Statistics, Labour Force Survey - various years.

for women and 55 per cent for men), a major reason being disability / age-based exclusion (higher for women) and family responsibilities (significant for women, negligent for men)². Urban-biased economic growth was balanced by a proliferation of poverty in rural areas where almost 70 per cent of the local population is confined to informal agriculture and household survival activities.³

The education system is unable to keep pace with the changing needs of the economy. The increasing number of higher education graduates in Moldova has not contributed to the advancement of the country's competitiveness and the development of a knowledge-based economy. Cooperation between the business and education sectors is almost non-existent. Private employers have limited access to Vocational Education and Training (VET) enrolment plans, they are not consulted on occupational curricula, nor are they participating in VET school administration. Policy coherence across economic, employment and social spheres as well as improved institutional capacity are needed to mitigate unemployment and inactivity traps. This will make work pay and ease the alarming mismatches between labour demand and supply. In many instances, Active Labour Market Policies are not offered as comprehensive packages of employment and training services but rather focus on those unemployed who are better educated, instead of targeting those who are uneducated and hence "hard to place". This is particularly the case with young people and people with disabilities who are at the highest risks of poverty and social exclusion.

Moldova has adopted the MDGs at the country level,⁴ and has remained committed to achieving these goals through various means, including a more concentrated collaboration between all relevant partners, including civil society and the United Nations (UN) family in Moldova.⁵ However, Moldova remains one of the least developed countries in the European and Commonwealth of Independent States regions with a gross domestic product per capita of \$2,986.⁶ The Republic of Moldova's 2010 human development index stood at 0.623, in the medium human development category - positioning the country at 99 out of 169 countries. This value is below the average of 0.717 for countries in Europe and Central Asia.⁷ Moldova has made progress on the MDGs, with 21 out of 27 targets on track to be met, including MDG3. Targets in areas such as education, HIV/AIDS, and access to improved water sources and sewerage are not likely to be reached.

With a relatively low employment rate but a high inactivity rate, the key challenge and the main focus for Moldovan labour market policy should be to increase both the activity rate along with employment rate. This can only be achieved if more and better-paid jobs (decent

² Idem

³ In 2006 income as a poverty measurement standard has been replaced by consumption as a measurement of population welfare because consumption expenses are a more precise and more relevant indicator for Moldova

⁴The Republic of Moldova, Millennium Development Goals in the Republic of Moldova, The First National Report, June 2005.

⁵The Republic of Moldova, The Second Millennium Development Goals Report, September 2010.

⁶Gross Domestic Product per capita Purchasing Power Parity, National Human Development Report, 2009/2010.

⁷United Nations Development Programme, Human Development Report 2010, Country Fact Sheets—Moldova.

jobs in terms of wages, social protection, work-family friendly and occupational health and safety at work) are available in the domestic labour market. Policies to assist workers to balance their family responsibilities is an important ingredient in improving the activity rate, as one of the major causes of female inactivity is family responsibilities. To significantly improve competitiveness a more conducive business and investment environment is needed in which new companies can be established and existing ones can expand. Also needed are better conditions for education and training of the labour force, both inside and outside the company environment, in order to achieve higher labour productivity. The lack of long-term macroeconomic forecasting hinders the achievement of a clear vision or perspective on labour market evolution, and inhibits the implementation of viable policies which must also encapsulate migration trends. The labour market scenario will be challenging as long as no change of economic paradigm occurs to foster durable economic growth and to place job creation at the heart of endogenous developments. In the medium term the country should focus on ways to: 1/attract investment; 2/ enhance economic competitiveness (innovation, technologies); 3/boost production for local and foreign markets; 4/improve infrastructure; 5/invest in Human Resources; and last but not least 6/regain political stability.

In 2011, in conjunction with the International Monetary Fund (IMF), and with external budgetary support, sustained efforts were undertaken to reduce budget deficits and stabilize the economy⁸. As a result, economic growth resumed more promptly than expected due to replenishment of business inventories, private consumption and net exports, while inflation has remained low. The country is drafting a new development strategy called “Moldova 2020” which encompasses a long-term vision aligned to Moldova’s aspirations, and a road map focusing on growth and development challenges. Backed up by the maintenance of macro-economic and fiscal stability combined with efforts to facilitate export penetration, the envisaged reforms aim at generating resources for sustainable growth, employment creation and well-targeted poverty-reduction interventions. A set of seven draft priorities have been established with a clear focus on economic growth and address key issues for Moldova’s socio-economic development. Three priorities arise out of the binding constraints to growth diagnostics, namely: road infrastructure investment, education sector reform, and financial issues linked to access to capital. The remaining priorities capture issues of importance for socio-economic development, with positive externalities for growth and investment attraction: the business climate; energy sector reform; the pension and social insurance system, the justice sector reform and the fight against corruption. Labour Law reform is a target under the Action Plan for 2012 of the Ministry of Labour and thus, it is less highlighted in Moldova 2020.

Moldova has recently ratified Labour Statistics Convention no. 160 (2010) and Promotional Framework for Occupational Safety and Health (OSH) Convention no. 187 (2012). There is a need to properly transpose the provisions of newly ratified conventions into national legislation. Furthermore, regulation of labour migration, including measures for improving

⁸ International Monetary Fund and the Republic of Moldova, Memorandum of Economic and Financial Policies, January 2010.

skills of migrant workers are still to be adopted in labour legislation to fully comply with Migration for Employment Convention no. 97, which has also been ratified by the country.

Constituents

In order to overcome the accrued deficiencies in the labour market the Ministry of Labour, Social Protection and Family has developed a long-term Employment Strategy for 2007-2015 which in general follows the European Employment Strategy's format. The strategy reflects the ILO expertise encompassed in its recommendations for improvement. It endeavours to secure genuine coherence of economic and social policies in the country with social protection for vulnerable persons. Wage reform and the refining of social protection policies will be on-going. In the realm of pension reform there are three steps to be carried out by the Government as highlighted in the IMF Memorandum: 1/ Gradual limitation of earlier retirement rights; 2/ Convergence of acquired rights (much privileged schemes) of judges and prosecutors with those of public servants; 3/ Revision of sources for sickness benefits (first day – covered by the worker itself, second day – by the employer and the rest – by the social security fund). The ILO has provided training for government officials in the coordination of social security systems to better protect migrant workers.

Amendments to labour legislation have contributed to greater flexibility in employment relations. However, certain intentions very often face significant Trade Union (TU) resistance. Social Dialogue is well established in Moldova and is used to find compromise and a convergence of interests of the social actors. The ILO has contributed to this improved institutional framework of Social Dialogue and facilitated access for social partners to governance and decision making processes.

The social partners are represented by the National Confederation of Employers and the National Confederation of Trade Unions, the latter currently dealing with a structural consolidation.

The *National Confederation of Employers (CNPM)* represents a great majority of employers in Moldova and its members play a very strong role in tripartite discussions. However, it is the youngest and the least experienced partner within the Social Dialogue structure. This gives legitimate explanation to the effort CNPM undertakes to present itself as a strong and reliable social partner. In 2006 it achieved the legislative insertion of membership fee deductibility to build up its membership. The ILO has underpinned CNPM's endeavours to have a greater presence in regional areas and wider membership beyond the capital city by awareness-raising workshops and development of new services in OSH risk assessment and by delivering focused information on labour law and legal advice. These endeavours have been complemented by a Norwegian funded project to establish three regional offices in Cahul, Balti and Edinet. In order to retain and attract members the CNPM has set about providing new services as mentioned above as well as undertaken participation in social dialogue, training in Human Resources management to prevent and resolve disputes at the enterprise level, and focussed on gender equity issues.

The *National Confederation of Trade Unions (CNSM)* evolved from the merging process of the National Confederation of Trade Unions and the Free Trade Unions Confederation that emerged after some ten years of tense relationship. The confederation struggles to generate a consolidated trade union movement in the country still compromised by the presence of a large number of small branch unions that act in parallel in certain industrial sectors as a result of this merger. Such internal and external competition can at times negatively impact the smooth unification process. Recently the Confederation has been much concerned with the quality of labour administration and labour disputes resolution mechanism throughout the country. An increase in the minimum wage level, improved collective bargaining system and improved penetration within the informal economy by trade unions, are high priorities on the CNSM agenda. Support contributed by the ILO has targeted improved collective bargaining skills, enhanced ability for service delivery, and improved protection of migrant workers.

Gender equality aspects

The gender sensitive Human Development Index for Moldova reaches 0,429 if compared to 0,623 for the entire population.⁹ The difference highlights the degradation in human development for women largely due to disadvantages in reproductive health, as well as issues of political and economic empowerment. Employment promotion is an important vehicle towards economic empowerment of women. The Moldovan labour market is marked by high levels of economic inactivity of women, with 61.4 per cent of women in the working age not being available or looking for work, due to such barriers as age limit, disability, etc., attending school and family responsibilities. Tackling labour market discrimination based on age and family responsibilities are major areas of challenge. In 2009 the government approved a National Program on Gender Equality and a Medium Term Action Plan for 2010-2012 aimed at addressing the needs of the rural and sub-urban population, especially poor women, in exercising their social and economic rights through increasing access to quality information and services in employment and social protection areas. The judicial machinery nevertheless remained inactive in the face of widespread discrimination against women like discriminatory job vacancy announcements, discretionary staff selection, etc. There were no known cases of any official body identifying gender discrimination against any person, despite various reports and qualitative surveys pointing to such discrimination particularly as regards family responsibilities, lack of mechanism to address sexual harassment at work, unequal treatment at work, and more (see for example American Bar Association, 2007, *CEDAW*¹⁰ *assessment tool report for Moldova*, available at <http://apps.americanbar.org/rol/publications/moldova-cedaw-2006-eng.pdf>).

UN, delivery as ONE

The current UNDAF (2007-2011) was extended by one year to 2012 to allow for synchronization of the new United Nations Partnership Framework (UNPF) within the new development strategy. The ILO was heavily involved in the UNPF 2013-2017 roll out, recently endorsed by the

⁹ UN Country Analysis, Moldova 2011, p.9

¹⁰ Committee on the Elimination of Discrimination against Women

UN family and Moldovan partners. The past UNDAF provided a genuine place for joint ILO/UN Women/ UN Development Programme (UNDP) /UN Children's Fund (UNICEF)/ UN Population Fund (UNFPA) delivery in issues like Labour Code engendering, enhanced decent work statistical indicators, training on gender audits, improved work and family reconciliation, etc. The new UNPF opens perspectives for partnerships in areas of equitable access to employment, decent work and income generating opportunities through a human rights based approach.

II. Lessons learned from previous cooperation

The ILO has through its DWCPs raised awareness on Decent Work deficits in Moldova and has strengthened national capacities to recognize and counteract them, and also to develop ways forward. Thus in 2010 *Decent Work for All* became for the first time a leading catchphrase of the liberal-democrat government and one of the core priorities in its Activity Programme: Freedom, Democracy, and Welfare, 2011-2014¹¹. A variety of human rights based approaches to economic and employment targets within the country's development programmes and strategies¹² bear the effects of ILO values, expertise and country-level interventions. This has also been evident within the tripartite DWCP Rapid Assessment, (December 2009) where ILO assistance has been unanimously recognized by the constituents as in harmony with the country's main strategies and policies. The ability of the ILO to reprioritize its interventions as a result of changing national contexts and needs (due to the global economic crisis for instance) was highly appreciated.

The participatory approach involving constituents during the DWCP drafting and implementation enhances the communication flow between the government and social partners. ILO training and expertise improves the constituents' abilities to have a positive impact on social and economic policies. The concept of a Decent Work Agenda was better assimilated by the constituents within the exercise and assists them to employ the Decent Work principles in their internal plans and development strategies. In spite of economic and political crises the constituents have managed to replicate the knowledge gained with the ILO among their members at different levels of interventions. However there were challenges prompted by the delay in some of the ILO committed support within DWCP due to political imbalance in the country, however this delay is currently being addressed. One further issue noted was that the constituents' had only limited financial capability to underpin the DWCP implementation to the extent they would like to. Constituents recognize that the lack of appropriate resources inhibits the sustainability in achieving the outcomes and diminishes their capability in assuming ownership of both achieved and targeted results. Language barriers further limit the accessibility to ILO information. A Moldovan language link to all ILO information has been recently launched on the newly established Ministry of Labour, Social Protection and Family to facilitate the constituents' access to the ILO existing sources.

¹¹ <http://www.gov.md/doc.php?l=en&idc=445&id=3729>

¹² National Employment Strategy, 2008-2015; Rethink Moldova development strategy, Draft Association Agreement EU- RM, Human Rights Action Plan, etc.

The DWCP tripartite Overview Board was set up in January 2009 and has met regularly since then allowing the government and social partners to closely monitor the program's implementation and even adjust the priorities when considered necessary. Among the most tangible results within the ILO interventions, also mentioned by the constituents on several occasions, was the audit on Labour Inspection, the audit on the National Employment Service, the National Collective Agreement on Child Labour, the Code of Conduct on Child Labour for Employers in Agriculture and the draft of the National Action Plan to Combat Child Labour. Training on OSH and risk management for social partners and labour inspectors, training to improve inspection visits and monitoring of labour laws enforcement have been also qualified as timely and adding value to national efforts.

Moldova has ratified 40 ILO conventions, including all fundamental ones. The country regularly fulfils its reporting obligations. The Parliament recently ratified Convention 160 on Labour Statistics which is currently awaiting the President's promulgation. The Ministry of Labour and Social Protection has stated its intention to start the ratification process of Convention 156 on Workers with Family Responsibilities.

III. Priority areas of cooperation

The priority areas of cooperation and the country programme outcomes have been developed in close collaboration with constituents. The process started with individual consultations and evaluation of the past DWCP. Following these discussions and based on inputs received DWT/CO-Budapest developed a draft narrative text of the programme that was further discussed. The current programme is a result of this process.

Considering the lessons learned during past cooperation, the ILO will aim at reinforcing the Constituents' capacities and enlarging the influence of the ILO Decent Work policy in line with the MDGs for the Republic of Moldova, the UN Common Country Assessment and the Government action programmes. The strategy will be to work with the close involvement of the Constituents and multilateral and bilateral donors

Within the overarching theme of "Decent Work for All" the ILO will concentrate on three country programme priorities in Moldova in this period 2012-2015, which should be seen as long-term goals

- i. Improving governance of the labour market
- ii. Promoting decent work and employment opportunities
- iii. Improving social protection

Priority 1: Improving governance of the labour market

Outcome 1.1: Legal and institutional environment to enable a functioning social dialogue

The main shortcomings in 2011 were noted as being: low coverage of collective bargaining in the private sector, lack of representivity criteria for the social partners, poor content of

collective agreements, and a poor understanding of the government's role in collective bargaining.

Minimal effectiveness and coordination of collective bargaining processes at various levels (national, sectoral and enterprise) in both the public and private sectors has been identified. The proposed strategy to address the above mentioned problems consists of enhancing the capacity of tripartite policy makers to take jointly, in accordance with relevant international labour standards (ILS), necessary measures to promote effective collective bargaining mechanisms in both the public and the private sectors. For this purpose, tripartite key policy makers and actors (staff of Ministry of Labour, members of the National Commission for Consultations and Collective Bargaining (NCCCB), as well as representatives of national and sectoral workers' and employers' organizations) will be advised on different legislative frameworks, policies and practices to develop coordinated mechanisms of collective bargaining. This will be achieved through increasing knowledge on the application of relevant ILS (Conventions No. 87, 98, 151, 154, Recommendation 91 and 92), raising awareness of how the ILO's supervisory bodies work, technical and legal advice to design and implement legal and institutional initiatives enabling effective collective bargaining, exposure to European good practices and transfer of know-how from European Union (EU) Member States.

As a follow-up to activities done in the previous biennium, the ILO will provide technical assistance for the establishment and functioning of an effective Labour Dispute Settlement (LDS) mechanism in Moldova. This will be achieved through legal and technical advice on drafting of a new regulation on LDS, awareness-raising on the advantages of LDS mechanism with Members of Parliament and training of would be conciliators.

Outcome Indicators:

- Tripartite constituents design and introduce measures to encourage and promote effective collective bargaining at various levels (national, sectoral and enterprise level).
- A functioning mechanism on LDS in place.

Outcome 1.2: Increased institutional capacity of employers' and workers' organisations

Strengthening Employers' Organizations (EO) will target capacity building towards supporting employers to engage more effectively in economic and social forums at all levels to ensure a business-friendly legislative environment exists to support viable and sustainable enterprises. ILO assistance will also continue to support CNPM expanding its membership by providing new and improved services and supporting the establishment of representative offices in six (6) additional areas outside the capital.

Technical assistance and capacity building of trade unions will continue to focus on collective bargaining, including undertaking it at company level and the strengthening of gender equality in collective bargaining. Trade unions capacity will be further strengthened to enable them to build on the General Collective Agreement at sectoral and enterprise level in order to achieve better articulation of provisions of Collective Agreements (CA) and thus improve implementation of the law at sectoral and enterprise levels. Technical assistance will include sharing both knowledge and the tools to facilitate mainstreaming gender equality into the CA.

Outcome Indicators:

- Capacity built to enable EOs to raise awareness in tripartite forums and amongst members on the barriers and costs to business that hinder moving to the formal economy and having sustainable enterprises.
- EO undertakes training to support viable and sustainable enterprises.
- CNPM establishes presence in regional centres to support employers and to enable social dialogue forums to function at all levels in Moldova.
- Training of trainers conducted by CNSM to understand and promote the extension of the provisions of CA
- Training of trainers conducted by CNSM to provide trade unions with knowledge and tools to mainstream gender equality into CA

Outcome 1.3: ILS better reflected in labour legislation

Labour legislation is undergoing a process of revision aimed at approximation to EU regulations. Using the Committee of Experts on the Application of Conventions and Recommendations (CEACR) observations as entry points of intervention, the ILO will support this process through enhancing the knowledge of tripartite constituents on relevant ILS and their capacity to jointly take measures necessary to properly transpose them into the adopted legal and institutional frameworks. With regard to the right of workers' organizations to organize their activities, the CEACR has requested the Government to take necessary steps enabling the participation of relevant workers' and employers' organizations in determining the minimum services to be ensured in the event of a strike. In its 2010 observation on the application of the Right to Organize and Collective Bargaining Convention no. 98, the CEACR requested the Government to adopt necessary legal measures to ensure workers' protection against anti-union discrimination, including through effective guarantees of law enforcement.

Concerning the application of Convention no. 111, the CEACR has encouraged the Government to continue to take the necessary steps to overcome the difficulties faced by women in employment and occupation. Special emphasis will be placed on observance of Freedom of Association and the right to collective bargaining as well as on non-discrimination in the workplace in order to ensure better access of vulnerable categories of workers (youth, women, temporary workers, old workers, informal workers) to decent work.

Outcome Indicators:

- Tripartite constituents take legal and practical measures to apply ILS in response to issues raised by ILO Supervisory bodies.

Priority 2: Promoting of decent work and employment opportunities***Outcome 2.1: Improved labour statistics for evidence-based policy formulation***

Decent work is central to reducing poverty and can be a catalyst to achieving equitable, inclusive and sustainable development. It involves creating opportunities for work that is productive and delivers a fair income, provides security in the workplace and social protection

for workers and their families, and gives people the freedom to express their concerns, to organise and to participate in decisions that affect their lives.

While normal labour statistics concentrated on the measurement of labour supply and labour demand as well as volume of work and wages in the economy, workers experience decent work gaps (or decent work deficits) from a perspective which goes beyond the scope of traditional labour statistics.

Given the above, it is essential for Moldova to regularly produce statistical measures of Decent Work in order to both develop and monitor the implementation of the DWCP, and gauge progress on decent work. Other areas of development are: 1) developing national capacity in reporting on the application of ILO Convention 160, measurement of economic activity in the Population Census 2013, 2) enhancing technical capacity in constructing, monitoring and evaluation of the consumer price index, 3) development of the national capacity to measure voluntary work, 4) development and upgrading of the national capacity to produce, monitor and analyse the indicators to measure progress on decent work, 5) development and upgrading the national capacity to capture and measure labour migration (participation in the ILO/EU Project).

Outcome Indicators:

- The first Draft Report on the implementation of the ILO Convention 160 prepared and sent to the ILO.
- Three Decent Work statistical indicators reviewed and improved
- Improved labour migration module in Labour Force Survey with specific focus on skills issues.
- The National Bureau of Statistics acquires full capacity to measure the volume of voluntary work

Outcome 2.2: Institutions more effectively manage labour migration and prevent labour exploitation of migrant workers due to increased capacity and improved policy and regulatory framework

The ILO will provide technical assistance to improve the national capacities to manage migration through a rights-based approach and based on a strengthened social dialogue. It will build sustainable cooperation with relevant actors in the Government, Parliament, Workers and Employers' organisations, etc. and foster their ownership over the migration governance process. In this context, the ILO will provide capacity building and awareness raising according to those actors' needs, including improved understanding of the ILO Multilateral Framework on Labour Migration and ILO Conventions 143 and 97, the concept of right-based labour migration governance and reintegration of returning migrants.

In Moldova, there is little mechanism for qualifications recognition and skills matching. In this context, technical assistance will be provided for the development of occupational standards in selected economic sectors, particularly those affected by migration. This will involve practitioners, social partners, educationalists and policy makers. A skills analysis survey will be designed and used among a statistically relevant group of employers in each sector. The overall purpose of the

survey will be to identify employers' demands, how similar those demands are to EU practice, and how well the current levels of skill meet labour market demands. As a result, a number of up-to-date occupational profiles will be designed for each sector. The results of the occupational skills analysis and the designed profiles will be presented and discussed in a tripartite forum.

Outcome Indicators:

- Occupational profiles/standards developed in selected economic sectors in line with the development of national qualification framework and local and international labour market demand.
- Expanded knowledge base for policy design on balancing migration flow and return with national and international skill needs to prevent skill waste and brain drain.
- Capacity of tripartite constituents strengthened to govern labour migration and enact relevant legislation.

Outcome 2.3: Improved decent work opportunities for youth through knowledge and action and improved employment policies

The ILO will promote decent work for young women and men. Targeted action aims to improve youth employment policies and programmes through better knowledge of the youth employment challenge at national, regional and global levels, as well as through the application of good practices. The ILO will support Moldova in bridging the knowledge gap of youth labour markets – including areas relating to financial inclusion, wage and earnings and other conditions of work – and youth employment policies and programmes that efficiently ease the transition of young people to decent work.

Outcome Indicators:

- School to work transition (STWT) surveys done.
- The employment promotion law drafted based on best practices

Priority 3: Improving social protection systems

Outcome 3.1: Strengthened coverage and sustainability of the social security system

Through ILO technical assistance, Moldova will extend the social security coverage for migrant workers by developing and implementing social security agreements with receiving countries, and develop policy options for social security reform and discuss them with key tripartite stakeholders.

Outcome Indicators:

- Various pension reform options developed and their financial impact assessed

Outcome 3.2: Improved OSH policies and programmes

The ILO's strategy on OSH in Moldova will focus on the creation of a safety culture for all workers and employers. In the framework of the current EC project, the ILO will continue to

assist the tripartite constituents in developing and implementing the National OSH Plans and conduct capacity building and advocacy activities.

Outcome Indicators:

- OSH national programme adopted
- A tripartite national mechanism on OSH is established
- Representatives from the enterprises' OSH Services are trained on risk assessment and risk management
- Awareness raised on OSH

Outcome 3.3: Improved policy environment for maternity protection and work-family reconciliation in particular for the most vulnerable workers

The Moldovan labour market is marked with high economic inactivity of women, where 61.4 per cent of women of working age are not available or looking for work, due to barriers such as age limit, disability, etc., attending school and family responsibilities. In addition, statistics show that women's economic activity decreases with the presence of pre-school children in the household, while the same activity increases for men, indicating a clear disadvantage for women with family care responsibilities to continue labour market activity. In developing strategies for work and family reconciliation, the inclusion of appropriate maternity protection is critical in order to promote gender equality. Such inclusion has now become an explicit part of the Moldovan socio-economic policy agenda.

Outcome Indicators:

- Constituents take legal and practical measures to protect maternity and promote work-family reconciliation issues

Outcome 3.4: Strengthened effectiveness and quality of the labour inspection system

Efficient and effective labour inspection (LI) systems are a solid guarantee that national and ILS are being complied with, workers' rights are respected and enterprises thrive in an environment of fair competition. According to Convention 1947 (No. 81) and 1969 (No. 129) Labour inspectorates play an important role in the improvement of working conditions, by supplying technical information and advice to employers and workers concerning the best ways of complying with legal provisions, by securing the enforcement of the law and by giving notice to the competent authority of defects or abuses not specifically covered by existing laws and regulations. The proposed strategic outcome is designed to provide the national labour inspectorate with enhanced capacities to fulfil all its main functions, in a participative approach and in line with relevant ILS, as well as recognised good practices. In this way, through the strengthening of governance, human capital and resources, the State Labour Inspectorate will be in a better position to play a key role in the sustainability of the employment market and quality of working and living conditions.

Outcome Indicators:

- Guidance on methods of inspection and reporting is established.
- Preventive role of LI is enhanced, through production and dissemination of information materials
- Managers of LI and labour inspectors trained on new methods of inspection
- Coordination with social partners and other state authorities is improved

IV. Management and implementation

The cooperation programme will be managed through a network including DWT/CO-Budapest, the National Coordinator in Chisinau, the Regional Office for Europe and technical units at headquarters in Geneva. The National Coordinator will play a liaison role together with DWT/CO-Budapest. The ILO will continue its cooperation with major stakeholders in the country such as the UN under the framework of the UNDAF, the World Bank and the European Commission (EC) Delegation.

The objectives of the programme will be pursued through technical cooperation projects, advisory missions, and seminars for information dissemination and capacity building. Extra-budgetary resources and the ILO's regular budget resources will be used to finance the implementation of this Country Programme. The ILO network mentioned will continue to mobilize further resources for follow-up to the results achieved, bearing in mind priority concerns of the constituents. The government and the social partners will facilitate their respective expert staff and premises and provide logistic support, as appropriate. They are committed to implementing the follow-up steps necessary to achieve the expected results in accordance with the DWCP work plan which will be developed.

V. Performance monitoring and evaluation arrangements

The implementation of the DWCP will be reviewed by the constituents on a regular basis, using interactive methods. The missions of the ILO experts and their internal reports will be used as part of the monitoring process. Every six months, the DWCP implementation will be reviewed by the DWCP Board consisting of the representatives of the Constituents and the National Coordinator. The DWT/CO Director will assess the programme achievements with the constituents in Moldova at least once over the duration of the programme. On a yearly basis, the DWCP implementation plan will be internally reviewed and adjustments will be made to reflect changed circumstances as necessary, in order to improve the implementation strategy. The revised implementation plan will be validated by the DWCP Overview Board.