



EU4Business



EASTERN EUROPE AND SOUTH CAUCASUS INITIATIVE

EU4Business: From Policies to Action Phase 2

Fostering digital skills development in Eastern Partner countries

Overview of OECD activities

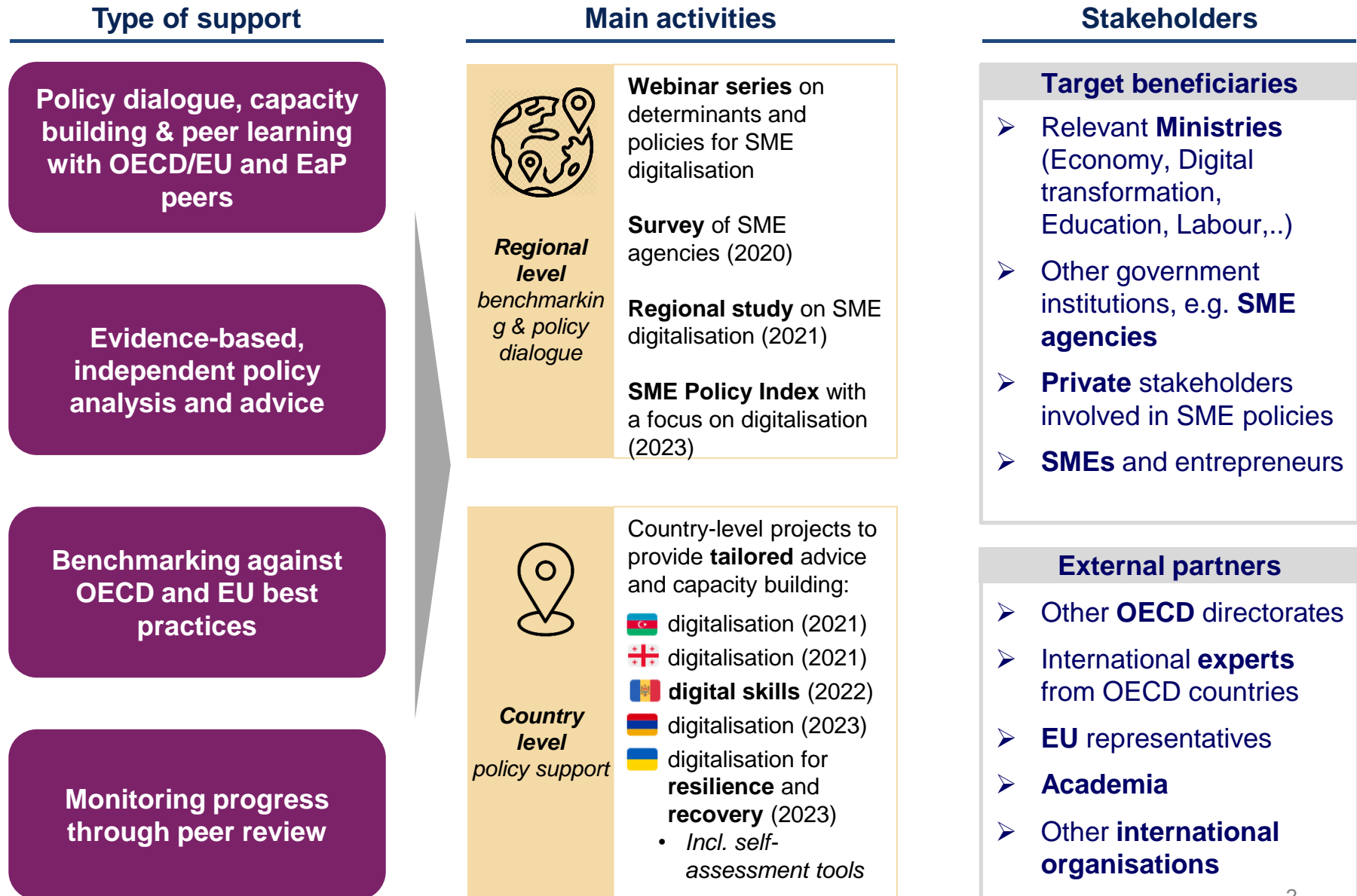
EU4Digital Innovation Forum 2023

9 March 2023

OECD Eurasia Competitiveness Programme

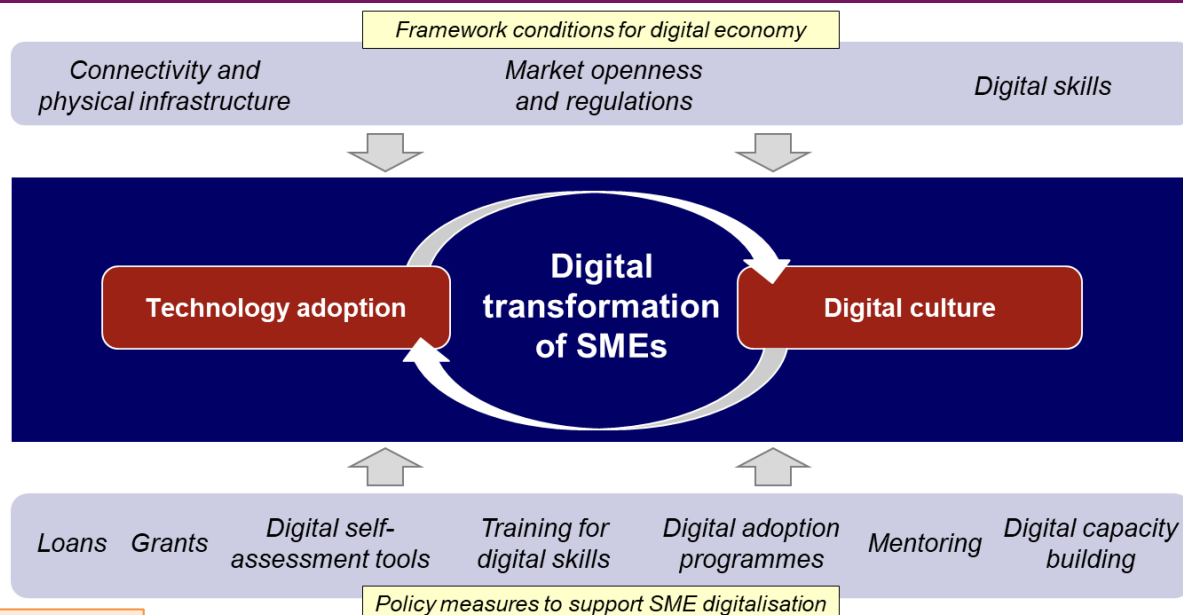


The OECD has been providing policy support to EaP countries on issues related to SME digitalisation, including digital skills policies



Digital skills are a core component of the analytical framework developed to assess SME digitalisation policies

- Our framework considers both **tech adoption** and **digital culture** as necessary component of the digital transformation
- Skills are a **cross-cutting element**
 - **Digital literacy** among the population as pre-requisite
 - **SME-specific** support to digital skills development



Insights from the 2021 regional report

Area	State of play	Way forward
Digital literacy	<ul style="list-style-type: none"> • ICT skills in EaP are below OECD/EU levels • Digital literacy policies often lack coordination • Use of digital devices in schools below OECD levels, but teachers in EaP have above OECD average skills to integrate them into instruction 	<ul style="list-style-type: none"> • Strengthen policy frameworks • Conduct digital skills needs assessments • Use technologies to bridge educational divides • Encourage public-private partnerships • Involve teachers in policy-design
Digital skills for SMEs	<ul style="list-style-type: none"> • SME digital skills in the EaP are lagging behind • Lack of qualified specialists and low digital literacy are one of the main barriers to SME digitalisation • Smaller firms provide less ICT training to staff • But lifelong learning is gaining traction in EaP 	<ul style="list-style-type: none"> • Blueprint for SME digitalisation support, including self-assessment tool, training, mentoring, & financial support • Raise awareness of training available • Rely on local ecosystems and communities • Measure the impact of programmes/trainings

Three series of recommendations were developed to promote digital skills development in Moldova in 2022 (1/2)

State of play

Key issues

Way forward

1

Institutional & policy framework

- Digital skills development included in several policy documents
- Achievements in the education system
- Very active private sector

- Some aspects of digital skills policies remain less covered
- Implementation gaps in the previous Strategy
- Impact of the Strategy yet to be assessed

Set clear objectives, measurable targets, and estimating costs for the new National Digital Strategy

Broaden and strengthen participation of all relevant stakeholders in digital skills policy design and implementation

2

Digital skills measurement and anticipation

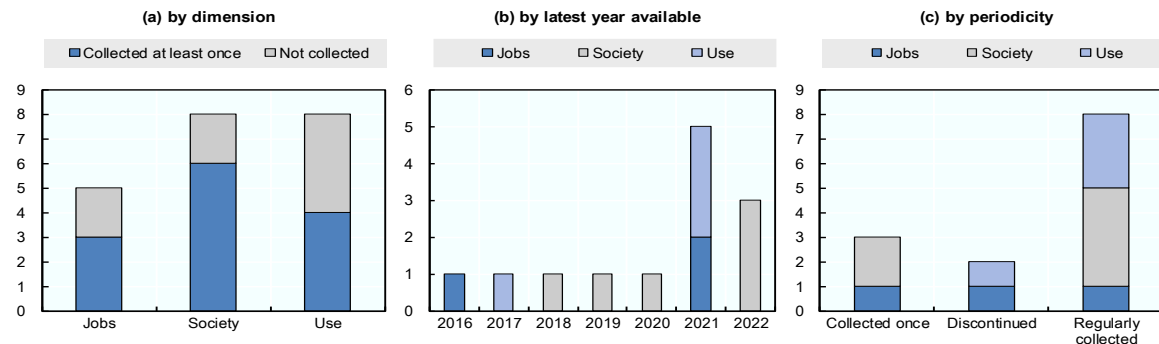
- Moldova collects data on digitalisation
- Some skills anticipation initiatives exist

- Limited intelligence on digital skills
- Lack of common understanding on digital skills impedes comparability with peers
- Firms still lack awareness of their skills levels and needs

Complement existing assessments with dimensions on digital skills

Strengthen skills needs anticipation practices

Results of the gap analysis against the indicators included in the OECD Going Digital Framework, Number of indicators available



Note: An indicator is counted as “collected” if data is available for at least one identical or similar indicator. Figure (c): an indicator is “regularly collected” if data is collected at least once every two years. Source: OECD analysis.

Three series of recommendations were developed to promote digital skills development in Moldova in 2022 (2/2)

State of play

Key issues

Way forward

3 Support to digital skills development among SMEs

- Existing public and private trainings provide a good basis to build on
 - ODA's digitalisation programs, public-private co-operation
- Efforts to tackle obstacles to digital business skills development
 - ODA's grants to cover training costs, upcoming initiatives to cover complementary skills and entail peer learning activities

- Range of support to improve SMEs' digital skills remains limited overall
- Lack of assessment of the quality of trainings offered so far
- In-house training remain very scarce
- Little is done to enhance SME managers' capacity specifically

Step up training activities

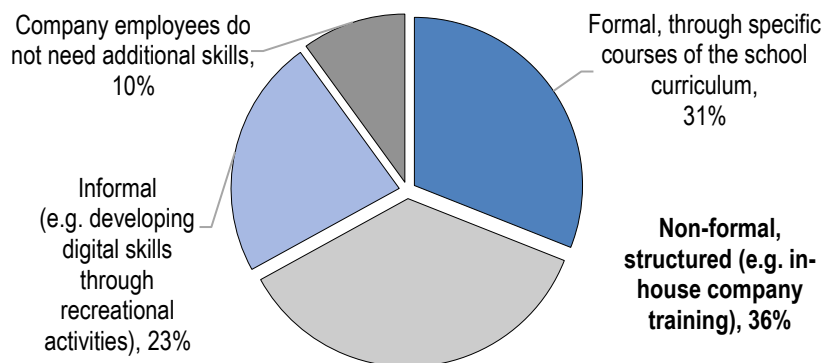
- Range of topics covered, certification of competencies, M&E

Help SMEs overcome barriers to digital skills development

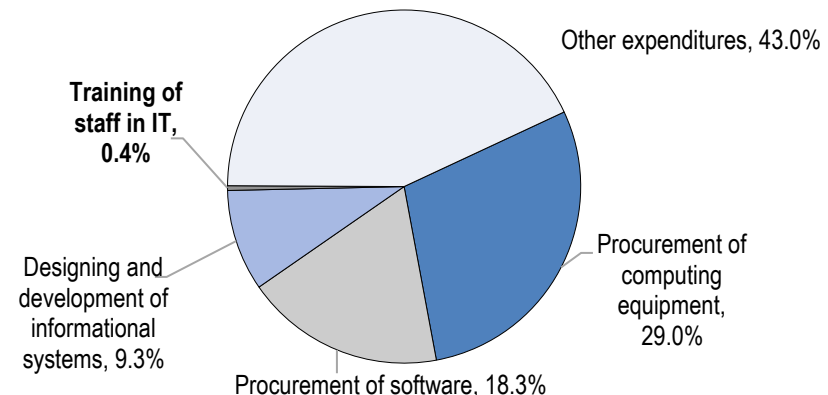
- Awareness-raising, incentives for on-the-job training, peer learning

Moldovan firms' attitude towards in-house training

(a) Employers' views on how employees can acquire additional skills, 2021



(b) IT expenditures of legal entities, by category, 2020



Note: **Figure (a)**: data from LMO's 2022 labour market forecasting system. **Figure (b)**: Data on legal entities' expenditures in training of staff in IT only available for 2020. Data include enterprises with 10 employees or more and public administrations. Source: Labour Market Observatory, 2022, National Bureau of Statistics of Moldova.

Ongoing projects provide a comparative assessment of digital skills policies in EaP and country-tailored support to Armenia and Ukraine



Regional level
benchmarking
& policy
dialogue

SME Policy Index 2024: Eastern partner countries

- Fourth round of the Small Business Act for Europe assessment: **updated methodology**, to include digitalisation as a cross-cutting element in all policy dimensions
- Now includes:
 - A **dimension dedicated to digital skills policies**
 - Additional questions on **SME digital skills** and **support** to digital skills development among firms



Country level
policy support

Peer review of Armenia

- Country-tailored policy advice and capacity building on designing **strategic policy documents** for SME digitalisation and strengthening **institutions**
- Includes a component on helping Armenia tackle the **digital skills mismatches**

Peer review of Ukraine

- Country-tailored policy advice and capacity building on **boosting digital business transformation** to foster **resilience and recovery**
- Includes a component on helping Ukraine develop a **digital self-assessment tool for businesses**

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