

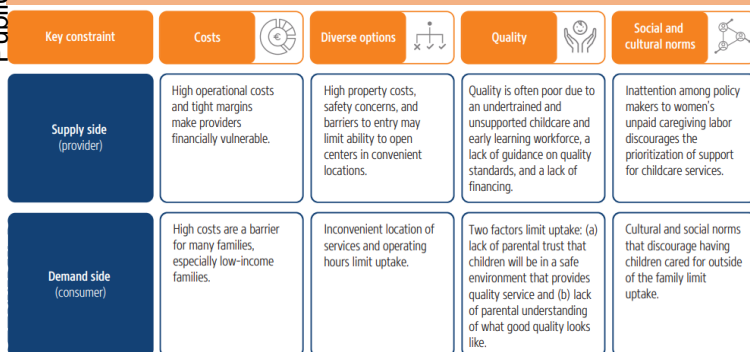


## TOWARD AVAILABLE, AFFORDABLE, AND QUALITY CHILDCARE IN EUROPE AND CENTRAL ASIA

Recognizing that childcare services can have a positive impact on women's economic inclusion, *Women, Business and the Law* presents a novel and comprehensive pilot dataset on regulatory frameworks around the availability, affordability, and quality of childcare services in 95 economies around the world. In Europe and Central Asia, data was collected in 12 economies: Bulgaria; Croatia; Georgia; Kyrgyz Republic; Moldova; Romania; Russian Federation; Serbia; Tajikistan; Türkiye; Ukraine; and Uzbekistan (Table 1). The new data is a stepping-stone toward facilitating and informing policy dialogue around key demand and supply side avenues that limit or facilitate the formal provision of childcare services, their affordability, quality, and uptake by parents. The pilot data presents a framework showing a range of options that governments may support to meet the needs of working mothers and families, although international best practice frameworks are yet to be established.

Even when available, the provision of formal childcare does not always guarantee its uptake. Supply and demand side constraints, including convenience of services, costs, quality, and social and cultural norms, often limit any potential benefits (Figure 1).

FIGURE 1: KEY CONSTRAINTS IN THE CHILDCARE MARKET



Sources: Devercelli and Beaton-Day 2020; Muller and Jaen 2020.

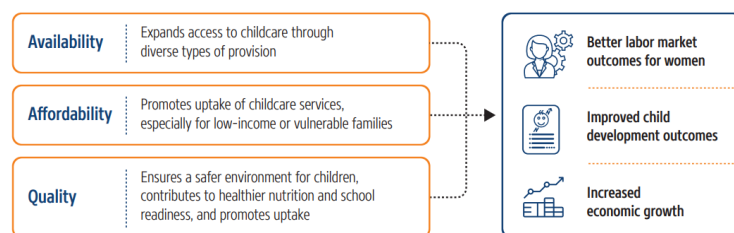
TABLE 1: COUNTRY COVERAGE AND KEY INDICATORS

Economy coverage	Income group	Main business city	Labor force participation rate, female (% of female population ages 15+)	Paid leave for mothers (calendar days)	Paid leave for fathers (calendar days)
Bulgaria	UMI	Sofia	49.1	775	21
Croatia	HI	Zagreb	45.9	328	120
Georgia	UMI	Tbilisi	51.0	183	0
Kyrgyz Republic	LMI	Bishkek	42.1	126	0
Moldova	UMI	Chisinau	33.9	1165	14
Romania	UMI	Bucharest	42.8	763	51
Russian Federation	UMI	Moscow	54.5	615	0
Serbia	UMI	Belgrade	46.6	365	7
Tajikistan	LMI	Dushanbe	30.2	615	0
Türkiye	UMI	Istanbul	31.8	112	7
Ukraine	LMI	Kiev	48.1	126	14
Uzbekistan	LMI	Tashkent	44.9	800	0

Source: *Women, Business and the Law* 2022 and World Development Indicators

The enactment of policies to make childcare available, affordable, and of decent quality is a priority due to its potential to achieve better market outcomes for women, children, and the economy overall (Figure 2).

FIGURE 2: THE THREE PILLARS OF CHILDCARE



Source: *Women, Business and the Law* 2022.



International law has long recognized that working parents need access to outside childcare and called for making childcare facilities more readily available.

1976

The **Convention on the Elimination of All Forms of Discrimination against Women** calls for establishing and developing a network of childcare facilities to enable parents to combine family obligations with work responsibilities.

1981

The **International Labour Organization's Convention on Workers with Family Responsibilities No. 156** calls for measures to develop or promote childcare services to enable equality of opportunity for working men and women.

1989

The **Convention on the Rights of the Child** mandates that "States Parties" ensure that children of working parents have the right to benefit from childcare services and facilities for which they are eligible.

2019

The **European Union** passes a new directive encouraging the use of funds to ensure a sufficient supply of high-quality, affordable childcare services and to help achieve better work-life balance and more equally distributed care responsibilities.



## AVAILABILITY

In Europe and Central Asia, the provision of childcare services is nearly universally regulated. In 11 out of the 12 pilot economies, regulations are in place for both public and private childcare services for children younger than the formal preprimary school starting age (typically 3 years). In Türkiye, the law regulates the provision of childcare services for children under 3 years of age in private center-based settings only (crèches and day-care centers), while the state takes on this responsibility when the child reaches 3 years of age.

In Türkiye and Ukraine, employers are also required to provide or support childcare for their employees' children. In Türkiye, companies employing at least 150 women must provide a workplace crèche for children up to age 6 or vouchers to parents to use certified childcare providers. In Ukraine, organizations that "widely" employ female employees must organize nurseries and kindergartens (Table 2). However, no specific number of female employees is defined for this purpose.

The minimum age at which parents become eligible to enroll their children in childcare facilities varies across economies. In Moldova, Tajikistan, and Uzbekistan, childcare services are available at birth of the child. In Croatia, Kyrgyz Republic, and Serbia, childcare is organized and carried out for children from the age of 6 months. An early opportunity for enrollment can enable working parents – mothers in particular – to return to the labor force faster after having children. However, parental demand for outside childcare services may be limited due to traditionally generous and lengthy leaves in connection with the birth of the child to which women are entitled. Paid leave days to which mothers are entitled can vary from more than two years in Bulgaria, Romania, and Uzbekistan, to more than three years in Moldova. On the one hand, this can be an effective way to ensure parents have financial support while caring for children at home, as opposed to placing them in childcare. On the other hand, generous long leave policies can disincentivize women's faster return to the labor market after having children, leading to gender imbalances in the workplace due to long career breaks.

The operating hours of childcare services must also be tailored to meet parents' working needs. Inconvenient operating hours that conflict with parents' working patterns may limit uptake of outside care options. In Georgia and Tajikistan, childcare centers are mandated to operate for a minimum of nine hours per day (Table 3). Flexible or on-demand options are available to parents in nine out of 12 examined economies in the region.

TABLE 2: LEGISLATION GOVERNING THE PROVISION OF CHILDCARE SERVICES IN EUROPE AND CENTRAL ASIA

Economy	Earliest age at which childcare services are available	Preprimary school starting age	Public provision *	Private provision *	Employer provided or supported
Bulgaria	10 months	3	✓	✓	
Croatia	6 months	3	✓	✓	
Georgia	At birth	2	✓	✓	
Kyrgyz Republic	6 months	3	✓	✓	
Moldova	At birth	2	✓	✓	
Romania	11 months	3	✓	✓	
Russian Federation	2 months	3	✓	✓	
Serbia	6 months	3	✓	✓	
Tajikistan	At birth	3	✓	✓	
Türkiye	36 months	3		✓	✓
Ukraine	12 months	3	✓	✓	✓
Uzbekistan	At birth	3	✓	✓	

Source: *Women, Business and the Law 2022*. Note: \*public and private provision includes care services provided in center-based settings.



TABLE 3: REGULATION OF OPERATING HOURS

Economy	Minimum required hours	Flexible options available
Georgia	The duration of the educational day of a public institution is 9 hours	Unregulated
Moldova	Unregulated	Public and private early education institutions may be organized with shortened activity schedule (4-6 hours), normal (10.5 hours), extended (12 hours), weekly (24 hours)
Serbia	Unregulated	The program of preschool upbringing and education can be realized in different forms: all day (9-12 hours); half day (4-6 hours); multiday (longer than 24 hours)
Tajikistan	The start of the working day of a preschool educational institution – 7 am; reception of children – 8 am; the end of the working day – 5 pm	Preschool education can be organized and carried out in the form of full-time, part-time, short-term
Uzbekistan	Unregulated	Groups in preschool educational organizations can be organized in the following forms: short-term (3-4 hours); full day (9, 10.5 and 12 hours); round-the-clock (24 hours)

Source: *Women, Business and the Law 2022*.



## AFFORDABILITY

Affordability of care is a central concern that influences the demand for childcare services and the extent to which parents use it. In Europe and Central Asia, the provision of childcare services falls within broad educational frameworks. Childcare is predominantly carried out by large-scale, publicly operated systems in which national or local governments maintain full discretion over educational or maintenance costs.

In Georgia, Moldova, and Ukraine, the law specifies that parents do not incur any educational costs and that delivery of services are fully financed by public funds. Typically, parents only pay fees for meals. In eight out of 12 economies in the region, fees for maintenance costs are collected by public childcare providers. In Bulgaria and Croatia, the law establishes fixed rates for the use of municipal crèche and kindergartens. In Croatia, co-payment from parents also depends on specific conditions (family income, number of children) and goes towards covering expenditures for workers' salaries, utilities, and maintenance of facilities and equipment. In Romania, the monthly contribution from parents is calculated based on the family income and the number of children, and the average monthly cost for nursery maintenance, including household, inventory, equipment, and sanitary materials amongst others. In Serbia, the rate for childcare services is built on the principle of sharing between the state and the family and the overall economic cost for the upbringing and education of children in preschool institutions.

Governments in eight out of 12 economies in the region grant some form of support (financial or non-financial) to parents, including those of low-income, to reduce costs and facilitate uptake. Policies that are designed to specifically target low-income families range from fee exemptions for childcare services in Uzbekistan to the provision of free meals in Ukraine. Similarly, to ease operating costs and encourage the supply of services, financial support can be provided to private childcare providers (Table 4). Overall, when it comes to financial support to parents or providers, room for policy expansion remains in more than 40 percent of examined economies in Europe and Central Asia (Figure 3).

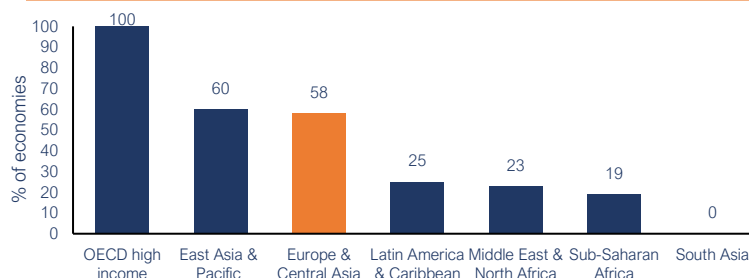
Preferential taxation is another policy tool widely used to facilitate the provision of childcare services and their uptake by parents. In Kyrgyz Republic, Russian Federation, and Ukraine, parents are eligible to receive tax benefits in the form of a personal income tax deduction for childcare fees (Figure 4). Tax benefits to private childcare centers typically come in the form of corporate income tax credits, deductions, or exemptions, and exist in eight out of 12 examined economies.

TABLE 4: POLICY EXAMPLES OF SUPPORT TO PARENTS AND PRIVATE CHILDCARE CENTERS

Economy	Support to parents, including low-income
Romania	Social scholarships to children from low-income families and full or partial exemption from meal fees
Serbia	Monthly compensation for part of the costs for children's stay in a private preschool institution up to a maximum of 80% of the established economic price for educational programs
Türkiye	Reserved capacity quota of 3% of childcare facilities for children of poor families for free use
Ukraine	Monthly targeted compensation for the "municipal nanny" service to one of the parents in the amount of the minimum subsistence; free meals to low-income families
Uzbekistan	Exemption of children from low-income families from fees
Economy	Support to private childcare centers
Croatia	Co-financing of preschool programs from the state budget in a fixed monthly amount per child
Uzbekistan	Material, technical, and financial support to non-state kindergartens within public-private partnership agreements

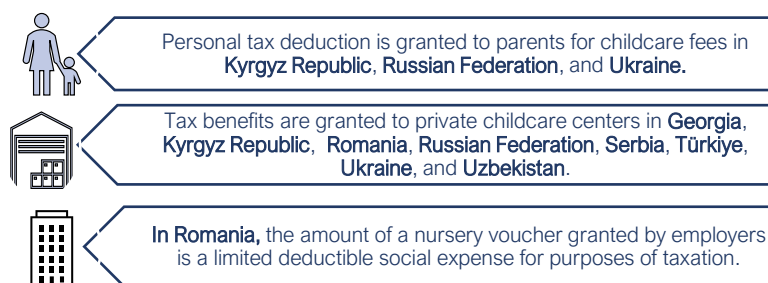
Source: *Women, Business and the Law 2022*.

FIGURE 3: FINANCIAL SUPPORT FOR PARENTS OR PROVIDERS OF CHILDCARE SERVICES, BY REGION



Source: *Women, Business and the Law 2022*.

FIGURE 4: PREFERENTIAL TAX POLICIES FOR PARENTS AND PROVIDERS



Source: *Women, Business and the Law 2022*.





## QUALITY

High-quality childcare services influence parental decisions to enroll their children in outside care. Setting and consistently enforcing quality standards in childcare facilities serves as a guarantee for a minimum level of health and safety. Quality of childcare is also associated with improved children’s health, cognitive and social development, and school readiness, leading to more promising long-term employment prospects and higher earnings. Definitions of high quality vary across contexts due to differences in economic development, resource availability, and cultural and social norms. However, there is some consensus on the elements that determine high quality childcare, regardless of circumstances.

Structural quality, for example, is a critical element of early childcare services. Children can receive individual attention, and teachers can more effectively cater to diverse learning needs, with specified teacher-to-child ratios – typically 1:10 or 1:15 as recommended by international institutions – and smaller group sizes – typically no more than 20 children. In Europe and Central Asia, teacher-to-child ratios in public and private centers are mandated in four economies (Croatia, Moldova, Romania, and Ukraine) and differ depending on the age of the child. The lowest ratio of one provider per four children below the age of one is established in Romania.

Quality standards on maximum group sizes are more frequently regulated across the region. Ten out of 11 economies in the region that regulate both public and private provision of childcare services establish the maximum group size linked to the age of the child that typically does not exceed 20 for children below 3 years of age, with the requirement equally applicable to both public and private centers (Figure 5). This structural quality gap remains in Georgia, where such thresholds are yet to be established.

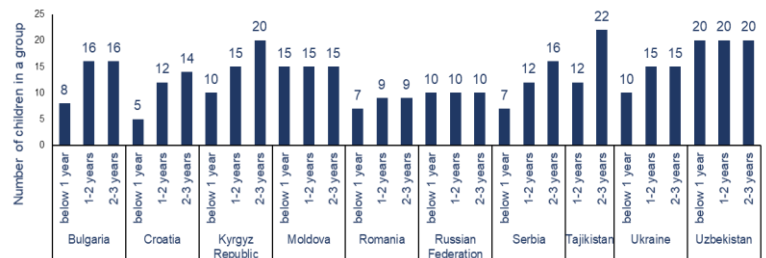
Improving quality of care also means professionalizing services, including investing in the professional development of the workforce. Empirical evidence links continuous training to more effective teaching, high-quality interaction between teachers and children, and improved well-being of children. Only six economies in the region require educators to undergo periodic professional training. In Romania, for example, educators are obliged to participate in continuous training programs every five years.

By establishing quality assurance mechanisms through regular physical inspections of facilities or reporting of data by providers, governments can hold childcare providers accountable for any failure to comply with quality standards.

In eight out of 12 economies, physical inspections are mandated. However, only in Türkiye is the frequency of such inspections specified for private childcare centers. Reporting of information is also required in eight out of 12 economies. In Tajikistan and Ukraine, the frequency of reporting is not specified by the law, increasing the risk of continuous noncompliance among providers. In Georgia, regular reporting is required by public childcare centers only.

Penalties for noncompliance with applicable laws and regulations of an administrative nature are imposed in seven out of 12 examined economies and may take several forms, including warnings, suspension and revocation of license or registration, closures, and fines (Table 5). In Kyrgyz Republic and Türkiye, penalties are prescribed for private childcare centers only. In Türkiye, a criminal complaint can also be filed with the Office of the Chief Public Prosecutor against providers guilty of abusing children.

**FIGURE 5: MANDATORY MAXIMUM GROUP SIZE IN CHILDCARE CENTERS, BY AGE OF THE CHILD**



Source: *Women, Business and the Law 2022*.

**TABLE 5: EXAMPLES OF SANCTIONS FOR NONCOMPLIANCE WITH QUALITY STANDARDS**

Type of sanction	Economy
Warning	Croatia; Russian Federation; Serbia; Uzbekistan
Suspension of license or registration; temporary closure	Croatia; Russian Federation; Türkiye
Revocation of license or registration; permanent closure	Kyrgyz Republic (only private childcare centers); Serbia; Türkiye; Uzbekistan
Fines	Croatia; Romania; Serbia; Türkiye

Source: *Women, Business and the Law 2022*.



## REGIONAL TRENDS BY DATA POINT

AVAILABILITY	ANSWER (YES/NO)
Does the law regulate public provision of childcare services?	92% / 8%
Does the law regulate private provision of childcare services?	100%
Does the law mandate employers to provide or support childcare services?	17% / 83%
Does the law establish adequate operating hours in public childcare centers?	83% / 17%
Does the law establish adequate operating hours in private childcare centers?	75% / 25%
AFFORDABILITY	ANSWER (YES/NO)
Does the law establish free provision of public childcare?	25% / 75%
Does the law establish conditions based on which cost to parents is determined?	42% / 58%
Are fees charged by public childcare centers regulated?	50% / 50%
Are fees charged by private childcare centers regulated?	25% / 75%
Does the government provide some form of financial or tax support to parents for childcare?	42% / 58%
Is financial support to parents for the use of childcare unconditional?	100%
Does the government provide some form of financial or tax support to private providers?	75% / 25%
Does the government provide some form of support to low-income families for childcare?	58% / 42%
QUALITY	ANSWER (YES/NO)
Are public childcare centers required to obtain licenses or authorization of some form?	58% / 42%
Are private childcare centers required to obtain licenses or authorization of some form?	92% / 8%
Does the law mandate a teacher-to-child ratio for public childcare centers?	33% / 67%
Does the law mandate a teacher-to-child ratio for private childcare centers?	42% / 58%
Does the law mandate a maximum group size in public childcare centers?	83% / 17%
Does the law mandate a maximum group size in private childcare centers?	92% / 8%
Does the law require educators at public childcare centers to undergo periodic training?	42% / 58%
Does the law require educators at private childcare centers to undergo periodic training?	50% / 50%
Does the law require quality assurance at public childcare centers?	67% / 33%
Does the law require quality assurance at private childcare centers?	75% / 25%
Are penalties imposed for noncompliance with applicable laws by public childcare centers?	42% / 58%
Are penalties imposed for noncompliance with applicable laws by private childcare centers?	58% / 42%

### DATA COLLECTION IN EUROPE AND CENTRAL ASIA

Data was collected in 12 economies: Bulgaria; Croatia; Georgia; Kyrgyz Republic; Moldova; Romania; Russian Federation; Serbia; Tajikistan; Türkiye; Ukraine; Uzbekistan.

### HOW TO USE THIS DOCUMENT

*This document aims to improve understanding of legal and regulatory systems around the availability, affordability, and quality of childcare services for children below preprimary school starting age in Europe and Central Asia. It also seeks to build awareness of laws and identify areas for reform and other regulatory interventions. Support for the Women, Business and the Law childcare regional profile series is provided by the World Bank's Knowledge for Change Program and the Multi-Donor Trust Fund for Jobs.*



For more information, please visit [wbl.worldbank.org/en/childcare](http://wbl.worldbank.org/en/childcare) or contact [wbl@worldbank.org](mailto:wbl@worldbank.org).

