

# Lessons from the markets: MSMA in the north region of Moldova

J. Thomas, K. Qarqash & J. Fogstad



# Lessons from the markets: MSMA in the north region of Moldova

---

**Written by:** Jaimon Thomas, Kamal Qarqash & Jeanette Fogstad

**Owner:** Kamal Qarqash

**Reviewed by:** Margarita Mironova, Mariana Grama & Nathan Stevens

**Approved by:** Aveen Jalal Khaleel

**Updated:** 18/03/2024

---

## **Norwegian Refugee Council**

Prinsens gate 2  
N-0152 Oslo  
Norway

[www.nrc.no](http://www.nrc.no)

---

**Cover photo:** Jeanette Fogstad/NRC

*Viewpoint overlooking the river running through Sorooca in the north of Moldova.*

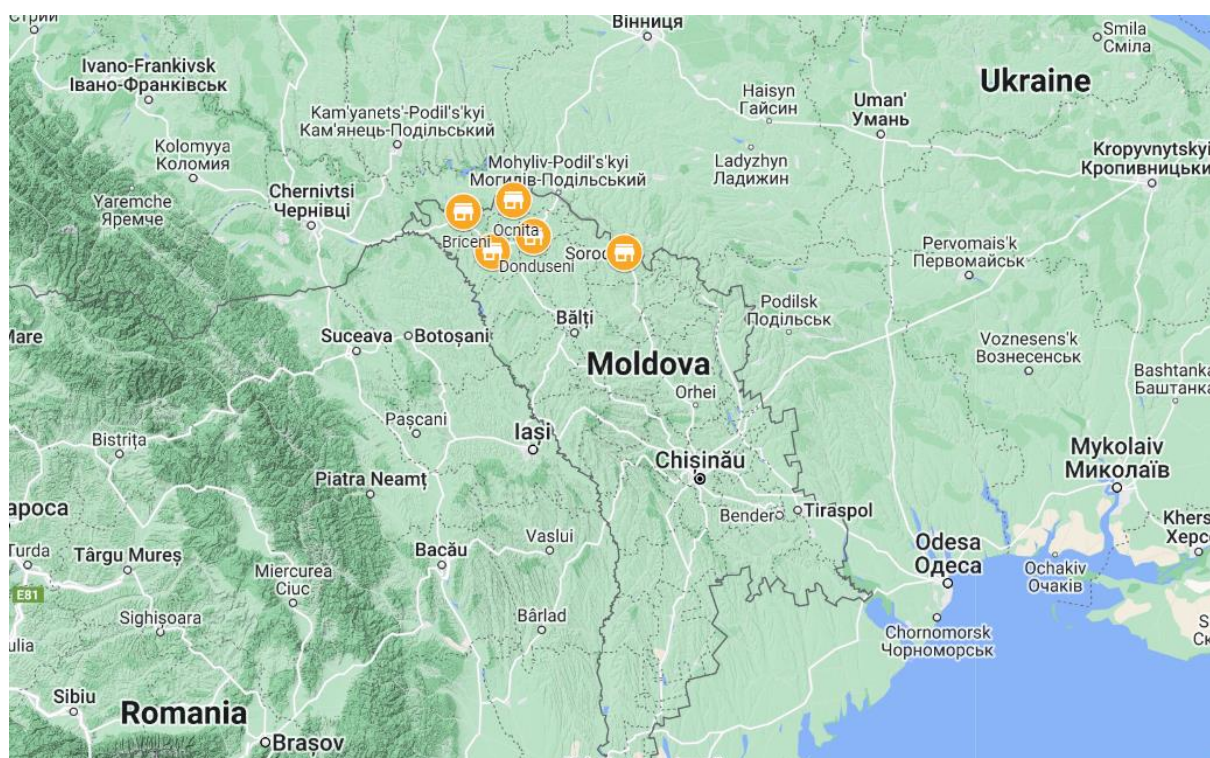
---

# TABLE OF CONTENTS

1	Executive summary .....	1
2	Introduction.....	3
2.1	Assessment objective.....	3
2.2	Background.....	4
3	Methodology .....	4
4	Marketplace assessment.....	5
4.1	Market overview .....	6
4.2	Physical and social access of target populations.....	8
4.3	Availability of core goods.....	9
4.4	Wider market infrastructure and regulatory environment .....	11
5	Programme considerations and recommendations.....	13
6	Conclusion.....	16
	Annex 1 Tables and figures .....	17
	Annex 2 Photos .....	18
	Sources .....	19

# 1 Executive summary

Summarising statement	Edinet	Briceni	Ocnita	Donduseni	Soroca
Is cash or voucher response feasible?	Yes	Yes	Partially	Yes	Yes
Is there free movement of goods/supplier in and out of the area?	Yes	Yes	Yes	Yes	Yes
Can supply meet minimum demand?	Yes	Yes	Partially	Yes	Yes
Can target population safely meet needs through markets?	Yes	Yes	Yes	Yes	Yes
Has any market support needs been identified?	No	No	Yes	No	No



Summary statements	Core goods
<p>Marketplace 1: Edinet Main Market</p> <ul style="list-style-type: none"> <li>Supply chain <b>is</b> integrated and competitive.</li> <li>Supply chain <b>will respond</b> to CVA if demand for core goods increased during programme intervention period.</li> <li><b>Trader</b> support <b>is not</b> needed to support supply chain response to increases in demand.</li> <li><b>No likely increases</b> in prices for longer than 3 months if demand increases.</li> <li>Risks: <ul style="list-style-type: none"> <li>Market environment <b>does not</b> affect the ability of the supply chain to function.</li> <li>Market infrastructure <b>does not</b> affect the ability of the supply chain to function.</li> </ul> </li> </ul>	<p>Diaper (adult), Size M, 10-pack, 1 pack</p> <p>Diaper (baby), 0.5kg PURE</p>

- Significant risks and mitigation actions:
  - Risk: Demonstrations during election period (September 2024) cause disruption to supply chain. Mitigation action: Monitor impact on supply chain functionality during project implementation period, adjust as needed
  - Risk: Inflation makes prices higher than the CVA allowance for items. Mitigation action: Revise the prices or adjust the MEB to the inflation rates before implementation.
  - Inflation makes prices higher than the CVA allowance for items; Revise the prices or adjust the MEB to the inflation rates
- CVA **possible**
- To maximize programme intervention, consider the following (list recommendations)
- Monitoring inflation rates on the market prices during distribution.

BABY 64 pcs per  
1 pack

Soap bar, 75g, 1  
piece

Winter coat  
(adult), Size M, 1  
piece

Winter coat  
(child), Size 6-  
years old, 1  
piece

Winter boots  
(kids), Size  
10, 1 pair

#### Marketplace 2: Briceni Main Market

- Supply chain **is** integrated and competitive.
- Supply chain **will respond** to CVA if demand for core goods increased during programme intervention period.
- **Trader support is not** needed to support supply chain response to increases in demand.
- **No likely increases** in prices for longer than 3 months if demand increases.
- Risks:
  - Market environment **does not** affect the ability of the supply chain to function.
  - Market infrastructure **does not** affect the ability of the supply chain to function.
  - Significant risks and mitigation actions:
    - Risk: Demonstrations during election period (September 2024) cause disruption to supply chain. Mitigation action: Monitor impact on supply chain functionality during project implementation period, adjust as needed
    - Inflation makes prices higher than the CVA allowance for items; Revise the prices or adjust the MEB to the inflation rates
- CVA **possible**
- To maximize programme intervention, consider the following (list recommendations):
  - Open air market stalls and small family businesses only accept cash payments.
  - Voucher assistance possible with identified vendors.

#### Marketplace 3: Ocnita Main Market

- Supply chain **is partially** integrated and competitive. Only for hygiene items, but not for the clothes, namely adult winter coats and child winter boots.
- Supply chain **will partially respond** to CVA if demand for core goods and services increased during programme intervention period.
- **Trader support partially** needed to support supply chain response to increases in demand.
- **No likely increases** in prices for longer than 3 months if demand increases.
- Risks:
  - Market environment **does not** affect the ability of the supply chain to function.
  - Market infrastructure **does not** affect the ability of the supply chain to function.
  - Significant risks and mitigation actions include:
    - Risk: PP not able to access winterization items in Ocnita marketplace. Mitigation measure: In-kind distribution or subsidies transportation costs to neighbouring markets for PP.
    - Risk: Demonstrations during election period (September 2024) cause disruption to supply chain. Mitigation action: Monitor impact on supply chain functionality during project implementation period, adjust as needed.
- CVA **only possible under certain conditions:**
  - Only possible for hygiene items, not possible for winterization items.
- To maximize programme intervention, consider the following (list recommendations)
  - Consider mixed modality (CVA for hygiene items and in-kind distribution for winterisation item), or subsidising transportation for PP to purchase these goods in neighbouring markets.
  - Market support to help traders stock up on winterisation items through increase capacity for warehousing, access to credit or training.

#### Marketplace 4: Donduseni market

- Supply chain **is** integrated and competitive.
- Supply chain **will** respond to CVA if demand for core goods and services increased during programme intervention period.

- **Trader** support **is not** needed to support supply chain response to increases in demand.
  - **No likely** increases in prices for longer than 3 months if demand increases.
  - Risks:
    - Market environment **does not** affect the ability of the supply chain to function.
    - Market infrastructure **does not** affect the ability of the supply chain to function.
    - Significant risks and mitigation actions include:
      - *Risk: Demonstrations during election period (September 2024) cause disruption to supply chain. Mitigation action: Monitor impact on supply chain functionality during project implementation period, adjust as needed.*
      - *Risk: Inflation makes prices higher than the CVA allowance for items. Mitigation action: Revise the prices or adjust the MEB to the inflation rates before implementation.*
- **CVA possible**

#### Marketplace 5: Sorooca Market

- Supply chain **is** integrated and competitive.
  - Supply chain **will** respond to CVA if demand for core goods and services increased during programme intervention period.
  - **Trader** support **is not** needed to support supply chain response to increases in demand.
  - **No likely** increases in prices for longer than 3 months if demand increases.
  - Risks:
    - Market environment **does not** affect the ability of the supply chain to function.
    - Market infrastructure **does not** affect the ability of the supply chain to function.
    - Significant risks and mitigation actions include:
      - *Risk: Demonstrations during election period (September 2024) cause disruption to supply chain. Mitigation action: Monitor impact on supply chain functionality during project implementation period, adjust as needed.*
      - *Risk: Inflation makes prices higher than the CVA allowance for items. Mitigation action: Revise the prices or adjust the MEB to the inflation rates before implementation.*
- **CVA possible**
- 

## 2 Introduction

### 2.1 Assessment objective

The objective of this multi-sectoral market assessment:

- understand whether the vendors in the north region of Moldova have the capacity to supply the hygiene and winterization items/goods to the targeted project participants
- to determine if the markets in the targeted locations are accessible and safe for the NRC project participants, particularly those with diverse needs (e.g elderly people, people with mobility issues, etc).
- identify risks, mitigation measures and potential market impact related to NRC programmes.
- identify the appropriate transfer modality (Cash, paper voucher, E-voucher, or a combined modality)
- identify market support needs and factors that needs to be considered during the project design and implementation.

## 2.2 Background

Since February 24, 2022, the Republic of Moldova has recorded a total of 907,999 arrivals from Ukraine, contributing to a larger crisis involving 6.2 million Ukrainian refugees worldwide. By the end of August 2022, the count of individual Ukrainian refugees residing in Moldova had risen to 109,055. The winter season poses increased vulnerabilities for both refugees and Moldovan citizens due to elevated living costs, primarily attributed to additional heating expenses. Severe weather conditions can create additional obstacles to accessing services and community life for specific groups, notably older persons, individuals with disabilities, and single-headed households with a high dependency ratio.

According to UNHCR's Post-Distribution Monitoring (PDM) of Multipurpose Cash Assistance, despite sustained humanitarian efforts, substantial needs persist among the refugee population. Only 9% of refugees can independently cover more than half of their basic needs, highlighting the ongoing necessity for humanitarian support. These findings align with other studies, such as ACTED's Winter Assessment and REACH's Rental Market Assessment, which underscore that most refugee households rely on unsustainable income sources, including humanitarian aid.

From September to December 2023, NRC received 371 requests for assistance through its hotline, specifically seeking Hygiene and Winterization aid. Consequently, NRC is strategizing to distribute Hygiene and Winterization items to vulnerable refugees and host communities in the north region of Moldova before the next winter season. First, NRC aims to assess the feasibility of meeting the needs through cash or voucher assistance in markets local to the target population.

## 3 Methodology

### Workplan and timeline

The methodology deployed for this market assessment followed UNHCR's Multi-Sector Market Assessment (MSMA) guidelines and can be divided into three phases: Preparation (remote), field work (in Edinet, Ocnita, Soroca, Donduseni, Briceni, Moldova) and analysis/write up (Chisinau, Moldova). The MSMA activities took place between February 2024 and March 2024.

### Team composition

The team consisted of one market analysis lead from Moldova CO NRC logistics, one RO NRC logistics market analysis focal point, one logistics coordinator support, one market analysis technical support and two enumerators for primary data collection. The key informant interviews were led by Area Coordinator Mariana Grama, and Customer Interviews were led by Logistics Coordinator, Margarita Mironova.

### Primary data collection

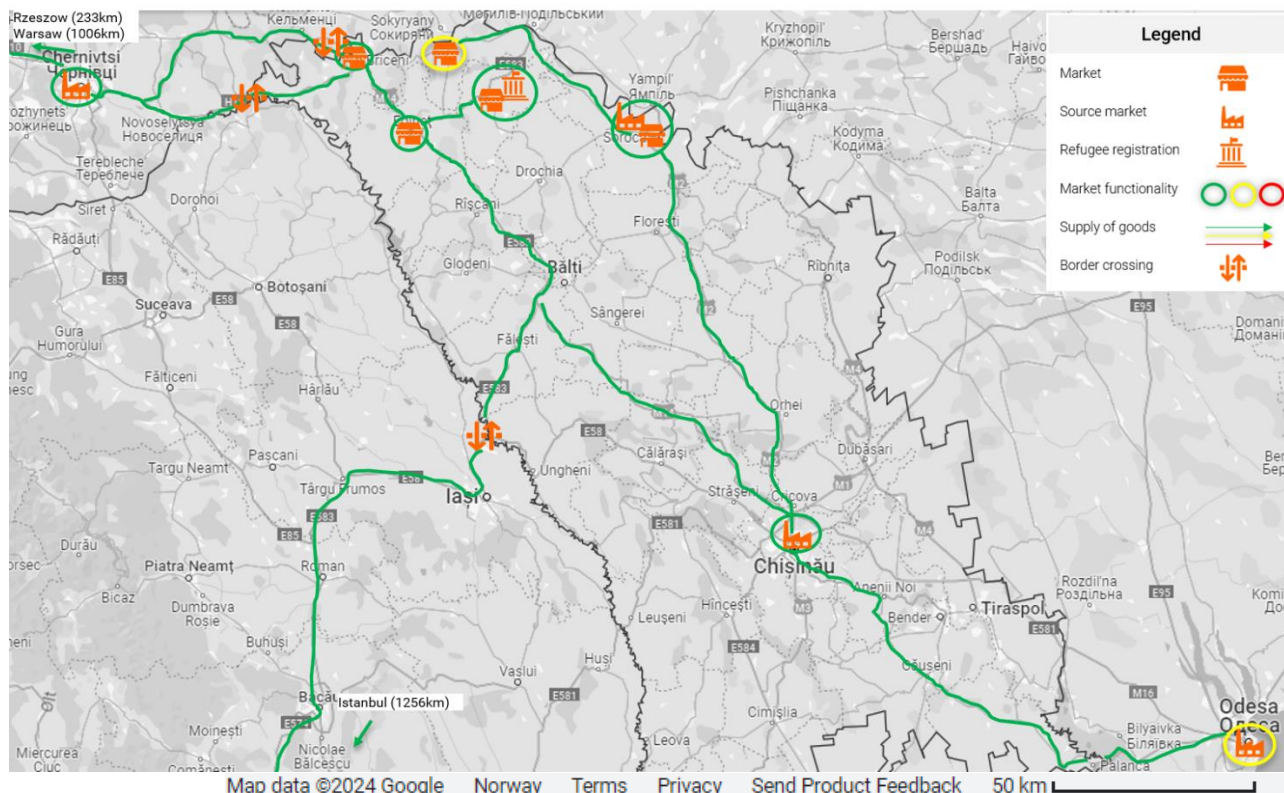
Data collection took place remotely and in-person using CATI (Computer Assisted Telephone Interview) method and face-to-face TAPI (Tablet Assisted Personal Interview) method. Key Informant interviews and trader interviews were conducted in the field, while customer interviews were conducted remotely. The primary data

collection was conducted over 4 day(s). The information was gathered using KoBoCollect, then visualized in Power BI dashboards. Interviews conducted included:

Respondent	Target group
(5) Key informant interviews	Government: Deputy president of Ocnita District for Economic Sector & Head of Taxpayer Office in Ocnita Mayor of Edinet Municipality & Head of Taxpayer Office in Edinet President of Briceni District, Mayor of Briceni & Head of Taxpayer Office in Briceni President of Donduseni District & Deputy President for economic sector President of Soroca District & Head of Taxpayer Office in Ocnita
(20) Customer Interviews	Age range: 24-75 years, female (100%). Ukrainian Refugees living in the north region of Moldova within and around the main market areas.
(33) Trader Interviews	Target: daily shop managers/traders who sell hygiene items (soap, adult and baby diapers) and Winterisation items (Adult and child coat and child winter boots). Medium and small retailers (18% Male and 82% Female), all Moldavian citizens.

## 4 Marketplace assessment

Image: Supply route map of northern region of Moldova, 08/03/2024





## Supply Route Map Description

Based on assessment of Five Markets, in the Northern Region of Moldova:

- Most traders indicate sourcing items from wholesalers located in the capital of Moldova, Chisinau.
- Networks such as Linella, Local, Farmacies Familia, Hippocrates, PPT, and Minpret have their distribution centers in the area.
- Smaller traders indicate that winterization items are sourced directly from Istanbul, following the supply chain through Iasi, Romania.
- The city of Chernivtsi & Mogilev Podolsky in Ukraine are also source market supplying traders in the north from Poland, Turkey and France. Customers also travel to this location to buy items at a much lower price.
- The Ukraine-Russia conflict caused disruptions to the supply of goods at the onset due to the destruction of production units in Ukraine and trade sanctions against Russia.
- Odessa is a functional source market despite the ongoing conflict, which does pose a security risk for the safety of the supply chain.
- However, the supply of goods has stabilized for all markets except Ocnita & Donduseni, where the result of the disruption led to the closing of shops and a reduction in the size and functionality of the market. To date, items for hygiene are readily available, but there is a very limited supply of clothes and winterization items. Customers do not purchase these items in the market of Ocnita & Donduseni

## 4.1 Market overview

### Market Sizes:

- Soroca is the largest city among the five towns assessed. Marketplace is comparable to the size of the main market in Edinet and Briceni.
- Donduseni and Ocnita are smaller markets, with Donduseni being better functional among the two (they are in the same position).

### Franchise Outlets:

- Except for Ocnita, all other marketplaces have properly functioning franchise outlets.
- Some of the Franchise networks that are present in these markets include Linella, Pharmacy Familia, Hippocrates, Local, PPT, and Minpret.
- The main source of these franchise outlets are their central distribution centers located in Chisinau.

### Import Sources:

- The central distribution centers mostly import supplies from Turkey, Poland, and Ukraine.

### Open-Air Markets:

- Well-functioning open-air markets are present in Soroca, Edinet, Briceni, and Donduseni.

- Traders in these markets sell a variety of items, including clothes, shoes, and jackets.
- Stock quantities vary based on individual trader capacity. Scope of this assessment did not include capacity assessment of such traders, however, Shelter team may consider this in future.

#### Hygiene Items:

- Hygiene items are available in all five markets at local provision stores, franchise outlets, and pharmacies.

#### Ocnita Market:

- Ocnita is perceived as the least functional market among the five in terms of goods available on the marketplace.
- There are almost no clothes or shoe stores present in Ocnita.
- Many traders who left the market due to disruptions caused on the supply chain after COVID and the Ukraine-Russian conflict have not returned.
- Customers usually travel to neighbouring markets or make trips to the capital of Moldova to purchase clothes or shoes.
- However, hygiene items are readily available in Ocnita.

#### Trader status:

- All traders are licenced on the market.

**Table 1 Market functionality – Overview**

Description	Edinet	Briceni	Ocnita	Donduseni	Soroca
<b>Market size</b>	Medium - more retailers (shops) and few wholesalers, and permanent fixtures with relatively medium stock.	Medium local market with some medium traders and mostly small traders. Open market on market days.	Small - Infrastructure is mainly Shops, Kiosks and sheds.	Small - Infrastructure is mainly Shops, Kiosks and sheds (open markets place).	Medium - Infrastructure is mainly Shops, Kiosks and sheds. Wholesalers
<b>Catchment area</b>	Frequented by the population living inside and in neighbouring villages, mostly women: Approx. 15,000 people	Frequented by the population living inside and in neighbouring towns; Refugees, locals and Roma. Approx. 10,000 people	Frequented by the population living inside and in neighbouring villages: locals, refugees Approx. 12,000	Frequented by the population living inside and in neighbouring towns; Refugees, locals and Roma. Approx. 5000	Frequented by Roma, moldovans, Russians, polish. Mostly host community. Traders note decline in fewer refugees in the area. Approx. 100,000

<b>Changes in market</b>	Increase in customers and size of market	Yes, smaller. Fewer customers coming to the market leading to reduce in traders on the market.	Yes, smaller. Many shops have closed due to covid and conflict causing disruption in supply chain.	Yes, smaller due to decrease in demand with fewer costumers. Started after covid, continued with the conflict.	Increase in customers and size of market. Improved road infrastructure and more people coming to the market.
<b>Access &amp; Safety</b>	Deemed safe – accessible through public transport and walking. Disability access challenging. Round trip: 30-120 mdl	Deemed safe – accessible through public transport and walking. Disability access challenging. Round trip: 15-70 mdl	Deemed safe – accessible with public transportation. Disability access challenging. Round trip: 15-85 mdl	Deemed safe – accessible through public transport and walking. Disability access challenging. Round trip: 15-85 mdl	Deemed safe – accessible with public transportation. Disability access challenging. Avg. cost round trip: 20-120 mdl
<b>Main Source Market(s)</b>	Chisinau (Moldova), Chernivtsi & Mogilev Podolsky (Ukraine), Warsaw (Poland), Sofia (Bulgaria), Istanbul, (Turkey)	Chisinau (Moldova), Chernivtsi & Mogilev Podolsky (Ukraine), Warsaw (Poland), Sofia (Bulgaria), Istanbul, (Turkey)	Soroca (Modlova), Chisinau (Moldova), Chernivtsi & Mogilev Podolsky (Ukraine), Warsaw (Poland), Sofia (Bulgaria), Istanbul, (Turkey)	Chisinau (Moldova), Chernivtsi & Mogilev Podolsky (Ukraine), Warsaw (Poland), Sofia (Bulgaria) Istanbul, (Turkey)	Chisinau (Moldova), Chernivtsi & Mogilev Podolsky (Ukraine), Warsaw (Poland), Sofia (Bulgaria) Istanbul, (Turkey)
<b>Frequency of market days</b>	Daily, main market days: tues, thur & fri	Daily, open air market: tues, thur & fri, sat & sun	Daily	Daily (except Monday) Open market all days except Monday.	Daily

## 4.2 Physical and social access of target populations

All markets are deemed safe to access both by trader, key informants and customers. According to customer interviews, they never experience any crowding. However, infrastructure in some area not conducive to customers with physical disabilities.

The roads are paved, and there are sidewalks. However, some stores are only accessible with stairs making it difficult for elderly to access.

**Table 4: Social and physical access to markets**

Marketplace	Discrimination	Social interaction
Edinet	Mostly not, however one informant indicated having experienced aggression from local population over sentiments of assistance only benefitting refugees and not local community.	“Good” (50%) “Neutral” (50%)
Briceni	Mostly not, however one informant indicated having experienced aggression from local population.	“Good” (75%) “Great” (25%)
Ocnita	Mostly not, however one informant indicated having experienced aggression from local population for receiving assistance and preferential treatment as a refugee.	“Good” (100%)
Donduseni	No.	“Good” (100%)
Soroca	Mostly not, one informant indicated having experience aggression from the local community	“Good” (50%) “Neutral” (50%)

### 4.3 Availability of core goods

#### Core goods specifications

**Adult diapers** are available in pharmacies, hygiene shops and some groceries stores. The brands sold include being Seni (30 pcs), Holder (30 pcs), Dr. Marco (30 pcs), Isasi (14 pcs), Sleepy (30 pcs), Evony (30 pcs), Coverdry (30 pcs), Tena (30 pcs) and Carine (30 pcs). Adult diapers were not consistently available in grocery stores, but in pharmacies and hygiene shops they were always available. This item is cheaper where it is available in grocery stores, however availability here is not consistent. The adult diapers are cheaper in the specialized shops referred to as “hygiene shops”. These include: Casa curata, Imparatia curateniei, Zolusca. Across specification and brands (30 pcs per pack), the price of this item ranges from: 292 mdl (Brand: Evony) - 678 mdl (Brand: Holder).

**Child diapers** are available on all five markets but with different brand/specifications. The most common brand available is Pampers or Huggies. These are sold at a smaller quantity and in some instances in single pieces as they

are deemed expensive in the larger packs. This item is sold in pharmacies and local grocery stores in all five markets in packs of 26pcs, 30pcs, 31pcs, 48 pcs, 58pcs, 70 pcs depending on the size and brand of the diapers. Customers indicate not needing as many of the small diapers size as birth rates are down and the children are growing. Generally, the price for this item is about 20-30% higher in pharmacies. The price of this item ranges from: 224.75 mdl - 361.50 mdl.

**Soap bars 75g, 1 piece** are available on the markets, but most soap bars are 70 g or 90g and often sold in packs of 2 or 4. However, the traders and customers indicate a preference for liquid soap over soap bars. Individual soap bars are more common in pharmacies; however, these are more high-end: 90g organic soap from Johnson, Nivea, Green Pharma Soap or HRHB. Traders indicate that these are less preferred by customers. The price of this item sold individual piece 75g ranges from: 6 mdl – 19 mdl. Mode price: 9mdl for 75g soap bars.

**Adult winter coats (size M)** are seasonal items. Trader restocks for the winter in late September, early October. Variations in colour, thickness and sizes are available in 4 of the 5 markets. Items are mostly produced in China, Turkey and Bangladesh. This item is not available in Ocnita, see below for details. The price of this item ranges from: 440 mld – 830 mld. Mode price around 650 mld.

**Child winter coats (size 6 years old)** are often available in the same stores as adult winter coats. These are also seasonal items, available in different sizes and colours. However, this is not available in all five markets. The price of this item ranges from: 230 mld – 630 mld. Mode price around 380 mld.

**Child winter boots (size 10)** are available in shoe shops and some clothing stores in 4 of 5 markets. These are seasonal items, not available in all five markets (see overview below). The price for this item ranges from: 250 mdl – 450 mdl. About 350 mdl is the mode price.

See photo examples of items available on the markets in Annex 2.

### Traders selling items

Core good	Edinet	Briceni	Ocnita	Donduseni	Soroca
Adult diaper	20+	5+	3	8+	15-20
Child diaper	20+	10+	3	8+	15-20
Soap bar/liquid	20+	10+	3	10+	30+
Adult winter coat	4	2 fixed stores + 15 stalls in open air market	0	6 fixed stores (including second hand stores) and 8+ stalls in open air market	5+

Child winter coat	4	2 fixed stores + 5 stalls in open air market	1	6 fixed stores (including second hand stores) and 8+ stalls in open air market	5+
Child winter boots	5	8+	2	2 and 4+ open market	8+

### Price variation and change

- **Seasonality:** The winterisation items are seasonal and sold predominantly during the colder season. Traders start stocking this item in late September/ early October. Sales on this item begin in March. These items are generally less available during the spring and summer season. Hygiene item prices are not seasonal but impacted by inflation.
- **Inflation:** The inflation rate in Moldova impact local market prices on a monthly basis. All traders expect that their prices will go up in the near future. The annual inflation rate as of January 2024 is 4.6%<sup>1</sup> (see figure below for projections).

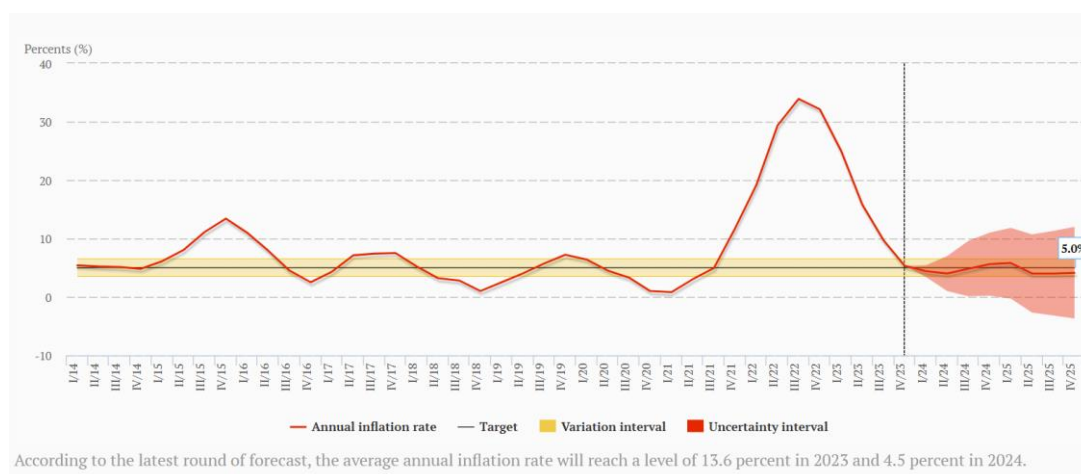


Figure: Annual inflation rate and projection in Moldova. Source: <https://www.bnm.md/en/content/inflation>

## 4.4 Wider market infrastructure and regulatory environment

### Market authority and disputes

In the Republic of Moldova, there are few main market authorities. Trading fees go to Local Authority, where each trader company is registered. For example, if trader has registered as LLC or Individual entrepreneur with business address in Chisinau, but physical location of their store is in Edinet municipality, all trading fees are under

<sup>1</sup> Annual inflation rate in Moldova: <https://tradingeconomics.com/moldova/inflation-cpi> and <https://www.bnm.md/en/content/inflation>

Chisinau municipality Council. Each city/municipality has Fiscal Service who monitor and collect trading fees. Licences to traders are issued by Public Service Agency.

Solving problems and disputes between traders are managed by the National Agency for Solution of Disputes. Any problems or disputes between customer and traders are handled by the State Inspectorate for Supervision of Non-food Products and Consumer Protection.

### **Market Landscape and Voucher Program Experience**

The market environment across all five assessed locations in northern Moldova presents a favorable landscape for implementing CVA programs. This assessment is bolstered by existing experiences with voucher programs in Edinet and Soroca. These programs were implemented directly between traders and INGOs/NGOs, demonstrating a level of familiarity and comfort among vendors with voucher-based systems. However, a key point to consider is the decision-making structure within franchise networks. While these networks are receptive to voucher program participation, they emphasize the need for agreements to be formalized through their central head offices, typically located in Chisinau. This highlights a potential bureaucratic hurdle that necessitates clear communication and collaboration strategies during program design.

Donduseni offers a distinct approach to voucher programs. Here, the Social Protection Service (SPS) acts as the intermediary, facilitating agreements between traders and NGOs operating within the market. Notably, the SPS also serves as the sole registration office for refugees in northern Moldova, potentially offering a valuable access point for integrating voucher assistance with refugee support initiatives. It's important to acknowledge, however, that voucher programs through the SPS were only observed in the Donduseni market during this assessment. Further investigation might be required to determine the potential for scaling up this approach across other locations.

### **Market Pricing Dynamics**

The pricing structure in Moldova's northern markets exhibits a clear distinction between strategic goods, core goods and services. The government regulates the market price for essential commodities like electricity and fuel. Similarly, the National Agency for Regulation in Energy regulates gas prices. For core goods and services, pricing models shift to a more decentralized approach. Franchise networks leverage economies of scale to establish centralized pricing, often updated digitally within their internal systems. Smaller, independent traders retain the flexibility to adjust prices based on market fluctuations and inflation rates. Open-air markets, a common feature across the assessed locations, offer a dynamic pricing environment where negotiation between sellers and customers determines the final price. While most stalls display prices, the open-air market environment necessitates clear communication strategies within the CVA program to ensure transparency and empower project participants to make informed purchasing decisions.

## 5 Programme considerations and recommendations

### Product Availability and Seasonality

A crucial consideration for program design is the product availability cycle. Fortunately, hygiene items are consistently available year-round across all assessed markets, ensuring year-round access for PPs. However, winterization items present a seasonal challenge. These essential items are typically stocked between late September and March. Therefore, project implementation timelines should be strategically designed to coincide with this specific window. This timing optimization will maximize access to winterization items during the months, when the need is most critical.

### Intervention Strategies and Tailored Approaches

#### Scenario 1: Cash Modality

Cash interventions offer the most flexibility for PPs, empowering them to tailor their purchases to their specific needs and preferences. This approach is particularly advantageous for open-air markets, which often boast a wider variety of vendors and products compared to franchise outlets. However, establishing individual agreements with numerous open-air market stalls can be logistically challenging. This might necessitate the involvement of a dedicated team or a local implementing partner to streamline the process and ensure program efficiency.

To address the specific challenge of limited winterization item availability in Ocnita, consider providing an additional travel allowance for PPs residing in this location. This financial support would enable them to access neighbouring markets and fulfil their winterization needs. Further investigate access constraints to markets for people with disabilities and consider adaptive approach to enable them to access items, either through support for transportation/access, or direct distribution through local suppliers.

Direct distribution in form of direct cash offer the highest level of dignity and agency to the project participants. To ensure that the most vulnerable have their needs met, consider distributing cash assistance twice during the project implementation phase. First time explaining what the cash assistance is intended for. The second distribution can then be conditioned on how the first distribution was spent by the project participants ensuring that needs are met.

#### Scenario 2: Voucher Assistance Leveraging Established Networks

The assessment observation highlights the prevalence of established franchise networks like Hippocrates/Familia (for hygiene items) and PPT / Minipret (for



winterization items) across northern Moldova. Leveraging these networks through a voucher program presents several advantages:

- **Widespread Presence:** These extensive franchise networks ensure accessibility for PPs across various locations.
- **Standardized Quality and Pricing:** Franchise networks typically maintain consistent product quality and centrally set pricing, potentially offering economies of scale that could benefit PPs.
- **Reduced Risk of Voucher Reselling:** By restricting voucher use to designated franchise stores, the program may be able to minimize the risk of PPs reselling vouchers.

#### Optimizing Voucher Use: Interchangeable Vouchers and Network Flexibility

To maximize flexibility and agency for PPs, consider establishing a voucher program where vouchers can be used interchangeably between the identified franchise networks (Hippocrates/Familia and PPT/Minipret). This approach empowers PPs to choose their preferred shopping locations, potentially allowing them to benefit from any existing competitive pricing structures within these established chains.

#### Existing voucher programme through Social Protection Service in Donduseni

Donduseni market place has a distinct approach to voucher programs. Here, the Social Protection Service (SPS) acts as the central coordinating body, establishing agreements with both traders and NGOs operating within the market. This centralized model, coupled with the SPS' unique role as the sole refugee registration office in northern Moldova, presents a potentially efficient and targeted method for reaching displaced populations. However, observations suggest that voucher program utilization through the SPS is currently limited to the Donduseni market. Further investigation is required to determine the potential for scaling up this model and its applicability across other assessed locations.

#### **Scenario 3:** Mixed-modality and/or market support interventions

In Ocnita, there is a limited availability of winterization items such as winter coats and boots. Consider mixed-modality approach for distribution, where winterisation items are distributed in-kind, coupled with PP hygiene needs met through CVA.

If a mixed-modality approach for CVA and in-kind distribution is selected for this response, PPs can fulfil their essential needs while the seasonal availability issue is addressed. The specific mix of CVA and in-kind distribution would depend on factors such as the cost of winterization items, transportation costs for PPs to access neighbouring markets, and the overall budget of the program. Further investigate access constraints to markets for people with disabilities and consider adaptive

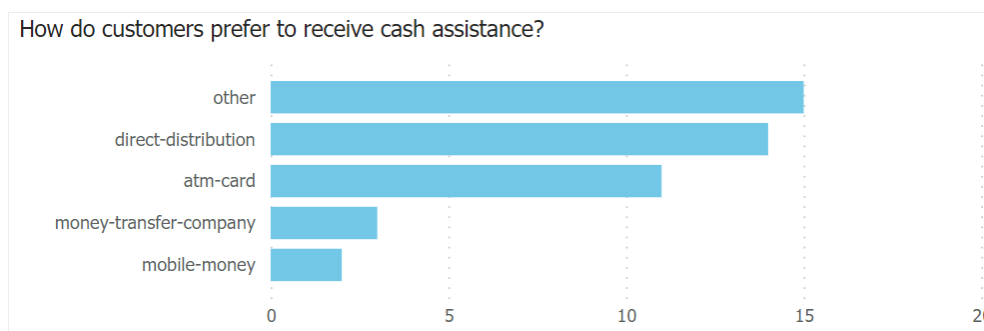
approach to enable them to access items, either through support for transportation/access, or direct distribution through local suppliers.

### Market support intervention in Ocnita

In Ocnita, there is a limited availability of winterization items such as winter coats and boots. Irrespective of scenario selection for the modality decision, consider market support interventions to help traders increase stock on the relevant items in this market. About 65 % of the traders interviewed stated that supply could improve with support. The support needs identified by the traders included help with increasing their warehousing capacity to stock goods; help in access to credit to purchase goods to sell; and training on business management and growth. The majority of traders have not received support from other agencies. All traders interviewed are confident in their ability to increase supply if there is an increase in demand. The biggest impediment to business growth are “Customer have no money/means to buy” (100%) followed by “Low demand” (67%), and cost of selling licences (50%). To explore opportunities for a market support intervention in Ocnita, consult with livelihoods expert in response design.

### Key findings from customer interviews

- Markets are deemed functional and safe to access. In Briceni, customers informant indicated that special needs items for children with disabilities (like bathing assistance equipment/chair) and electrical ovens were items that they needed which they could not find in the local market.
- In Donduseni, hygiene and winterisation items were deemed available. The customer informants indicated items such as mobility assistance (bag with wheels to transport goods from the market home), clothes, hygiene items for washing cloths and medicines as specific items most in need.
- For Edinet, wheelchairs are not available in the market according to one customer informant interview. A variety of medical supplies, preferably though vouchers to pharmacies would be preferred.
- For Ocnita, several customer interviews identified sofa-beds as their most desired items in need.
- In Soroca, all items are deemed available on the market according to customers. Most needed items included hygiene items, winter clothes and bedding items such as duvets.



“Other” explained: Five customers indicated that “any means” of project distribution modality is fine. Three customers prefer “bank transfers” while one customer preferred cash though “post office”. The distribution of cash modality is seen as more flexible, allowing them to purchase goods locally and not having to travel to different locations to buy items.

## 6 Conclusion

CVA implementation holds significant promise across all assessed markets in northern Moldova, with the exception of Ocnita regarding winterization items. To address this gap, the following recommendations may be considered:

- Prioritize project implementation within the seasonal window (late September to March) to ensure access to winterization items.
- For Ocnita, consider providing an additional travel allowance for PPs to access winterization items in neighbouring markets.
- The projected impact on the local market for this response is low. Explore partnering with established franchise networks like Hippocrates/Famila and PPT/Minipret for voucher assistance. This approach leverages their widespread presence and potentially offers competitive pricing within the network. Ideally, develop a voucher program allowing PPs to use vouchers interchangeably across these networks for maximum flexibility.
- Further investigate the voucher program implemented by the Social Protection Service (SPS) in Donduseni. This program could be a viable alternative, especially considering the SPS' role as the sole refugee registration office in the north. However, additional research is necessary to determine if vouchers can be used in markets beyond Donduseni.
















Overall, the market environment in northern Moldova presents a safe and functional setting for CVA program implementation. The project is expected to have a negligible impact on existing market dynamics. By carefully considering the aforementioned recommendations and tailoring the intervention strategy to address the specific needs of each location, the program can effectively address the requirements of PPs while ensuring program efficiency and sustainability.

# Annex 1 Tables and figures

## Market risk identification and mitigation actions

Risk and consequence (Description)	Location of risk: (specify)  (Marketplace, supplier market, specific type of trader/ service provider, target population, supply system, market environment, market infrastructure etc.)	Likelihood (probability) and rationale  Very unlikely (1), unlikely (2), moderately likely (3), likely (4), very likely (5)	Impact (consequences) and rationale  Negligible (1), minor (2), moderate (3), severe (4), critical (5)	Overall risk classification  All risks considered high and medium must be included in the monitoring plan. All high and medium risks should be mitigated. If risk remains high even after mitigation, it should best be avoided!	Mitigation Actions
PP not able to access winterization items in Ocnita marketplace	Target population	5 (item not sold on the market)	2	Medium	Subsidies transportation costs to neighbouring markets for PP
Demonstrations during election period (starting September 2024) cause disruption to supply chain	Supply chain	2 (SRA)	3	Medium	Monitor impact on supply chain functionality during project implementation period, adjust as needed
Inflation makes prices higher than the CVA allowance for items	Demand	4	3	Medium	Revise the prices or adjust the MEB to the inflation rates
Conflict in Ukraine-Russia worsens and impact source market functionality and border crossing to Ukraine	Supply chain and safety	2	2 (several source markets available)	Low	Accept risk
In case of voucher assistance, PP resell vouchers	Demand	2 (depending on PP inclusion in programme design – see comments)	1	Low	Review selection of franchising networks for FWA to ensure PP preference is included in project design

## Annex 2 Photos

Adult Diapers				
				
Child Diapers				
				
Soap bars 75g (Note: Customer preference for liquid soap reflected in a much larger level of availability and variety of liquid soap on the market)				
				
Adult winter coat				



## Sources

UNHCR (2023) Market Assessment Final Report location:

<https://data.unhcr.org/en/documents/details/105066>

National Bank of Moldova (2024) Annual inflation rate and projection in Moldova. Source:

<https://www.bnm.md/en/content/inflation>

NRC Moldova Security Risk Assessment (SRA) (2023) (Internal NRC document)

Statistical Databank of Moldova (2023) ([Population and demographic processes](#)) Link:

<https://statbank.statistica.md/>