

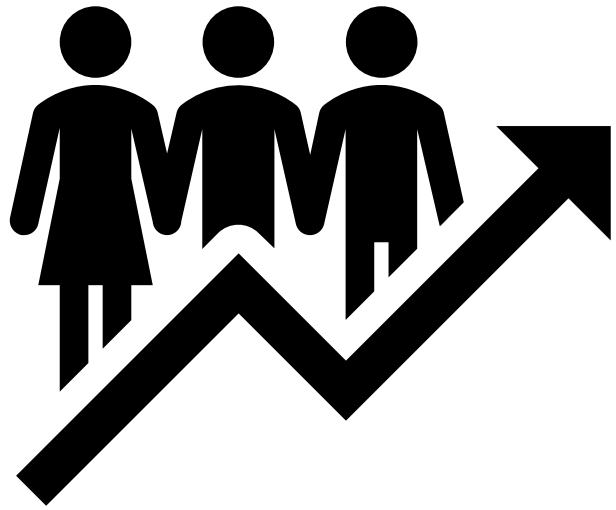
Role of Moldovan higher  
education in building skills  
for the labor market:  
*challenges and prospective*

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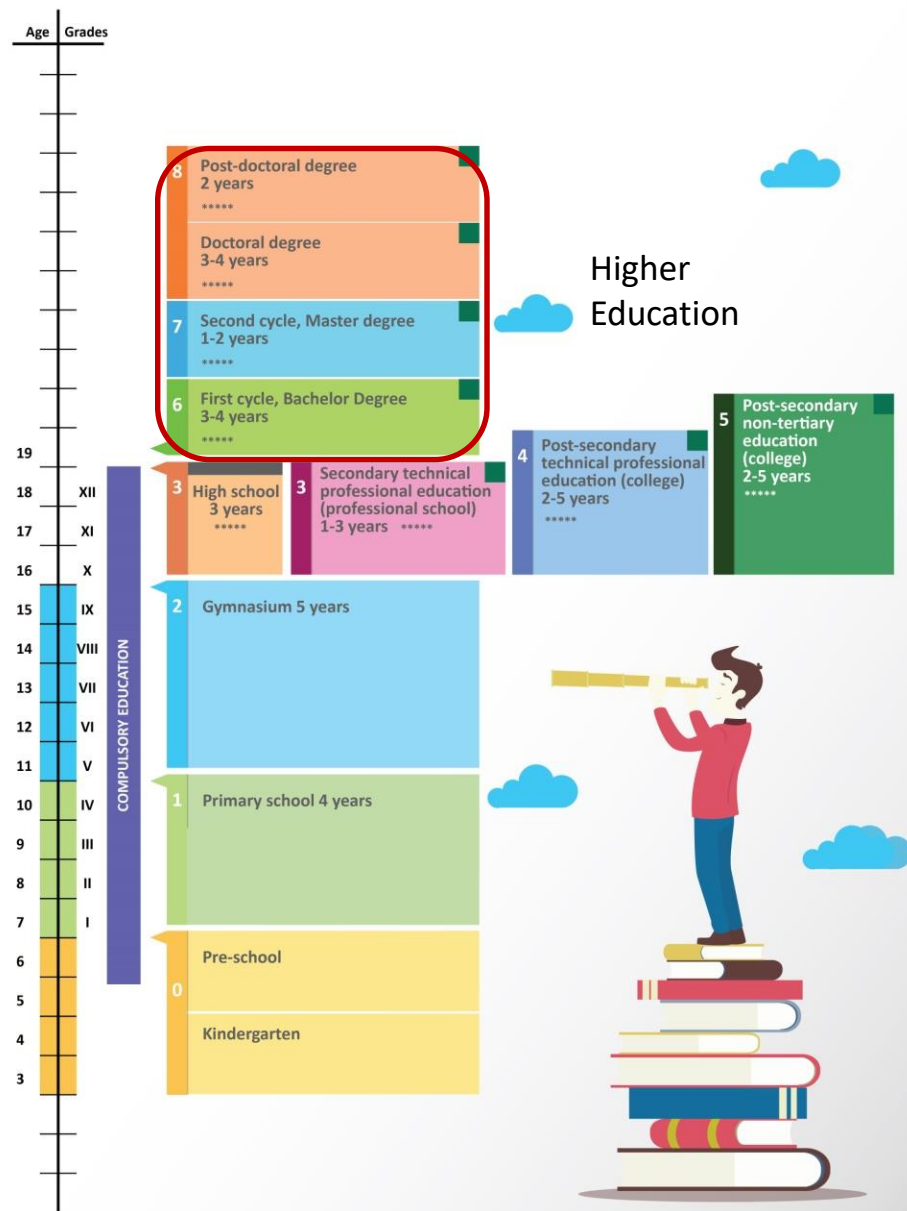
World Bank Group

May 2019





Higher education is **the leading factor** of economic and social progress and development



# Higher Education structure in Moldova:

According to art. (76) of the Moldova Education Code, higher education is organized in two fields:

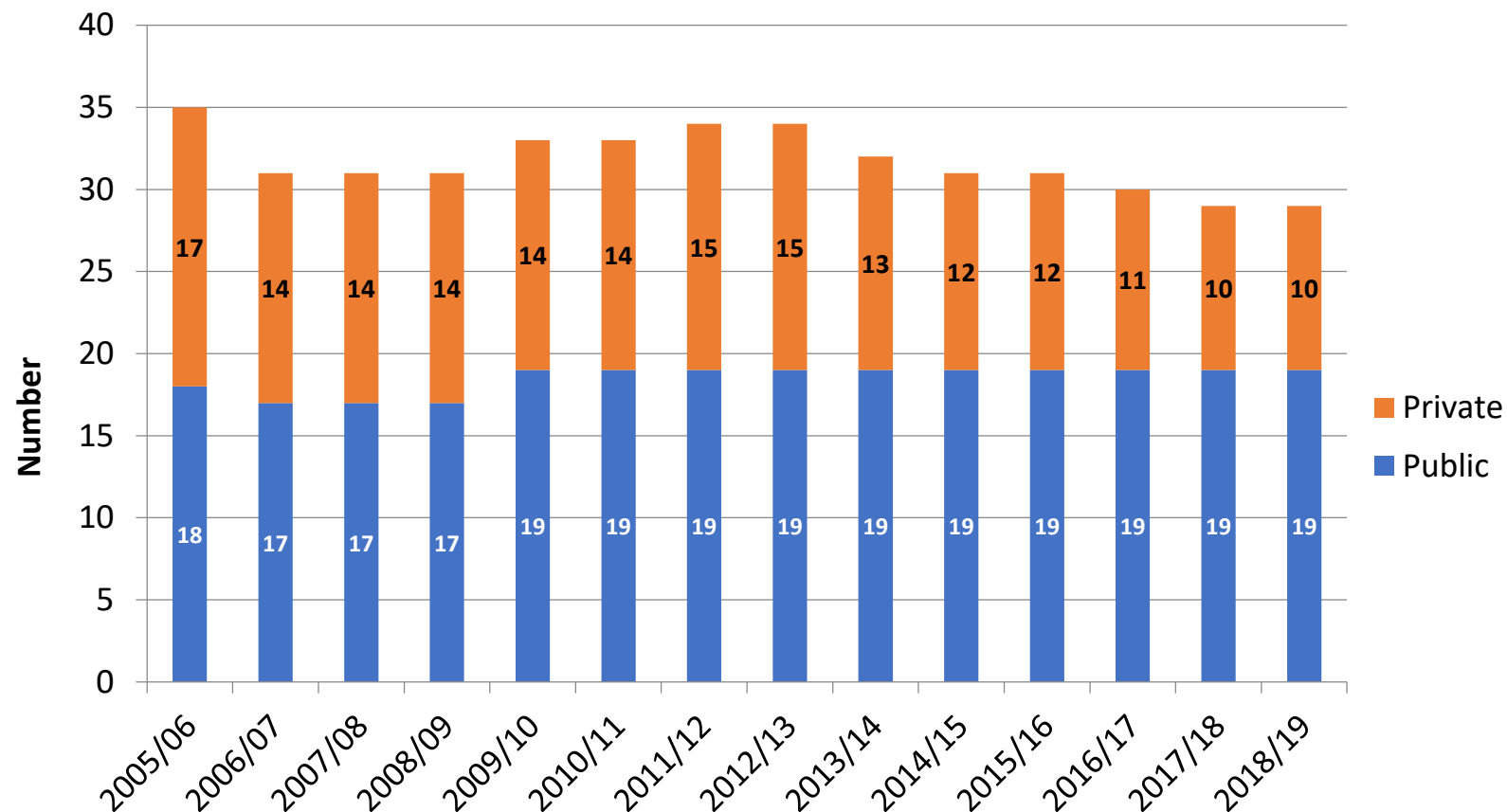
- academic, and
- advanced professional.

The higher education is structured in three cycles:

- cycle I – Bachelor's (BA) degree (ISCED level 6) with a duration of 3 to 4 years;
- cycle II – Master's (MA) degree (ISCED level 7) with a duration of 1 to 2 years;
- cycle III – Doctoral (PhD) degree (ISCED level 8) with a duration of 3 years.

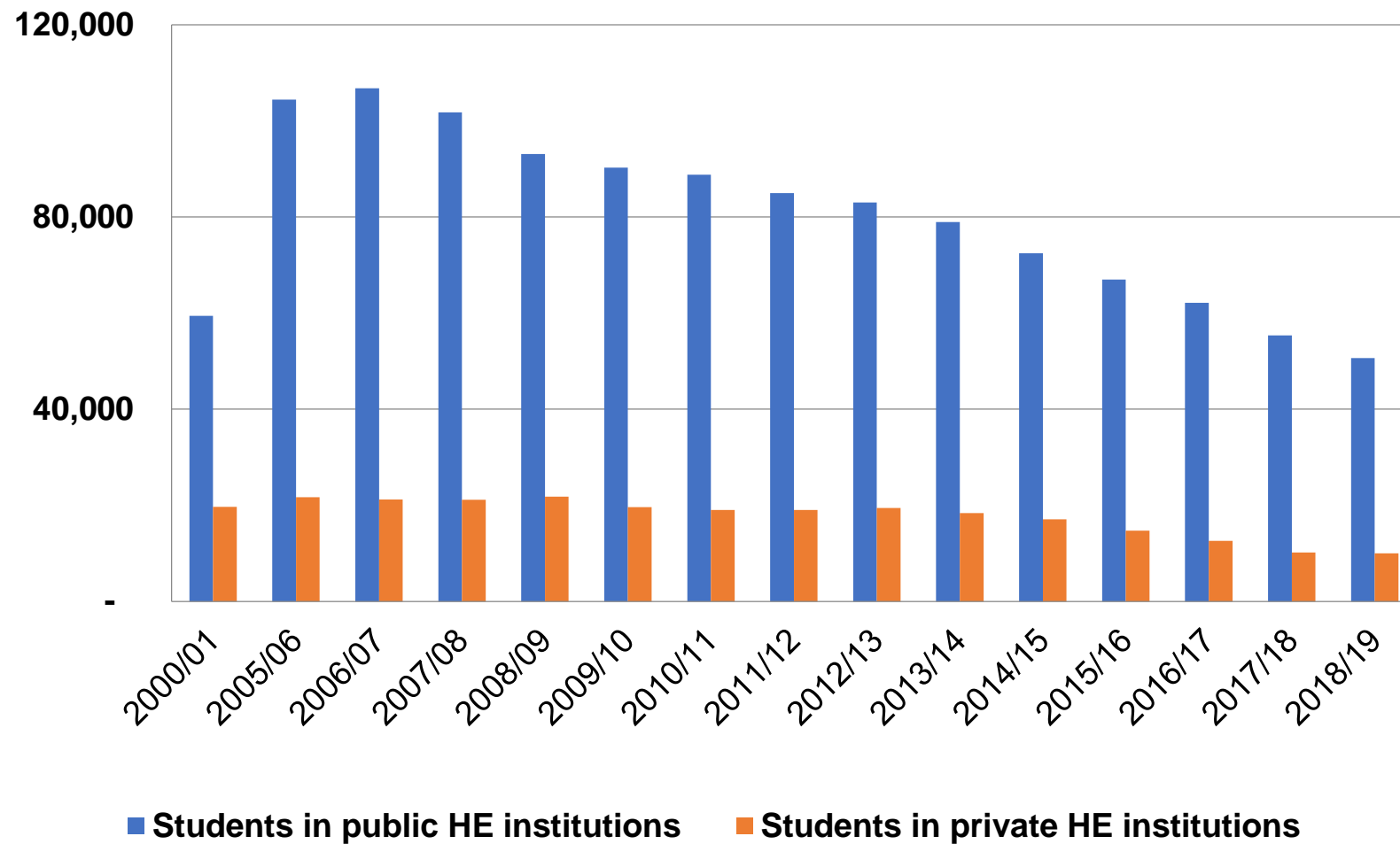
Art (79) of the Education Code stipulates that the higher education institutions shall have the status of university autonomy.

## Higher Education institutions, 2005-2019



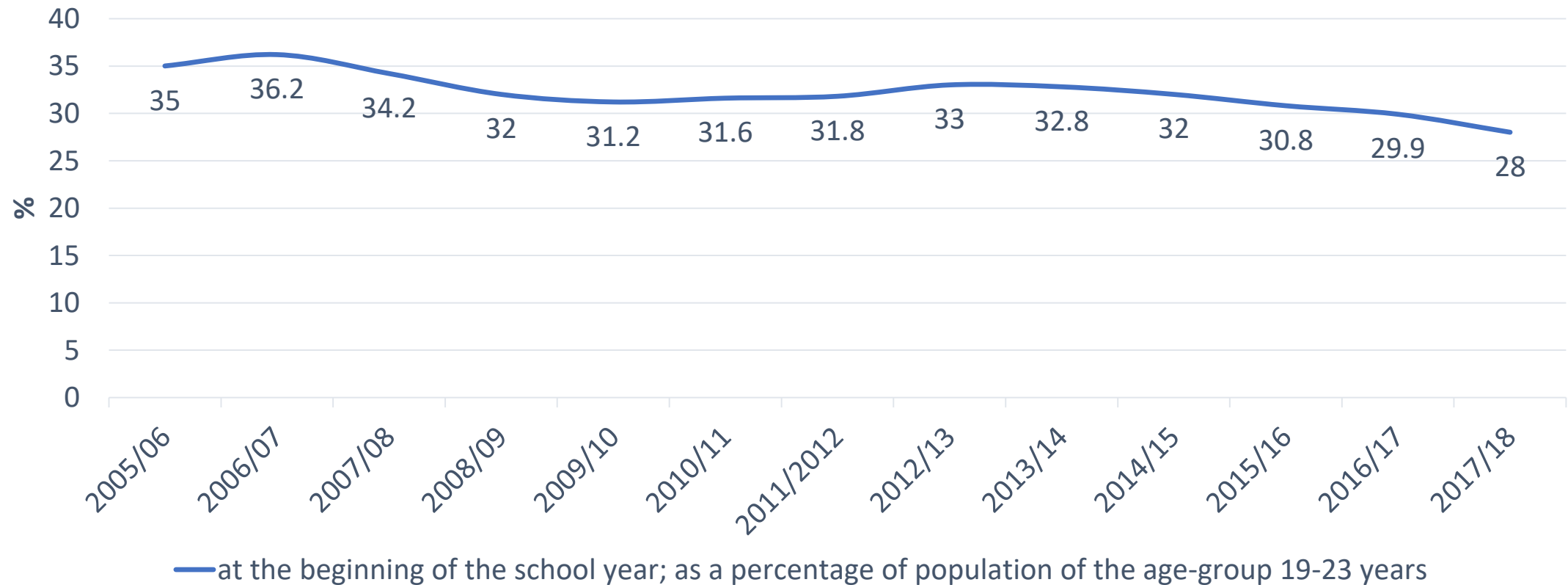
- There are 29 higher education institutions in Moldova:
- 19 public ones and
- 10 private institutions.
- 25 institutions in Chisinau municipality and by one in each locality: Balti, Comrat, Cahul, and Taraclia.

## Higher Education students, 2000-2018

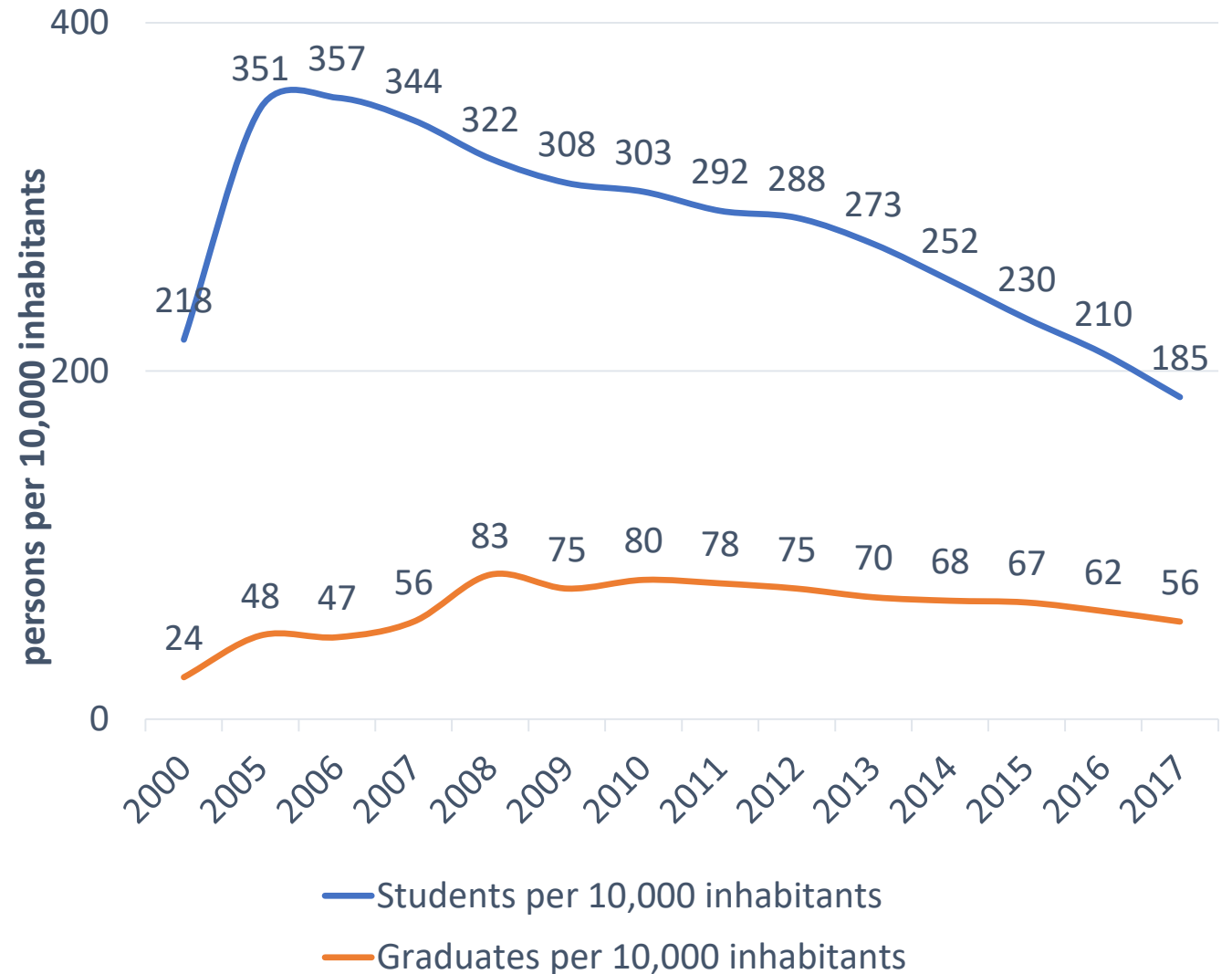


Source: National Bureau of Statistics

# Youth's enrolment rate in higher education is decreasing

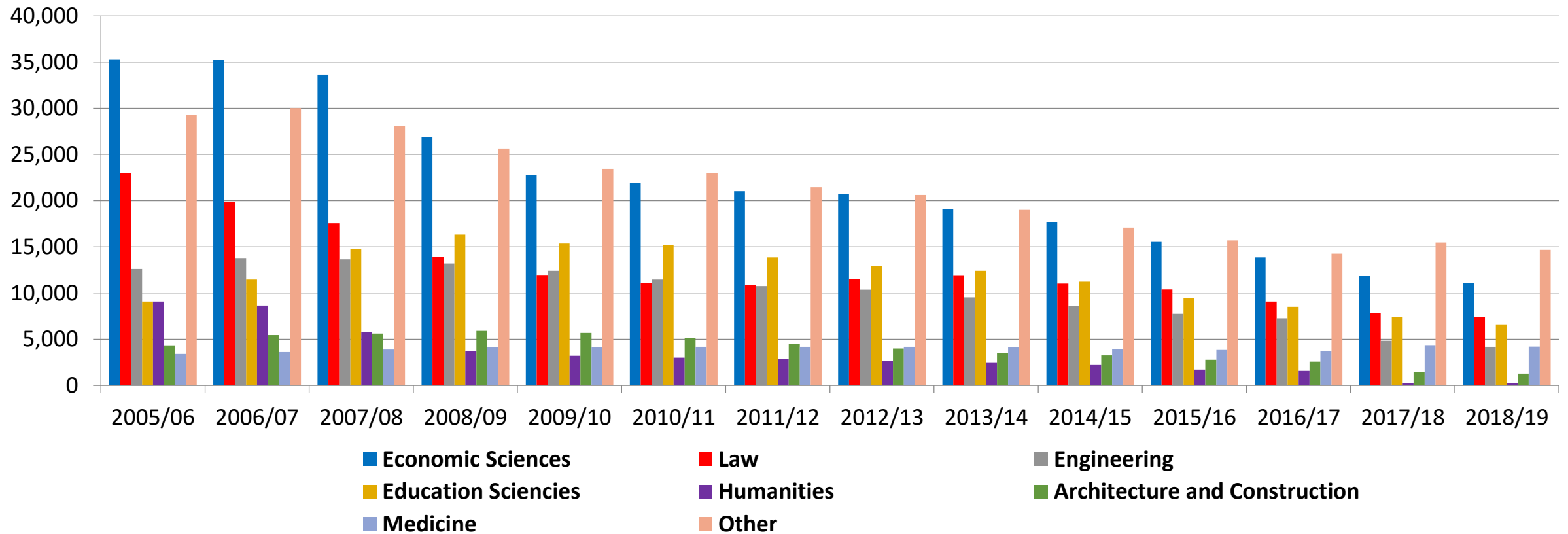


Students and  
graduates of higher  
education institutions  
per 10,000  
inhabitants,  
2000 - 2017



Source: National Bureau of Statistics

# Higher Education students by field of study, 2005-2018



Source: National Bureau of Statistics

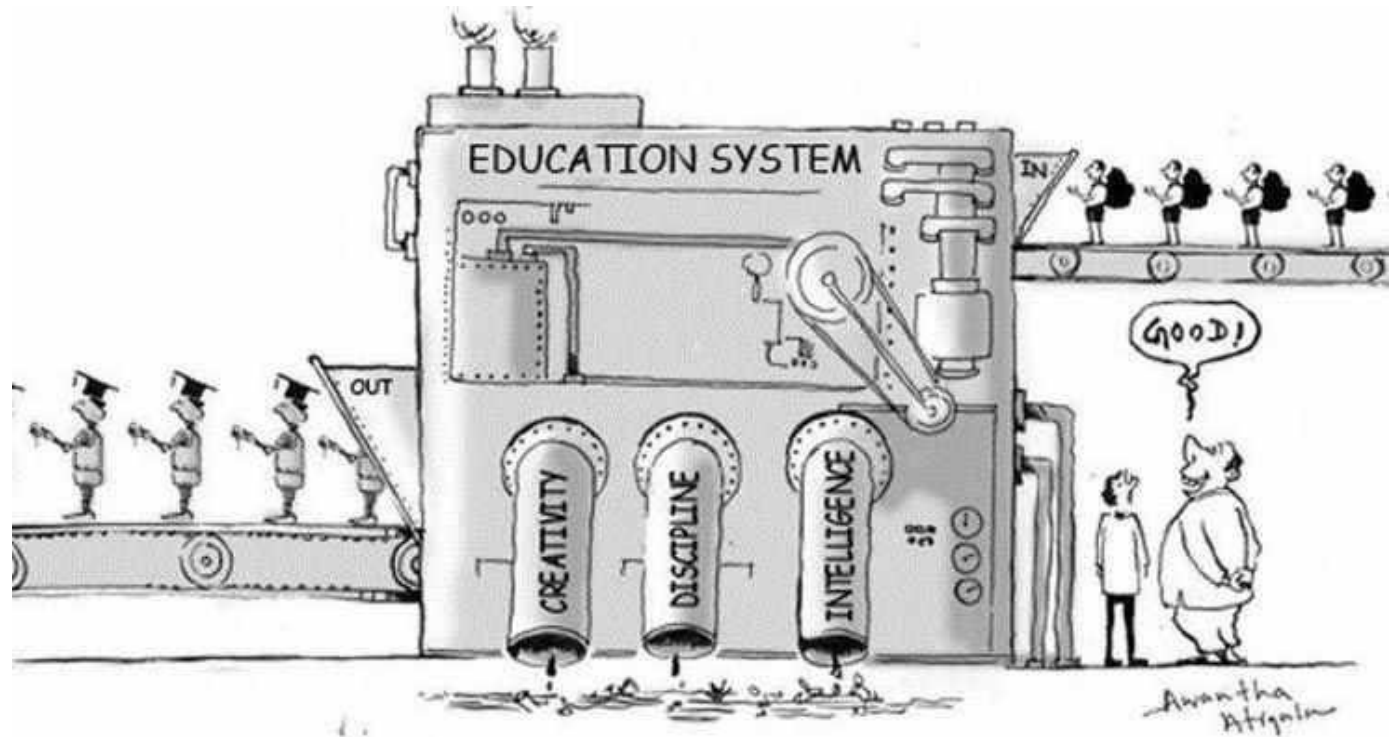




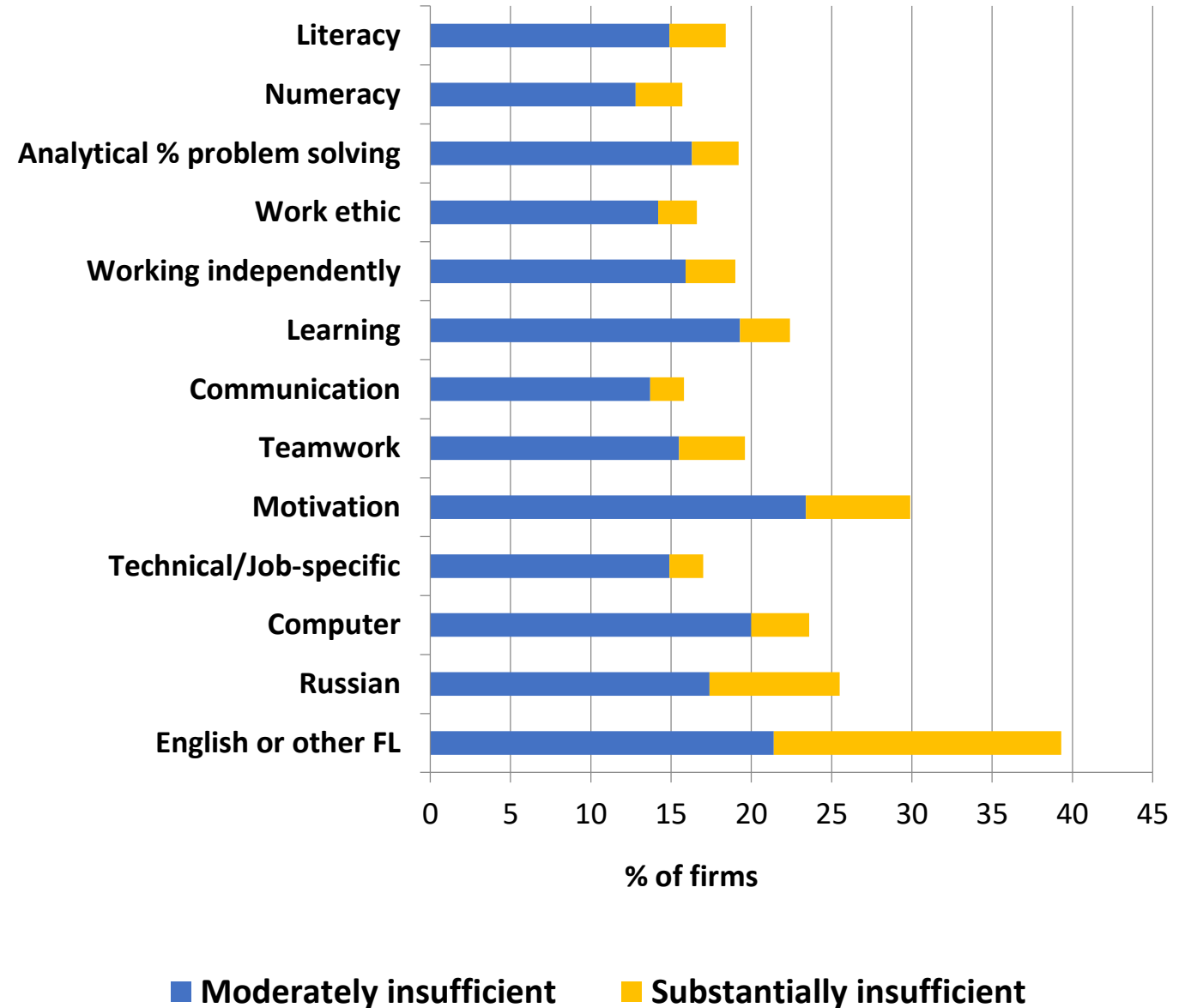
# Challenges

- Effective partnerships between universities and the private sector are limited;
- Lack of clear accountability procedures and transparency;
- Financing mechanism for universities gives no incentives to provide graduates with skills that help them obtain good jobs.

The weak connection between higher education and the labor market harms individuals and the economy



# University graduates' skills do not match what employers seek, 2016



# Skills shortages are a constraint for private sector development & growth in Moldova

- Inability to find sufficiently qualified staff is viewed as the main cause of labor shortages – over 25% of firms reported experiencing labor shortage due to inability to find qualified staff\*
  - ✓ Consistent with earlier surveys
- Firms face shortages of skilled workforce forcing many to scale down operations and eschew growth plans:\*\*
  - ✓ Some claim they could have easily doubled their production if they had sufficient supply of skilled workforce
- Medium-sized & large firms are more acutely affected by shortages, e.g. transportation companies lack up to 20-25% of drivers; in apparel sector 10-40% of workstations are empty; ICT firms lack over 20% of software developers\*\*
  - ✓ Small firms have better agility opting to distribute responsibilities among existing personnel, unlike medium-sized & large firms



Sources: \*Missing skills. Jan Rutkowski, Victoria Levin, Ali Bargu. World Bank. 2017.

\*\* Assessment of private sector skills demand and the extent of private sector engagement in creating a demand-led skills ecosystem in Moldova. Magenta Consulting. 2017c

# Prospective

**Desired learning outcomes, described in terms of skills, should be agreed with employers**

- National Qualifications Framework in place
- Occupational and Qualification Standards developed with employers participation

**The autonomy shall be accompanied by sound information on universities' performance**

- For the government to make informed decisions on policy reforms, financing, and student placement
- For students and household to make study choices

**The financing tools shall include performance contracts and output-oriented per-student funding formulae**

- Allocation methods and the definition of indicators require careful consideration



Thank you!