INTEGRATED SAFEGUARDS DATA SHEET
IDENTIFICATION / CONCEPT STAGE

Report No.: ISDSC11973

Date ISDS Prepared/Updated: 21-Feb-2016

I. BASIC INFORMATION

A. Basic Project Data

Country:	Moldova	Project ID:	P154573
Project Name:	Moldova Skills Data Capacity Building		
Team Leader(s):	Victoria Levin		
Estimated Date of Approval:	30-Jun-2016		
Managing Unit:	GSP03	Lending Instrument:	Lending Instrument
Sector(s):	General education sector (35%), Other social services (65%)		
Theme(s):	Improving labor markets (65%), Other human development (35%)		
Financing (in USD Million)			
Total Project Cost:	0.3	Total Bank Financing:	0
Financing Gap:	0		

Financing Source	Amount
Borrower	0
Trust Fund for Statistical Capacity Building	0.3

Environment Category:	C - Not Required

B. Project Development Objective(s)

To support Government of Moldova in strengthening capacity for enhanced collection and analysis of data on workforce skills and labor market needs

C. Project Description

The proposed grant would strengthen the measurement of labor market mismatches in Moldova via work on two components: (1) revised employer surveys on demand for skills, and (2) revised surveys of the resident working-age population, supply of skills, and barriers to employment. The activities proposed under each of the components are outlined below.

1. Revised employer surveys on demand for skills in Moldova
Under this component, the work would focus on assessing the quality of the existing Labor Market Forecast survey of employers and introducing a module on the demand for skills. Specifically, the activities under this component would include:

1a) Assessment of the current Labor Market Forecast survey and development of recommendation

for improved data collection and analysis. Currently, the National Employment Agency (NEA) produces indicators on past and future occupational demand using a brief questionnaire implemented on a nationally-representative sample of around 3,000 firms. This survey was designed with the support of the project "Consolidation of migration management capacities in the Republic of Moldova," financed by the European Union and implemented by the Swedish Public Employment Service, but is now run by the NEA with much more limited assistance. The survey allows obtaining general data on labor market trends and it is used to construct the Professions Barometer, which is used by NEA employees to provide guidance to job seekers and to plan training activities. However, these data do not provide details on the level and structure of labor demand and they utilize employers' estimates of future occupational demands rather than tracking retrospective trends, which are more reliable. Moreover, most of the survey questions are not utilized in the analysis or reporting, so the survey can be used to better address the needs of data users. Under the grant, the NEA would proceed with an assessment of the data collection and analysis of the existing Labor Market Survey, and with development of recommendations to ensure better utilization of this instrument.

1b) Design and implementation of a module on the demand for skills.
The NEA would prepare a module on the demand for skills and implement it as part of the Labor Market Forecast survey. Demand would be measured both for basic cognitive and socio-emotional skills. The module would draw on the existing employer surveys that are part of the World Bank Skills Towards Employment and Productivity (STEP) skills measurement program.

2) Revised surveys of the resident working-age population on the supply of skills and barriers to employment.
Under this component, the work would focus on producing new data measuring the supply of different dimensions of skills (focusing on cognitive and socioemotional) and barriers to employment for Moldova's working-age population that resides in Moldova. The data collection on the new modules (on skills and barriers to employment) would be conducted separately from the Labor Force Survey (LFS), but the team will rely on the National Bureau of Statistics (NBS) to draw a nationally-representative sample using the same sampling methodology as for the LFS, and to provide the implementing agency with the full LFS questionnaire and training manuals in order to collect comparable basic labor market information. The final product (modules on skills and barriers to employment) would be discussed extensively with the NBS to provide them with the capacity to implement similar methodology independently in future waves of the LFS or as ad-hoc surveys. Specifically, the activities in this component would include:

2a) Design of a module on supply of skills of Moldova's resident working-age population
Educational attainment explains only a portion of labor market outcomes, as the quality of formal education and participation in non-formal learning can mediate this relationship. In order to better understand labor market outcomes, actual skills possessed by individuals need to be measured. These include cognitive skills (such as literacy, numeracy, memory) as well as socioemotional skills commonly valued by employers (such as conscientiousness, openness to experience, grit, and decision-making). In this activity, MLSPF would design a module measuring these skills. The latest supply-side STEP questionnaires and similar surveys conducted in other countries (e.g. Bulgarian Longitudinal Inclusive Society Survey, aka BLISS, in Bulgaria, and the European Skills and Jobs Survey) would inform the design of the skills module.

2b) Design of a module on barriers to employment.
With very low employment rates, mostly due to low labor force participation, there is a need to better understand barriers to employment in Moldova. Aside from lack of adequate skills, barriers to

internal mobility, high reservation wages, and caregiving duties could be important constraints to job matching. The proposed module would assess the willingness of individuals to get closer to jobs, either by migrating internally or accepting a long commute. It would assess whether the barriers to mobility are due to market and coordination failures (e.g. transportation problems arising from high geographical fragmentation of employers) or due to low willingness to change location (e.g. due to poor functioning of land and rental markets). It would also explore the reservation wages and caregiving duties and norms for those who are not in employment.

2c) Data collection of the household survey
In this activity, the basic LFS questionnaire would be complemented with modules on skills and barriers to employment, and data would be collected on a nationally-representative sample of households in Moldova (using NBS to draw this sample). Such data will allow understanding how skills correlate with labor market outcomes in Moldova. In particular, by comparing the skills of the employed to those of the unemployed and inactive, it will provide additional and more direct measurement of skills-related barriers to labor force participation and employment faced by different population groups in Moldova. Questions on utilization of different skills in and out of the workplace, educational qualifications for the jobs held by the employed, and questions on the first jobs held after schooling would enable an in-depth assessment of how different skills are utilized and how they contribute to school-to-work transition.

3. Capacity building
Capacity building activities would ensure sustainability of data collection and data analysis. Given that data collection on skills is new in Moldova, development of detailed TORs and manuals would be necessary to ensure adequate design and implementation of the new modules. These activities would draw on the experience of the STEP surveys, which have been collected in a few cases by public employment services. In particular, project stakeholders will be heavily involved in adapting existing survey instruments to the Moldovan context. In terms of implementation of the new modules, capacity-building activities would focus on how to minimize non-response and missing values. For data analysis, Stata training will be provided to the staff in project stakeholder agencies. The implementing agency will be encouraged to disseminate the results of the activity, and the team will use blogs to do so as well.

D. Project location and salient physical characteristics relevant to the safeguard analysis (if known)

E. Borrower's Institutional Capacity for Safeguard Policies

F. Environmental and Social Safeguards Specialists on the Team

II. SAFEGUARD POLICIES THAT MIGHT APPLY

Safeguard Policies	Triggered?	Explanation (Optional)
Environmental Assessment OP/BP 4.01	No	
Natural Habitats OP/BP 4.04	No	

Forests OP/BP 4.36	No	
Pest Management OP 4.09	No	
Physical Cultural Resources OP/BP 4.11	No	
Indigenous Peoples OP/BP 4.10	No	
Involuntary Resettlement OP/BP 4.12	No	
Safety of Dams OP/BP 4.37	No	
Projects on International Waterways OP/BP 7.50	No	
Projects in Disputed Areas OP/BP 7.60	No	

III. SAFEGUARD PREPARATION PLAN

Appraisal stage ISDS required?: No

IV. APPROVALS

Team Leader(s):	Name: Victoria Levin	
Approved By:		
Safeguards Advisor:	Name: Agnes I. Kiss (SA)	Date: 16-Feb-2016
Practice Manager/ Manager:	Name: Andrew D. Mason (PMGR)	Date: 16-Feb-2016

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[1] Reminder: The Bank's Disclosure Policy requires that safeguard-related documents be disclosed before appraisal (i) at the InfoShop and (ii) in country, at publicly accessible locations and in a form and language that are accessible to potentially affected persons.