ISWG
Inclusion & Solutions Working Group Moldova

Regional Refugee Response for the Ukraine Situation

Inclusion & Solutions

Working Group Moldova

Interactive Version Link

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MINISTERUL MUNCII ȘI PROTECȚIEI SOCIALE

UNHCR The UN Refugee Agency

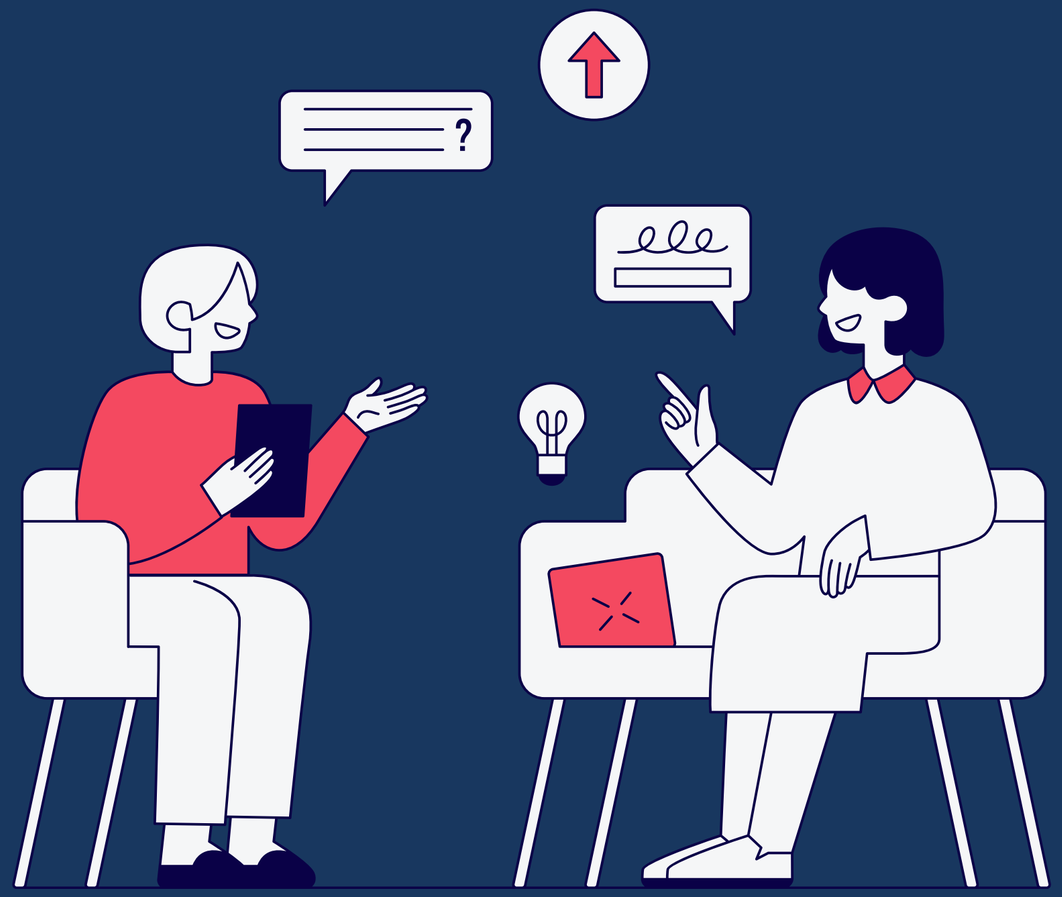
unicef

UNDP

WFP World Food Programme

Agenda

- Economic Inclusion Analysis
- HELVETAS Referral Tool
- RRP 2026 Update - Timeline
- General Updates on RACs
- AOB



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Regional Refugee Response for the Ukraine Situation

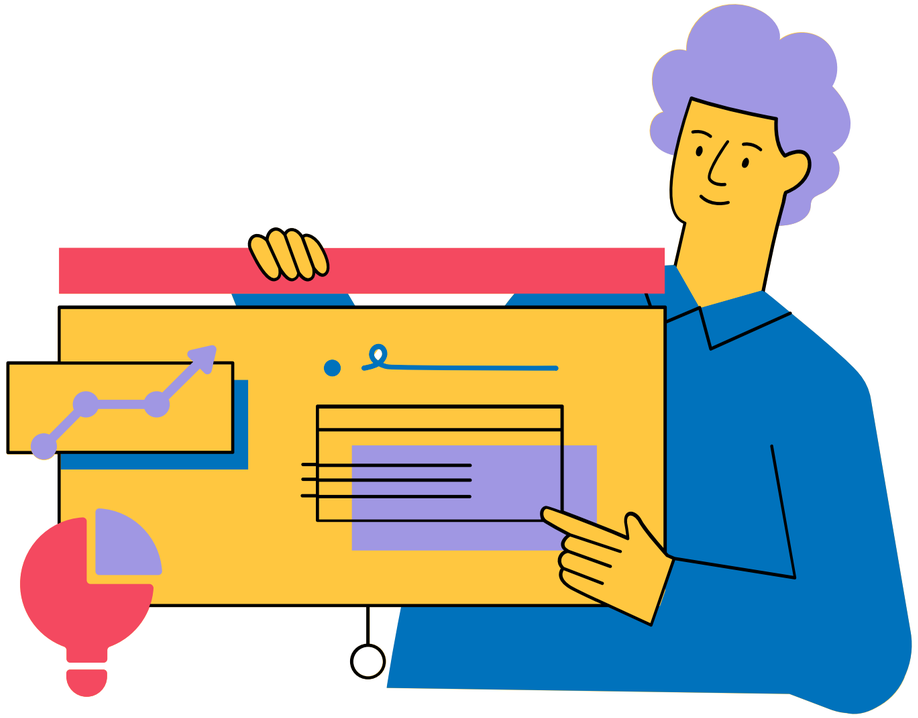
Economic Inclusion Analysis

About the Data

This analysis is primarily based on the JDC **Socio-Economic Assessment** of **Refugees** and **Host Communities**, commissioned by UNHCR and conducted between **July and September 2024** across Moldova (excluding Transnistria). The survey treated the household as the unit of analysis, collecting information on all members through a single respondent per household. It included **926** refugee households and **463** host community households, and was complemented by preliminary SEIS ’25 data on refugee occupational skills.

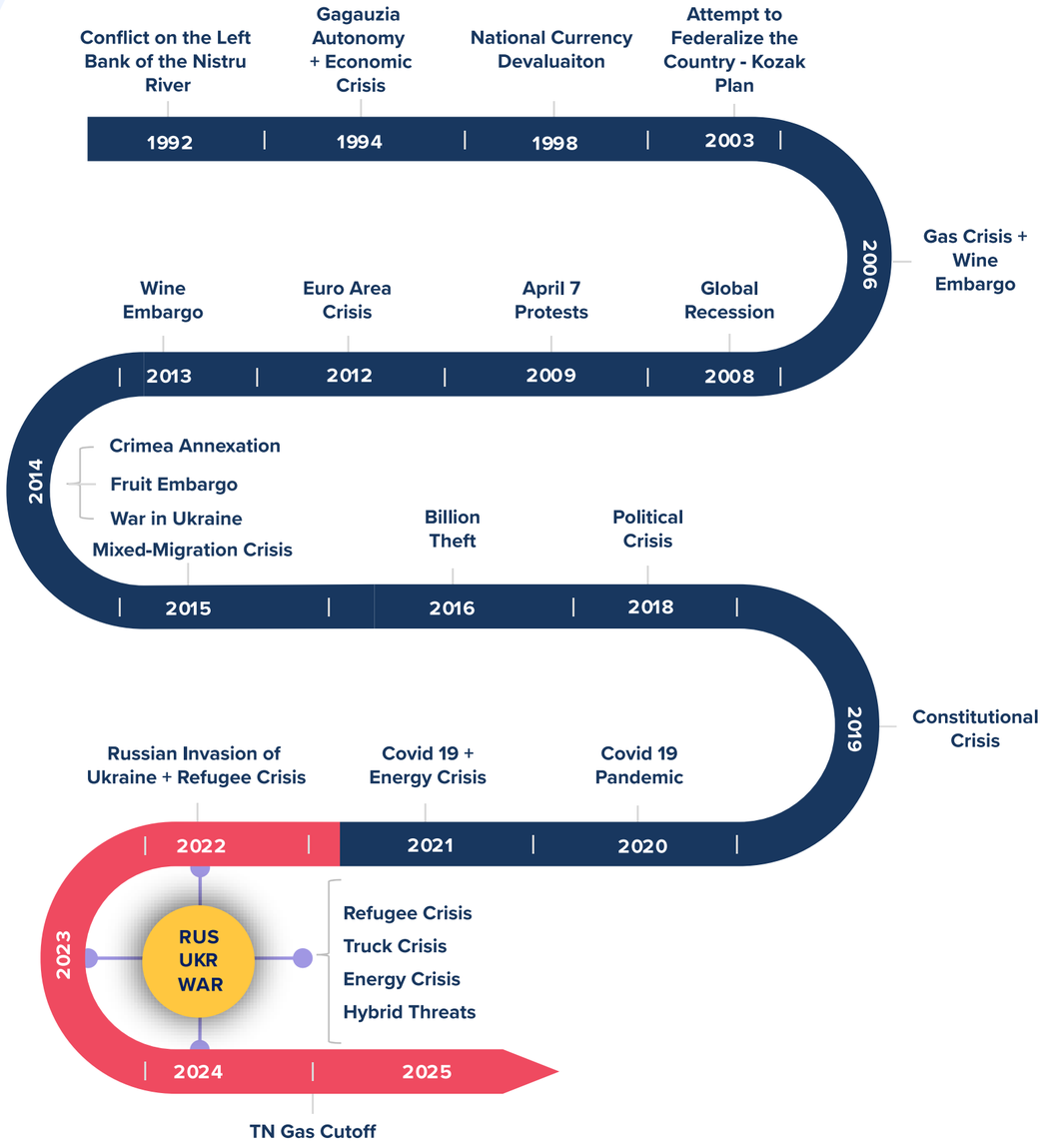
The findings have been further enriched through complementary analysis conducted by UNDP drawing on qualitative data collection, official administrative records, and statistics published by the National Bureau of Statistics.

While acknowledging methodological limitations, including gaps in representativeness, as only heads of households provided economic activity data (only demographic and vulnerability data were collected for all members), this reduces the effective sample size and likely leads to an overestimation of participation and unemployment rates. Additionally, inconsistencies with national data sources limit comparability. Nonetheless, the analysis offers a solid foundation for drawing relevant conclusions and informing policy recommendations.



Context: Macroeconomic Indicators

- **2020–2021:** GDP fell 8.3% in 2020 (COVID-19), then rebounded +13.9% in 2021, driven by exports, remittances, public investment, and reforms.
- **2022:** Russia's invasion of Ukraine triggered a ~5% GDP contraction in Europe's smallest economy, with the second-highest inflation peaking at 34.6%. Supply chain disruptions, dependence on Russian gas, and a refugee influx (~55 per 1,000 inhabitants, highest in Europe) sharply increased living costs and strained resources.
- **2023–2024:** Recovery has been slow; GDP remains ~10% below its Q4 2021 peak. Growth projections were downgraded from 3.9% to 0.1–0.5% for 2024, with only modest improvement expected in 2025–2026, driven by external financing and gradual investment.
- **Structural Pressures:** GDP per capita is just $3,685 (EU average: $37,000), far below neighboring Romania ($16,000) and Poland ($18,000).
- **Poverty Trends:** The monetary poverty rate surged to 31.6% in 2023 (up from 24.5% pre-war). However, the Multidimensional Poverty Index shows gradual improvement: 27.5% (2022), 26.5% (2023), 25.6% (2024).



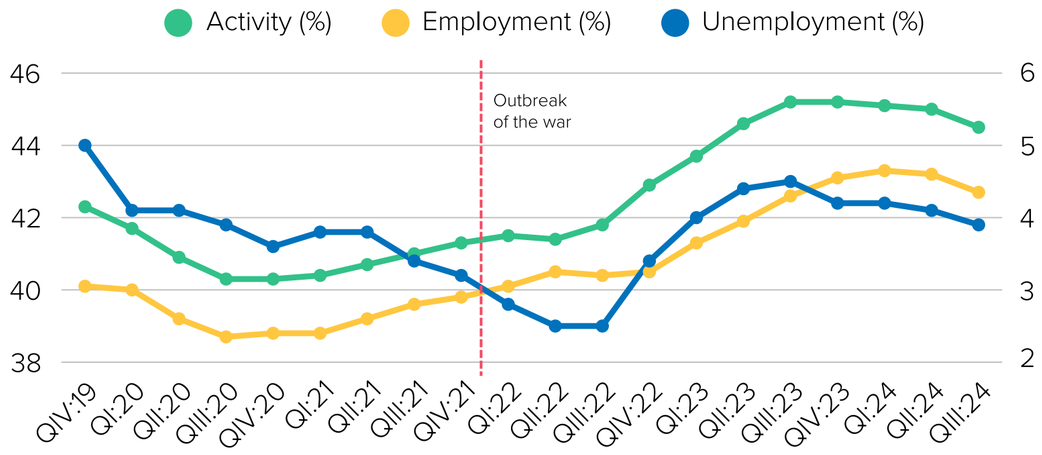
Context: Labor Market Indicators

Labor market trends: Activity and employment rates rose above pre-pandemic levels in 2023. However, unemployment also rose, reflecting that this rebound was driven by economic need and the closure of traditional migration routes to Ukraine and Russia, rather than genuine market strength. This growth in active labor force was short-lived, with activity declining again in 2024 due to demographic pressures: low birth rates, population aging, and persistent emigration of working-age Moldovans, creating opportunities for refugees.

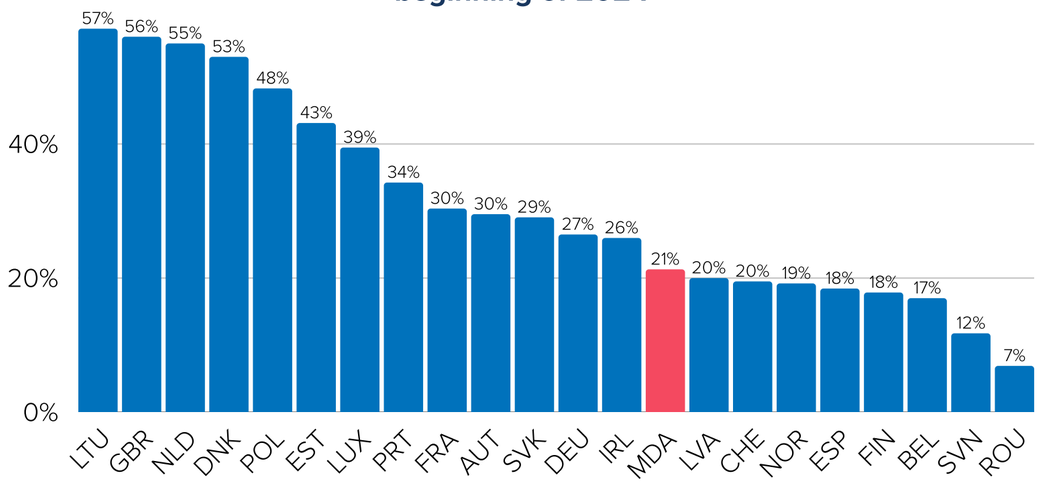
Employment structure: Informality remains high (≈22–23%), concentrated in agriculture. In 2023, informal work surged as agriculture expanded; in 2024, drought and industrial decline cut 44k jobs, with modest growth in construction as well as services (preferred by refugees), insufficient to offset losses.

Refugee employment rates: Moldova's refugee employment rate (21%) is mid-range in Europe, where early 2024 rates mostly stayed below 30%, with wide variation from over 50% in some countries to under 10% in others.

Activity, employment (left axis) & unemployment (right axis) rates over time



Refugee employment rates in European countries at the end of 2023 and beginning of 2024

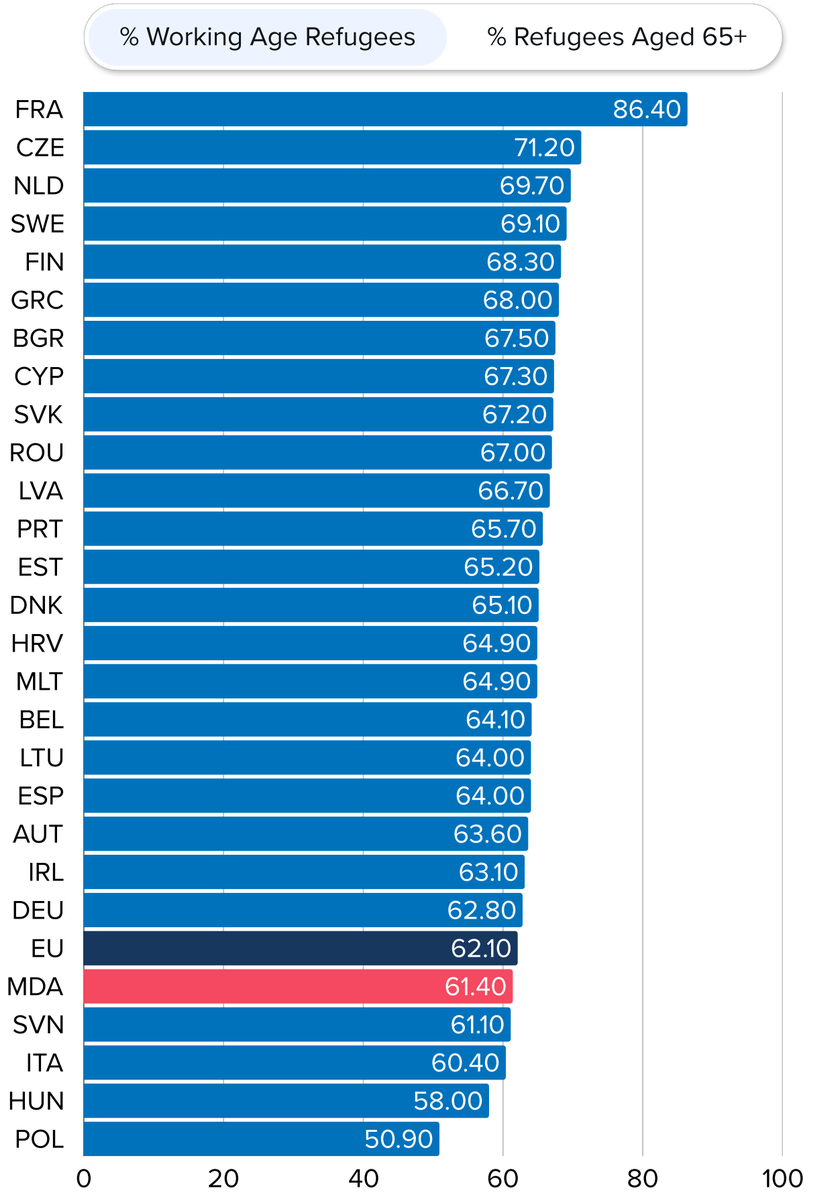


Context: Regional Demographic Factors

Refugee labour market integration depends not only on economic conditions and public policies, but also on demographic factors such as age, gender, and family responsibilities:

- Higher employment is more likely when a larger share of refugees are of working age (15–64). In Moldova, refugees with temporary protection have a lower share of working-age adults compared to other European countries. As of early 2025, only 61.4% were aged 18–60; extending the upper limit to 65 would raise this by just one percentage point. Even with this adjustment, Moldova remains among the countries with the smallest proportion of working-age refugees.

- Moldova has the highest share of older refugees among the countries analyzed: 13.6% aged 60+ (around 12% when adjusted for EU's 65+ threshold), well above the EU average. This high proportion of elderly, combined with many children, reduces the working-age share and increases care responsibilities for adults, particularly women, limiting economic participation and slowing socio-economic integration.



Source: *Calculations based on UNHCR and EUROSTAT data, February 2025*

Context: Regional Demographic Factors

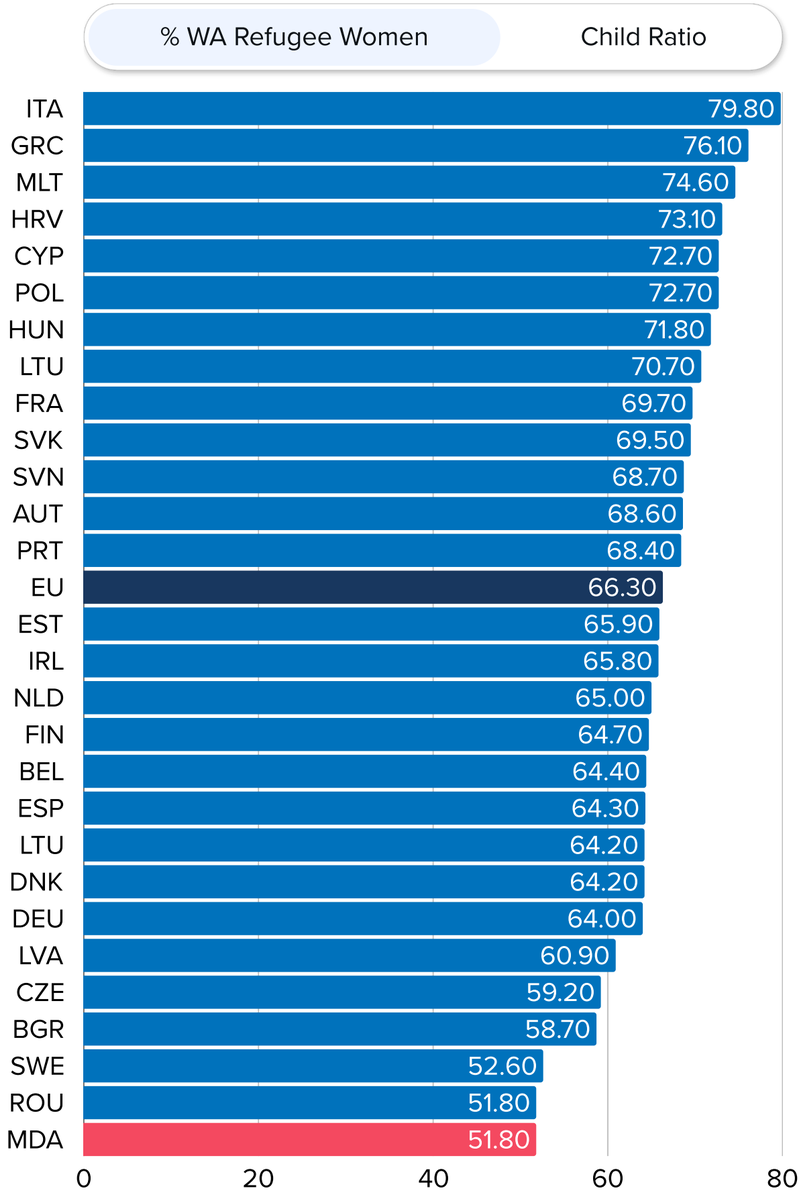
Moldova has the lowest share of working-age women among refugees with temporary protection in Europe:

- Only 52% of women aged 18+, and 48% of those aged 18–59. Almost a quarter are over 60, far above the EU average, as more older women have stayed in Moldova while younger women moved to other countries for better opportunities.

- Men generally have higher activity rates than women, and care responsibilities are unevenly shared. For Ukrainian refugees, this gap existed before the war, meaning a lower share of women of working age limits labour market participation.

This burden is amplified by one of Europe's highest child-to-working-age-woman ratios (0.84), reducing the time available for paid work:

- This demographic pattern of fewer working-age women, more elderly, and heavier care loads contrasts with most EU countries, where refugees are younger and more often female, supporting faster labour market integration on of working-age refugees.



Source: *Calculations based on UNHCR and EUROSTAT data, February 2025*

Demographic Profile

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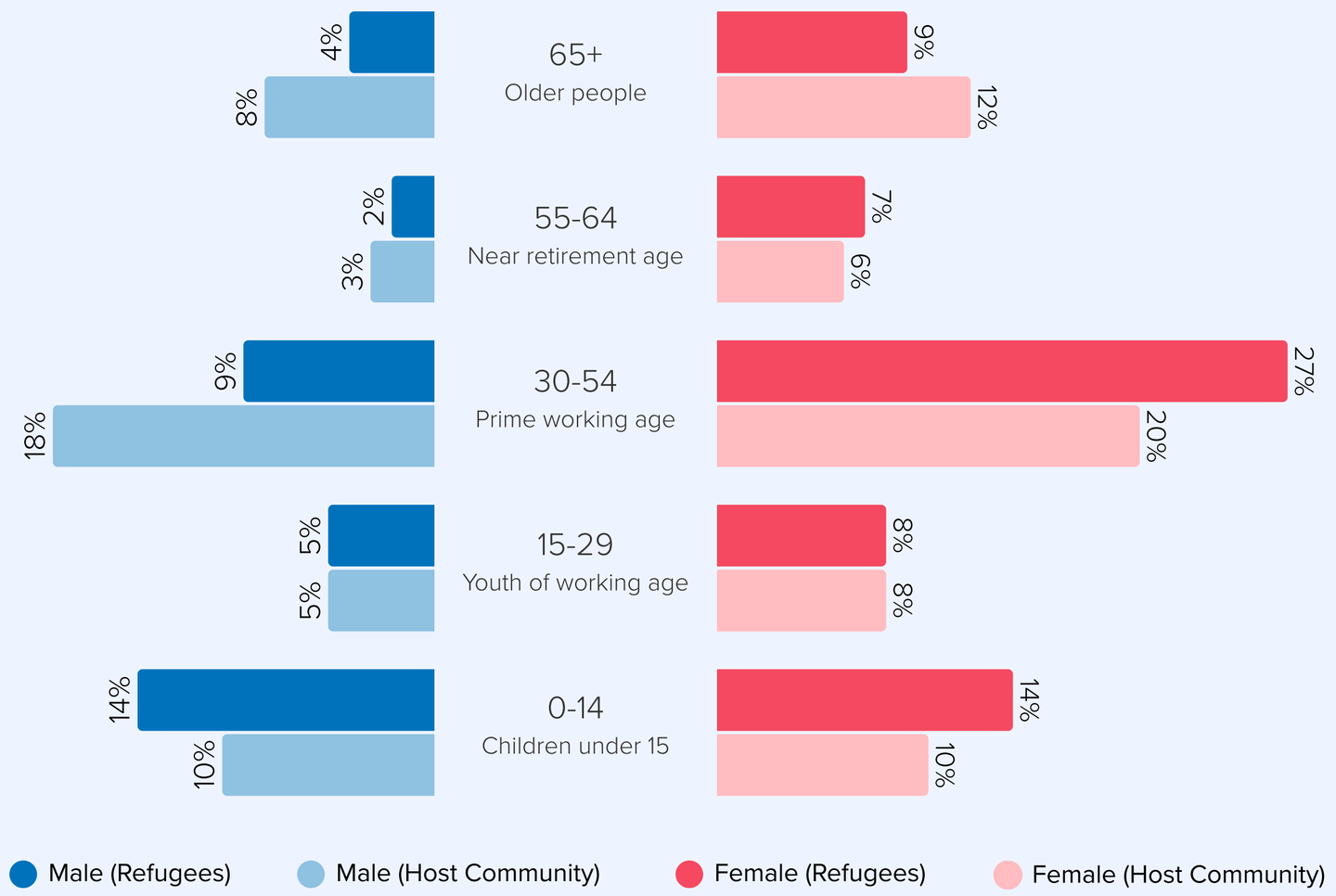
Individual Level Data

	Refugees	Host Community
	35% male	44% male
	65% female	56% female
	33% children	23% children
	19% elderly	25% elderly
	8% PWD	4% PWD

Age and Gender Distribution of Refugees and Host Community

(n=2284, 1117, all refugee & host community individuals)



Demographic Profile

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HH Level Data

Refugees	Host Community
21% no children	**33%** no children
28% school age children	**18%** school age children
28% pwd, infants	**19%** pwd, infants

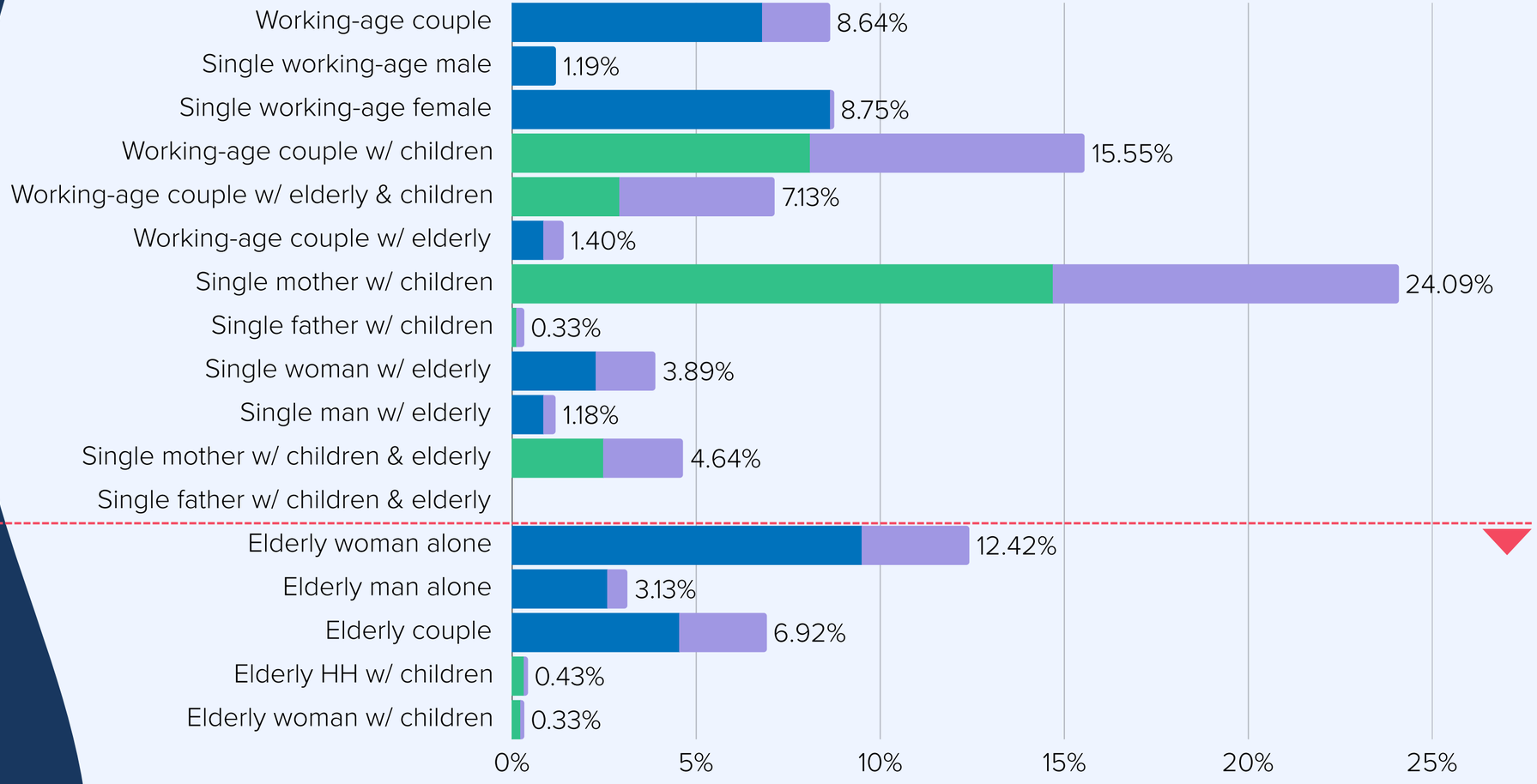
LOW LABOR FORCE PARTICIPATION POTENTIAL

23% elderly	**30%** elderly

Refugees | Host Community

No Children | School-aged Children | PWD or Infants

Household Typologies



Labor Market Indicators

37% vs. 11%

an adjusted refugee/ host unemployment rate, with Q45 & Q68 consistent "seeking work" responses (n=111, 20)

66%

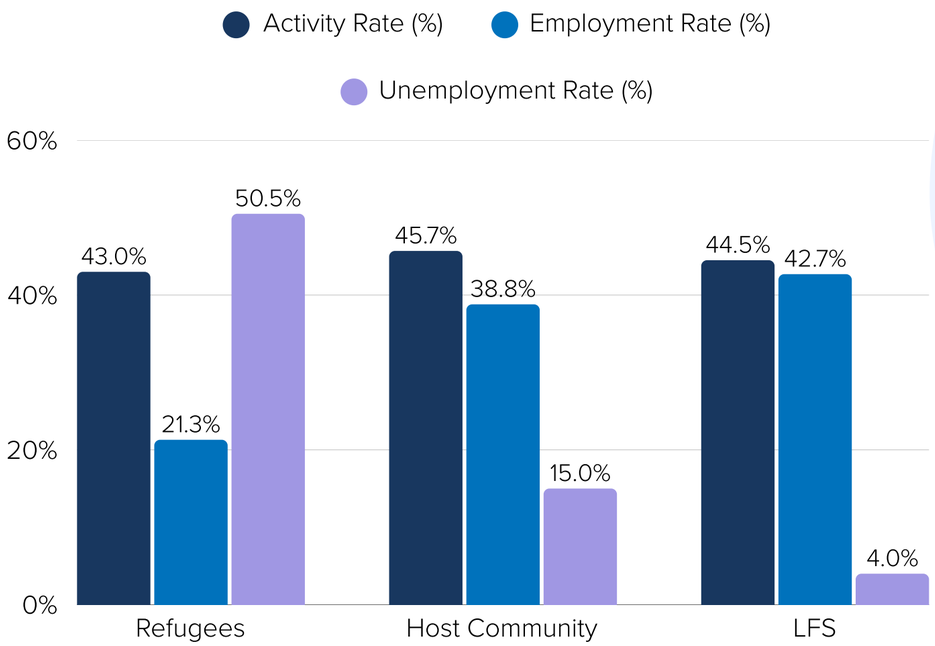
of working-age refugee respondents have prior work experience (Q36, n=755)

35%

of working-age refugee respondents have had paid work since arrival in Moldova (Q39, n=755)

2024 Labor Market Indicators

(n=926, 463, all refugee & host community respondents)



Main conclusion on reliability:

Tracking Ukrainian refugees' labor market participation is challenging because the population is in constant flux, with people moving between (and across) host countries and Ukraine. The two most substantial efforts to measure refugee labor market participation in Moldova were carried out by IOM in 2023 and UNHCR in 2024; however, the IOM survey is not directly comparable to official statistics, as it excluded refugees intending to leave the country soon, resulting in a sample that overrepresents those already economically integrated. By contrast, the UNHCR data aligns more closely with the methodology of the Labor Force Survey (LFS) conducted annually by the National Bureau of Statistics, which is recognized for its methodological rigor. A comparison of LFS data for Moldovan residents with the 463 host households surveyed by UNHCR shows very similar results for activity and employment rates, allowing us to conclude that the refugee data collected in the same way is broadly reliable, albeit with some caveats.

Key methodological caveats:

In the UNHCR survey, labor market questions were asked almost exclusively to the heads of households. Demographic and vulnerability data was collected for all 2,284 individuals living in the 926 households surveyed, but detailed economic activity data was gathered only for the 926 heads of household, 755 of whom were of working age (15-64). In total, 1,336 household members were of working age, meaning 581 working-age individuals were not surveyed on their economic activity. Because heads of households are often the primary earners, this approach likely overrepresents economically active individuals, leading to skewed activity and unemployment rates.

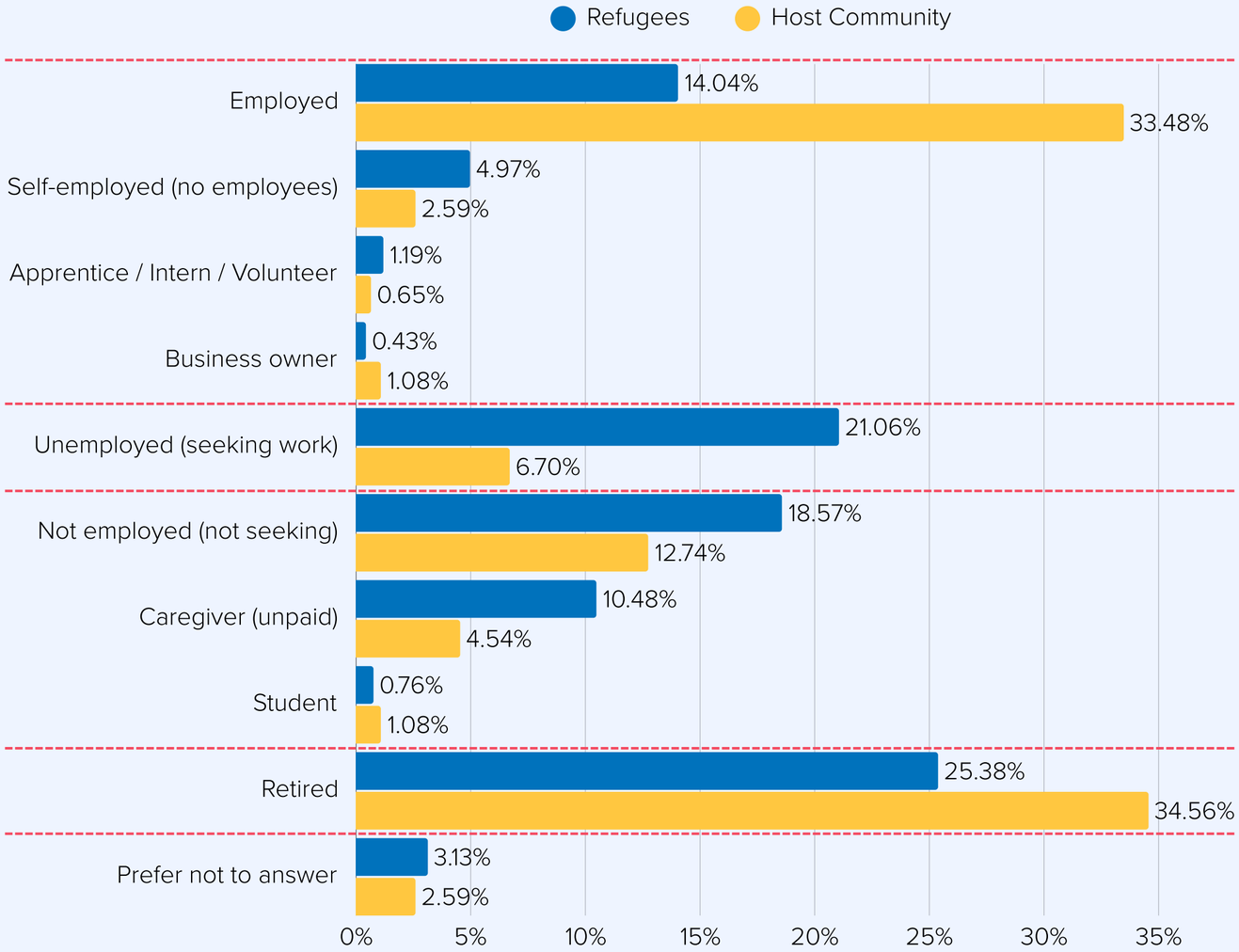
Internal consistency issue:

Another source of potential bias stems from inconsistencies between related survey questions. Respondents were first asked whether they were "actively seeking work" as part of their main professional status, and many answered "yes." However, a later question asking if they had actively sought work in the past four weeks saw around half of those respondents answer "no" (111 answered "yes" to both Q.45 and Q.68, out of 195 and 209 respectively). This suggests that some reported job-seeking activity may reflect longer-term aspirations rather than actual, recent search efforts, potentially inflating unemployment figures. While these limitations should be considered when interpreting the data, the UNHCR survey remains the most methodologically comparable dataset to the LFS and thus the most suitable for understanding refugee labor market participation in Moldova.

Professional Status/ from the programme/ policymaking lens

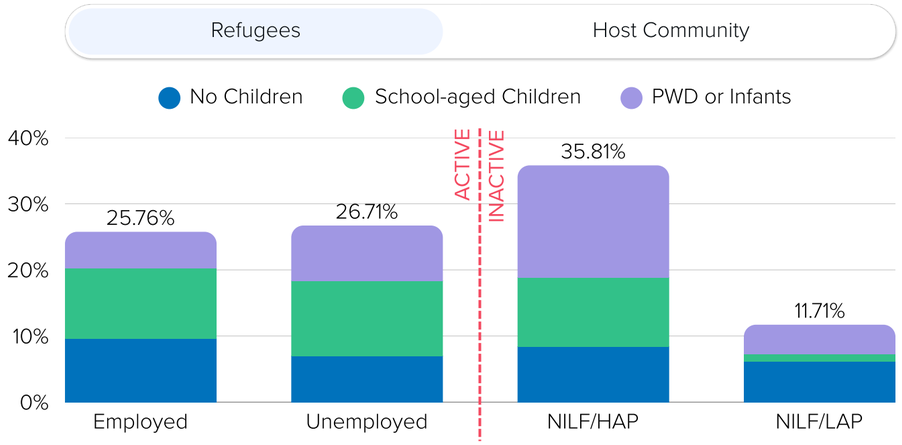
Q45. Current Professional Status (based on last 7 days)

(n=926, 463, all refugee & host community respondents)



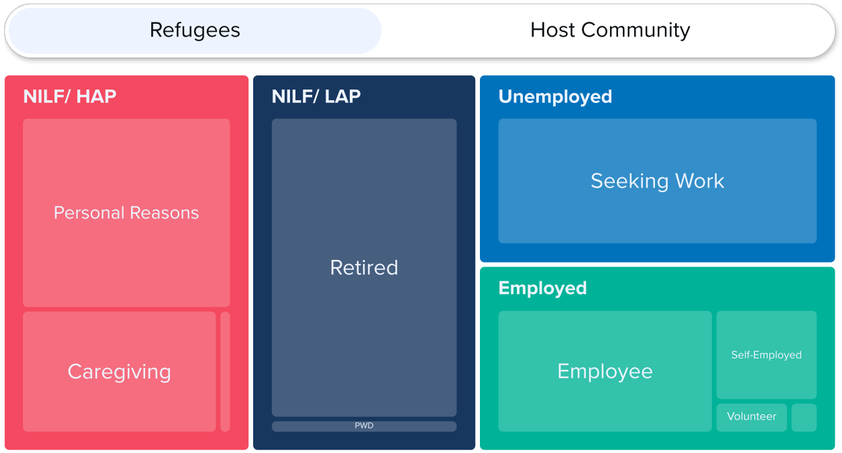
Q45.1 Professional Status by Household Dependency (Working-Age)

(n=755, 320, refugee & host community respondents of working-age)



Q45.2 Current Professional Status (based on last 7 days)

(n=926, 463, all refugee & host community respondents)



Note: NILF = Not in the Labour Force. **HAP** = Higher Activation Potential (caregivers, students, personal reasons, volunteers). **LAP** = Lower Activation Potential (retired, long-term health/disability).

Labor Market Outcomes by HH Type

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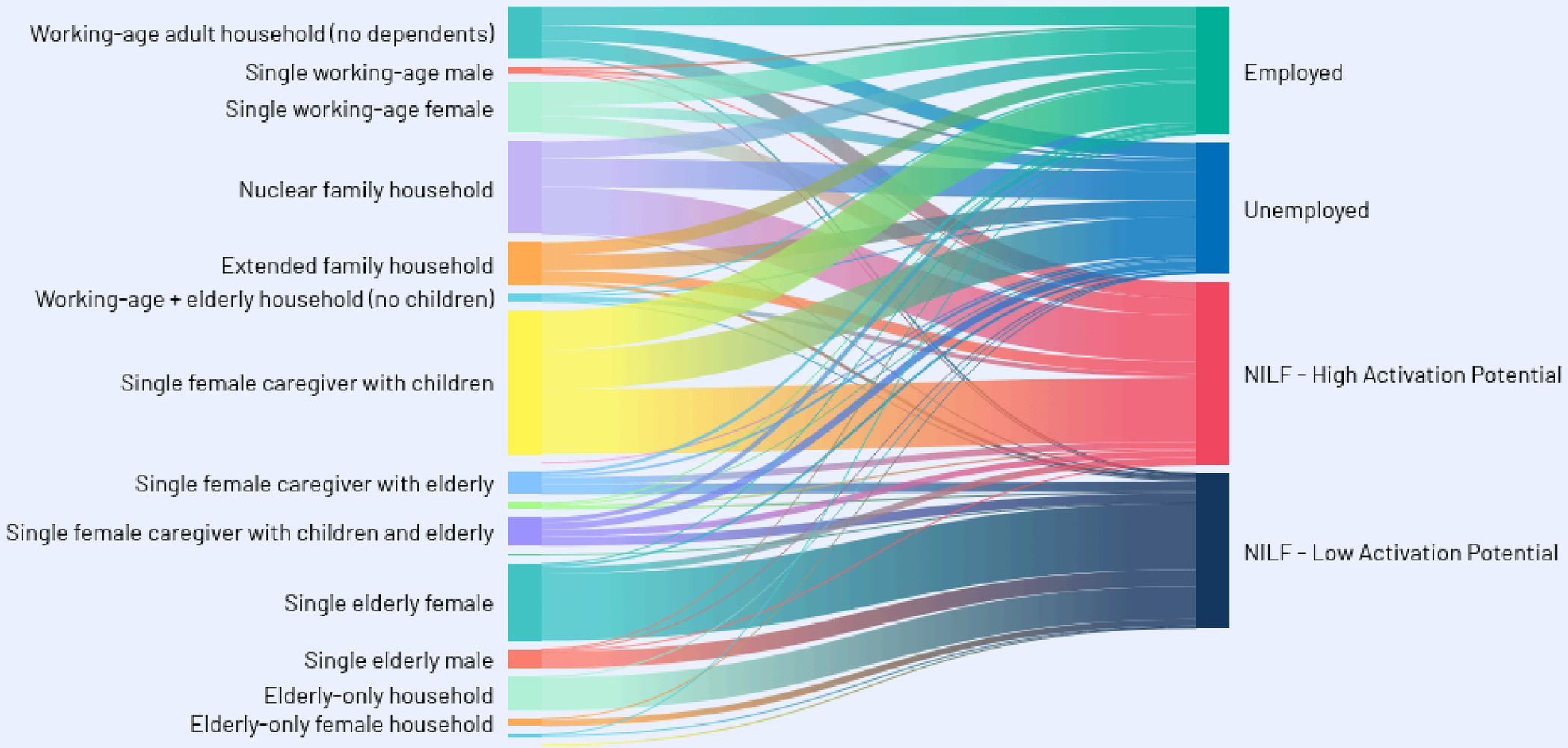
HoH Labor Status by Household Typology

(n=926, 463, all refugee & host community respondents)

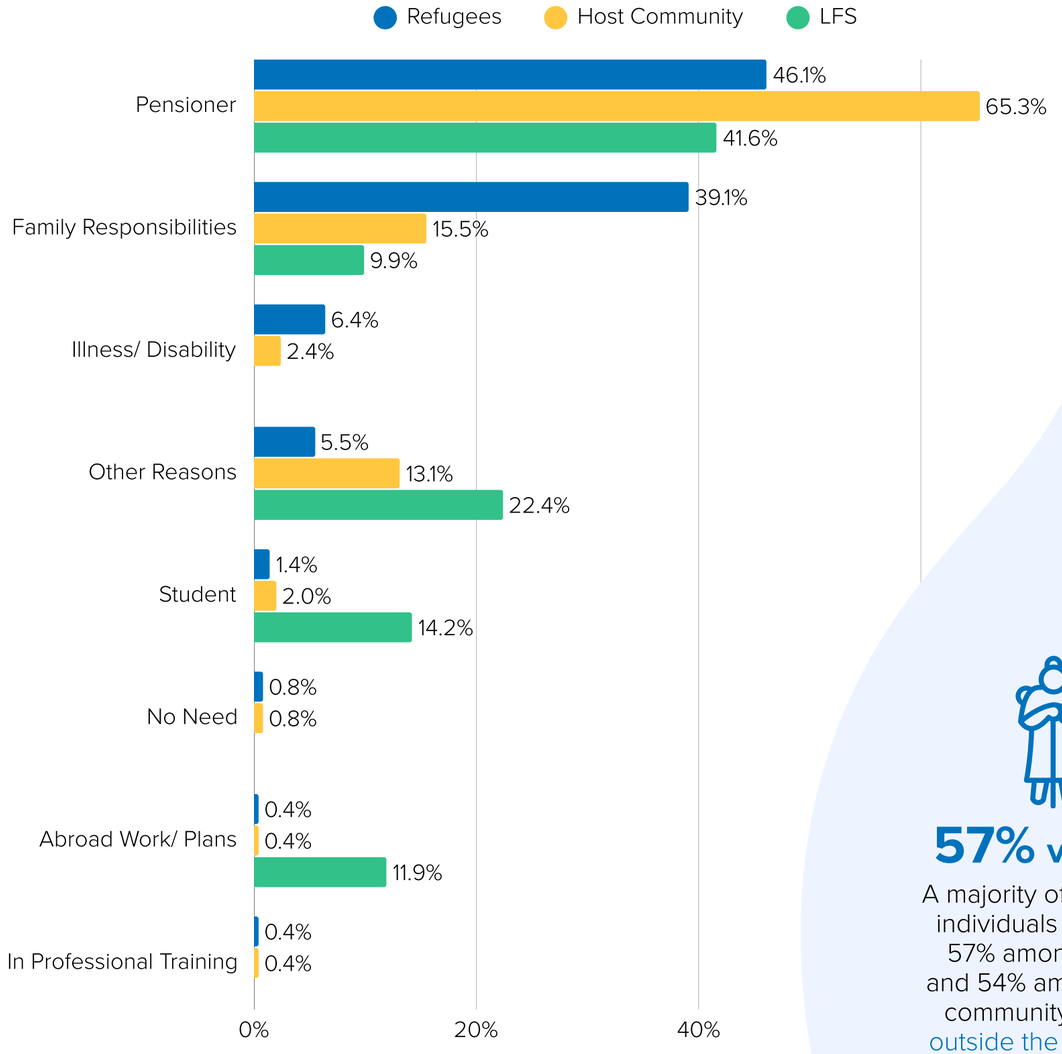
Refugees | **Host Community**



Inactive Respondents

Q45. Inactivity Status Comparison with LFS

(n=512, 245, all inactive refugee & host community respondents)



57% vs. 54%

A majority of working-age individuals are inactive, 57% among refugees and 54% among the host community, remaining outside the labour force.

Employment Status & Structure:

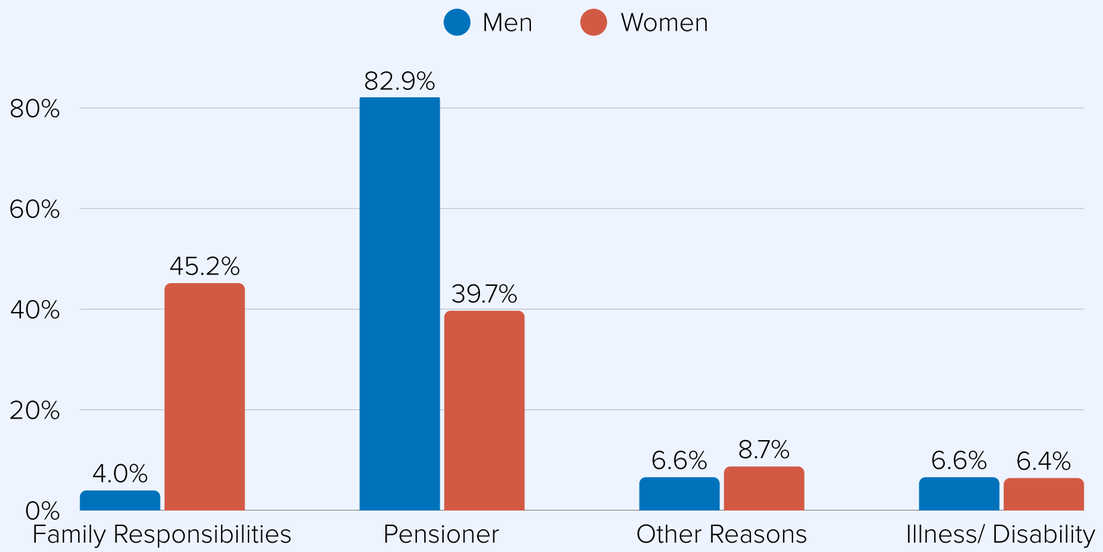
Mobilizing inactive refugees could increase labor market participation, reduce reliance on aid, and improve financial independence.

However, activation potential is limited:

- **Women**: Moderate potential where 45% cite family care as the main reason for inactivity, and 40% are retired, 9% are not seeking work (possible financial comfort or low motivation due to poor pay), and 6% have disabilities.
- **Men**: Very low potential where 83% are retired or of retirement age.

Q45. Refugee Inactivity Status by Gender

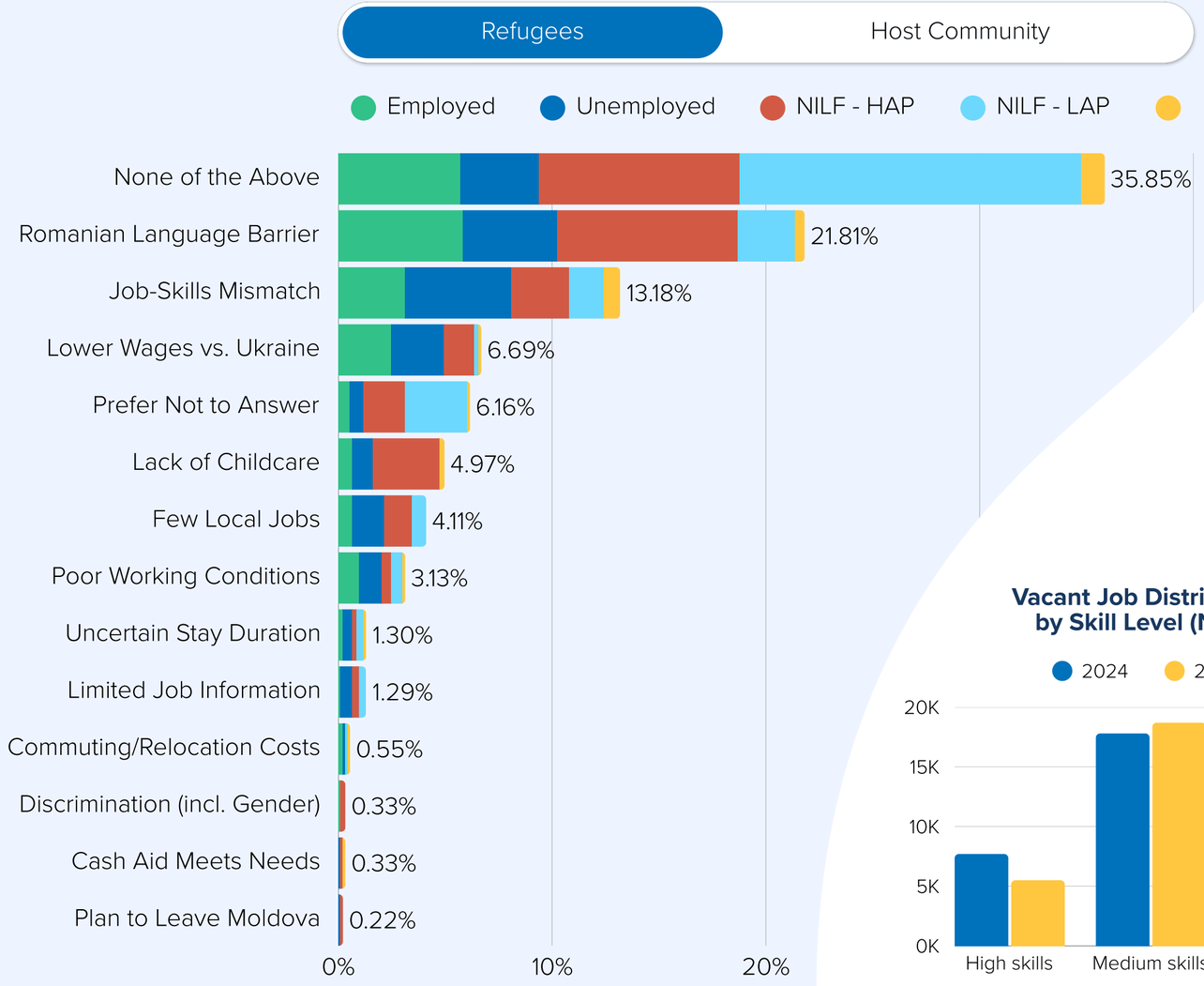
(n=512 all inactive refugee respondents)

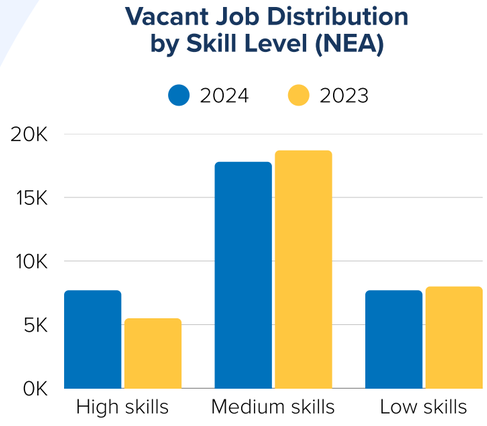


Barriers to Employment

Q60. Perceived Barriers to Employment in Moldova

(n=926, 463, all refugee & host community respondents)





Language barriers and job-skills mismatch are the main obstacles to refugee employment in Moldova, limiting access to suitable, well-paid work despite high qualifications:

Across all respondents (refugees and hosts), the top-selected option was “None of the Above”, which in this context likely reflects people who may face unlisted barriers, though it also includes some who are employed and maybe satisfied, but also retired, or otherwise inactive and not seeking work - hence no barriers.

For refugee respondents, the most prominent employment barrier after this is Romanian language proficiency. Romanian is the language of the workplace in most sectors, including contracts, internal communications, and interactions with colleagues or clients. In jobs that involve direct customer service, teamwork, or compliance with workplace procedures—such as retail, hospitality, health, education, and public-facing roles—insufficient Romanian can significantly limit hiring opportunities, career progression, and the ability to compete for better-paid positions.

Closely following in importance is job-skills mismatch, which reflects both a shortage and the limited quality of available jobs. Many vacancies in Moldova are concentrated in low- and medium-skilled positions, leaving highly educated refugees with few roles aligned to their qualifications. This mismatch can lead to professional devaluation, lower wages, and reduced economic attractiveness, particularly for those with specialized experience from Ukraine or elsewhere.

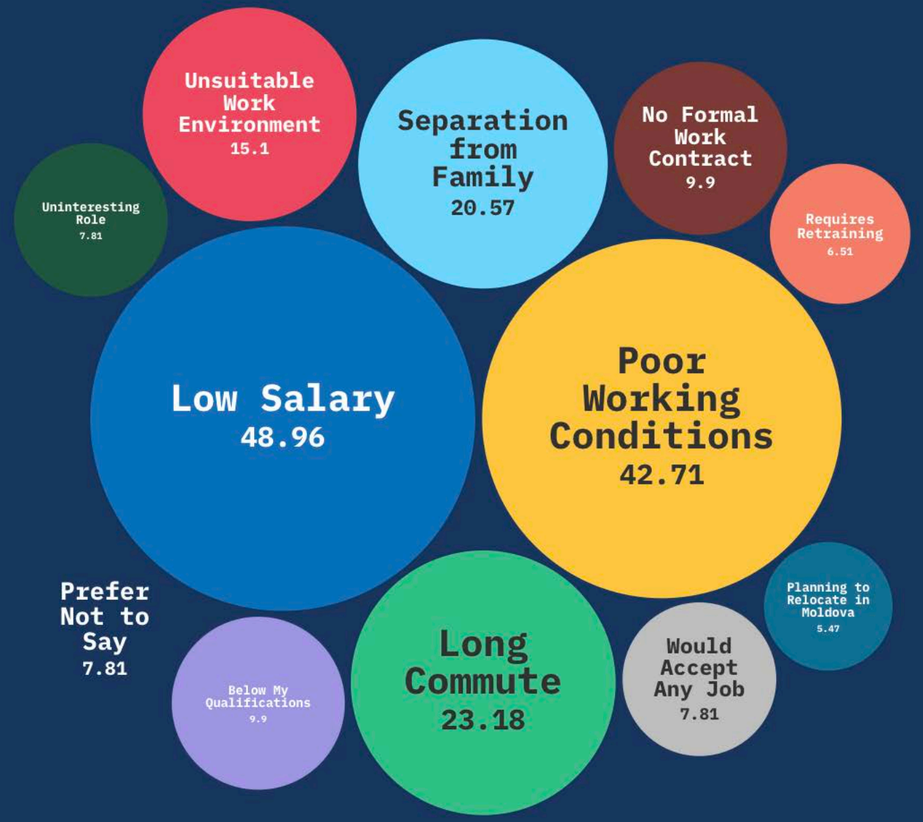
Other barriers, such as lack of affordable childcare, few local job opportunities, and poor working conditions, play a smaller role but are still relevant. These factors are compounded by the structural limitations of Moldova’s labor market, which is heavily weighted toward positions that do not require advanced education or specialized expertise, further constraining economic integration for qualified refugees.

Job Seeking Respondents

Refugees | Host Community

Q76. Key Reasons for Job Refusal

(n=384, 204, active refugee & host respondents)



49% vs. 31%

Part-time employment is favored by nearly half of refugee job seekers, providing flexibility for varied circumstances.

7% vs. 9%

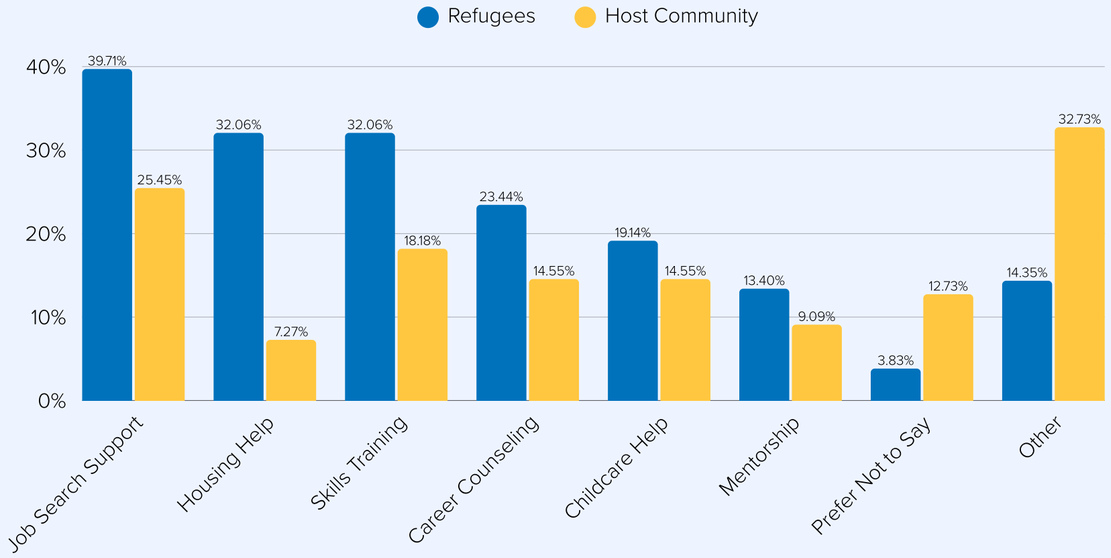
Only 7% of active refugee job seekers engaged with NEA last week, compared to 9% among active job seekers from the host community.

42% vs. 53%

Full-time employment is preferred by over half of host community job seekers, offering stability and steady income.

Q77. Support Needed to Find and Secure Employment

(n=209, 55, refugee & host community job seeking respondents)



Employed Respondents

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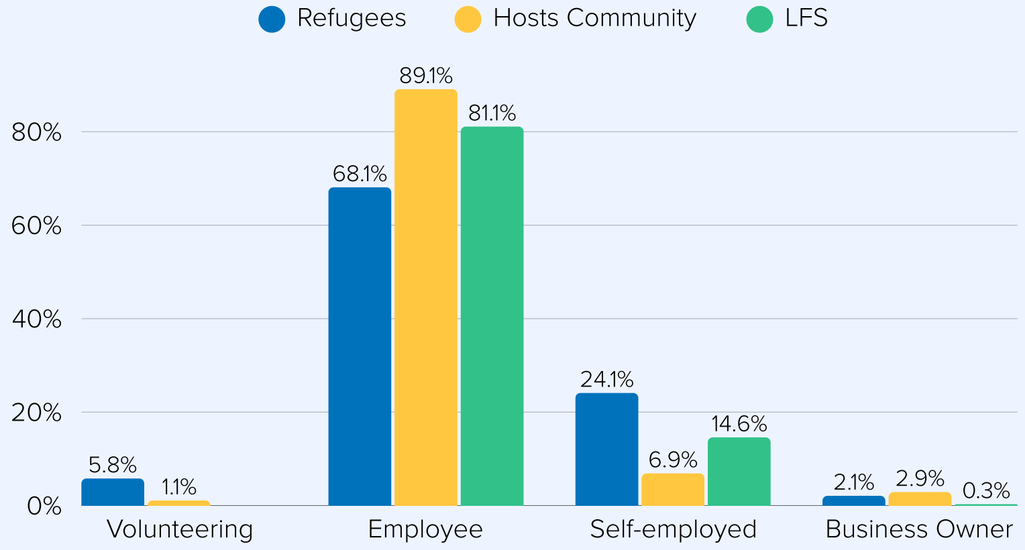
Q45. Employment Status Comparison with LFS

(n=191, 175, all employed refugee & host community respondents)



63% vs. 42%

Refugee/ host community self-employed respondents would join a self-employment support program.

32% vs. 14%

Refugee/ host community respondents have looked for extra work in the past 4 weeks.

52% vs. 34%

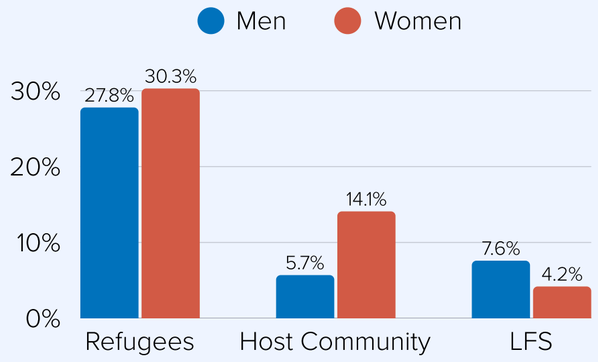
Refugees (52%) are significantly more likely to work part-time than members of the host community (34%), due to a combination of preference and limited opportunities.

21% vs. 38%

of working-age refugees (191) and host community members (175) are engaged in income-generating or skill-building activities

Q49. Employees with Verbal Agreements

(n=129, 155, all refugee & host community respondent employees)



High Self-Employment Linked to Greater Informality:

Self-employment is nearly three times more common among refugees than hosts, often chosen for flexibility, higher income potential, or to navigate legal constraints. This contributes to higher informality, with 30% of refugee women and 28% of refugee men working under verbal agreements, compared to 14% of host women and 6% of host men which is a reversal of the national gender trend, reflecting the greater vulnerability in the UNHCR sample.

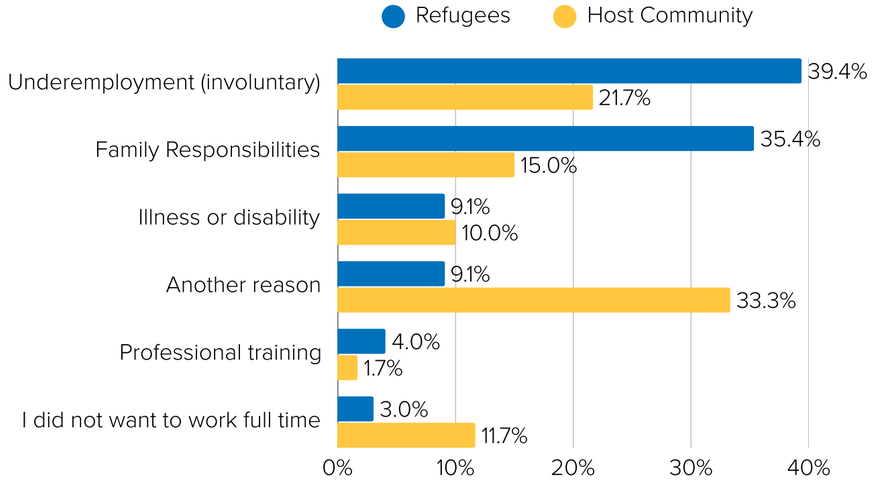
Policy Implications:

Efforts to improve labor market integration must focus on:

- Increasing availability of well-paid, skill-matched jobs.
- Targeted activation measures for women constrained by care duties.
- Reducing informal work through better access to formal contracts.

Q48. Primary Reason for Part-Time Employment

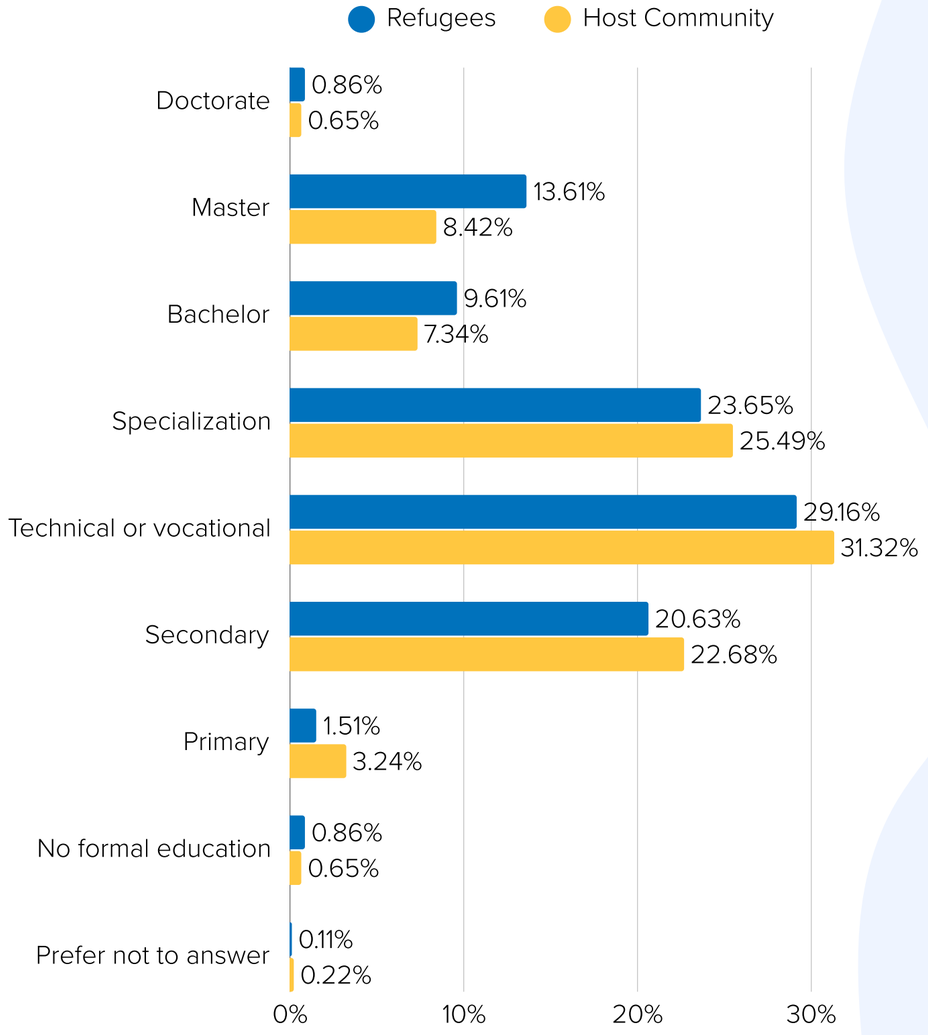
(n=99, 60, all refugee & host community respondents employed part-time)



Educational Profile

Q35. Highest Level of Education Attained

(n=926, 463, all refugee & host community respondents)



Employment outcomes improve with higher education for both refugee and host households:

Data show a clear upward trend in employment rates as education levels increase. Among refugees, employment rises from around 14% for those with only primary education to about 26% for those with a master's degree. For host households, the increase is even sharper, from roughly 33% at primary level to over 61% at master's level. These findings underline the importance of education in improving labour market access. For refugees in particular, recognition of qualifications, targeted skills development, and access to further education are key to enhancing employment prospects and supporting long-term socio-economic inclusion.

24% vs. 16%

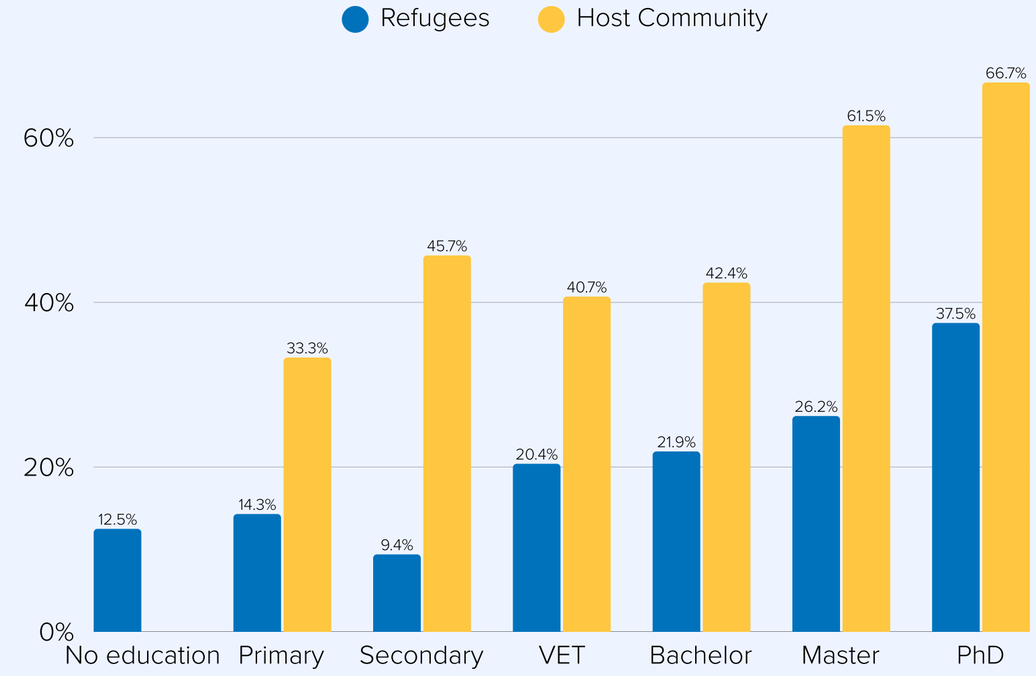
A higher share of refugees hold tertiary degrees: 24% of refugees vs 16% of host community have a Bachelor's, Master's, or Doctorate.

53% vs. 57%

Hosts lead in vocational education and training (VET): 57% of the host community vs 53% of refugees hold specialization or vocational qualifications.

Employment rate disaggregated by educational attainment

(n=191, 175, employed refugee & host community respondents)



Labor Demand vs. Supply (TP Projection)

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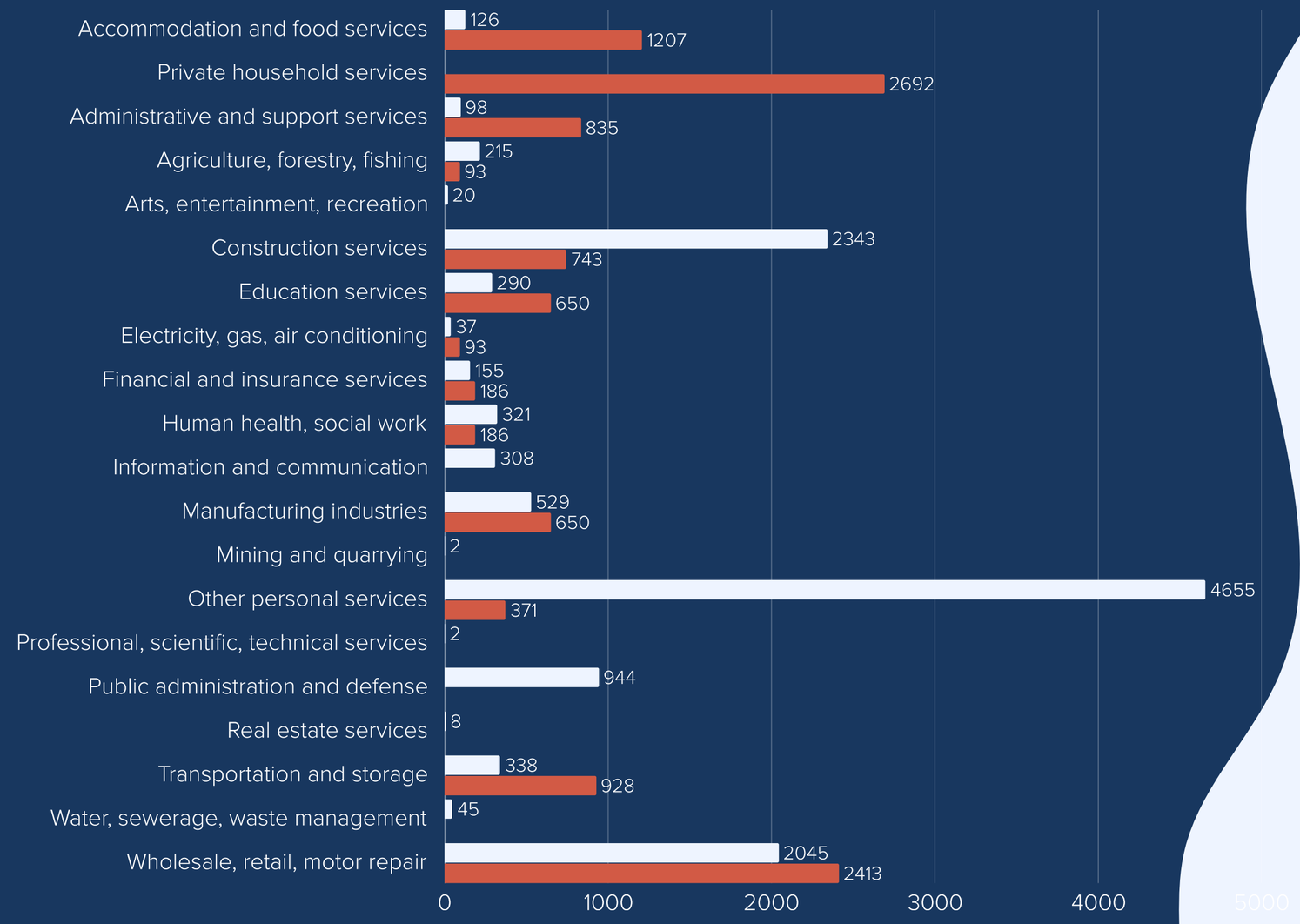
SOURCE:
Vacant jobs (2024): National Employment Agency (NEA)
Potential refugee labour supply:
TP projection – working-age/employed subset

Chisinau | Rest of the Country

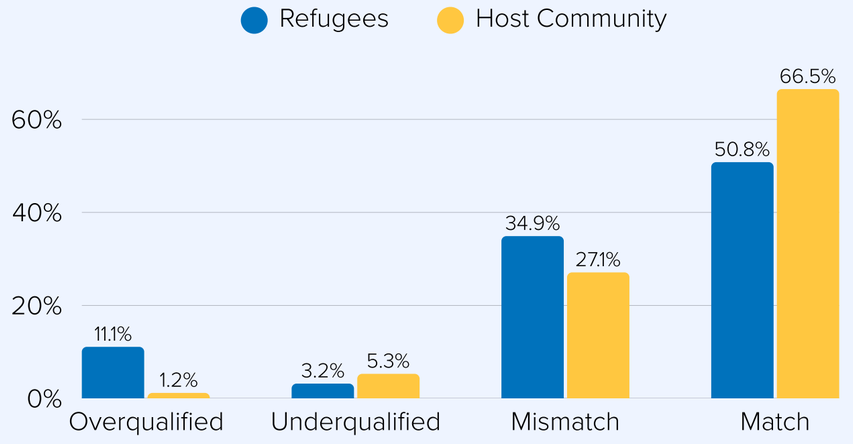


Refugees' Potential vs. Moldova's Labor Market Gaps:

In Moldova, the skills mismatch for refugees is particularly pronounced. Although 63.2% of working-age refugee respondents hold vocational or tertiary education (77% overall) and 66.3% have prior work experience (83% overall), only half of employed refugees work in roles matching their qualifications, compared to two-thirds of hosts, of whom 50.7% hold higher education and 55.5% have prior work experience. While many refugees seek higher-skilled jobs and urban service roles, much of Moldova's unmet labor demand is in agriculture, manufacturing, and other manual or rural-based work that refugees are less likely to take. Combined with language requirements, slow recognition of qualifications and licensing, and high dependency ratios within households, this dynamic leaves 11.1% of refugees overqualified for the work they do (vs. 1.2% of hosts) and keeps valuable skills underutilized, skills that could help address shortages in healthcare, education, IT, and other professional fields.

Q55. Occupational Alignment with Qualifications

(n=191, 175, all employed refugee & host community respondents)



Vacant Jobs by Sector

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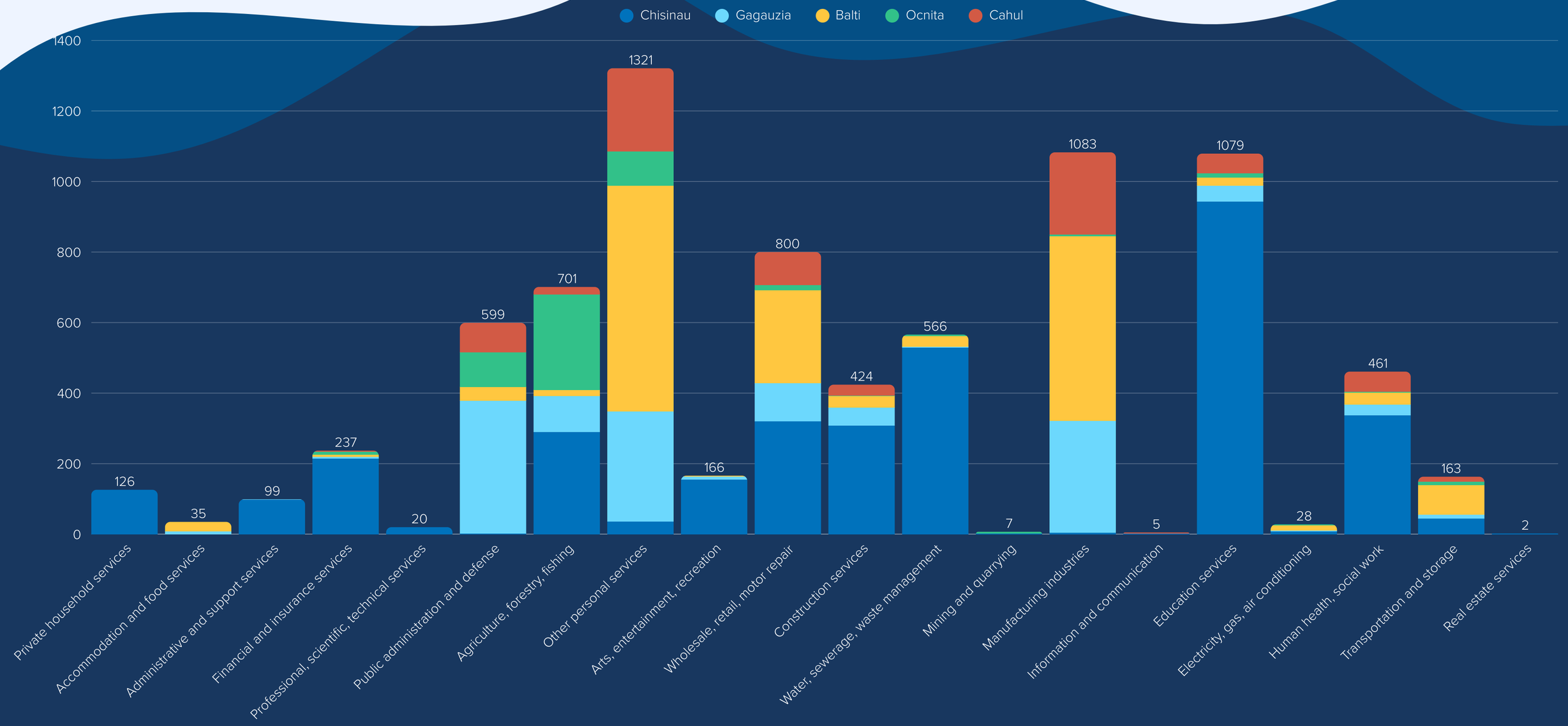
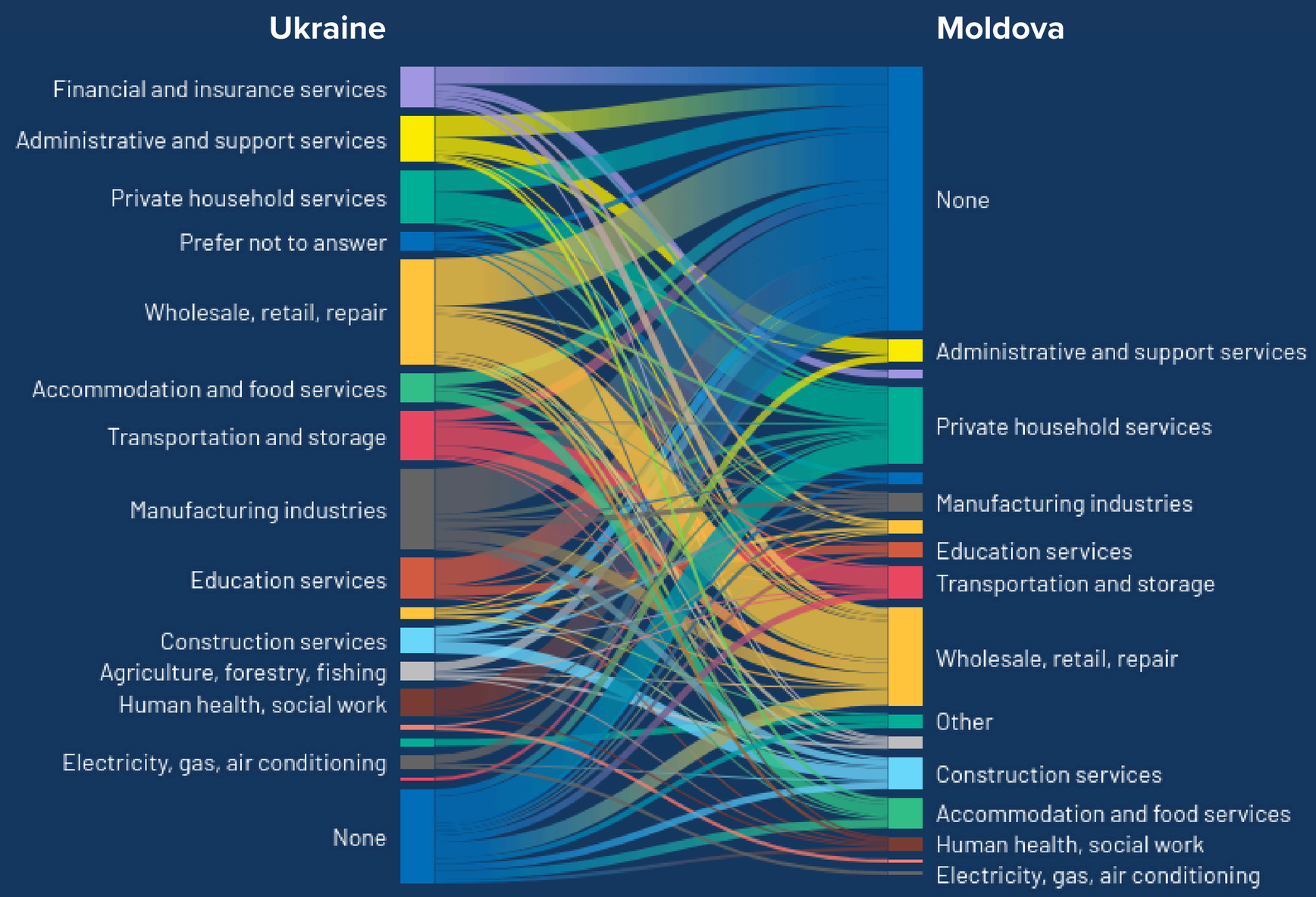
Chisinau | Gagauzia | Balti | Ocnita | Cahul



Employment Sectors/pre & post displacement



Employment Income

17.04K min. monthly income for decent life (MDL)

9.85K min. monthly income to survive (MDL)

7.09K avg. monthly remittance amount (MDL)

20.74K min. monthly income for decent life (MDL)

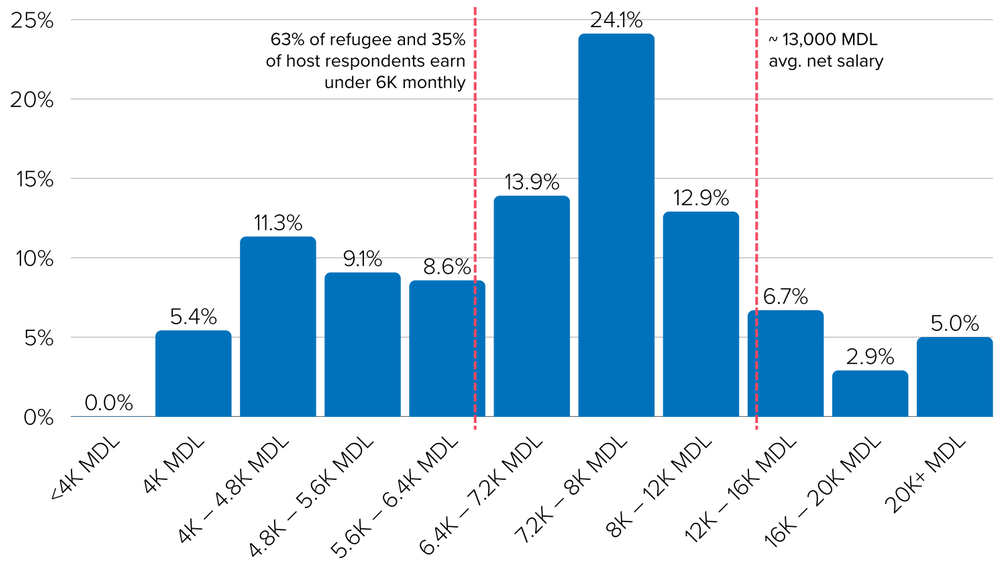
12.81K min. monthly income to survive (MDL)

5.19K avg. monthly remittance amount (MDL)

Refugees and many hosts community members concentrated in low-paid jobs:

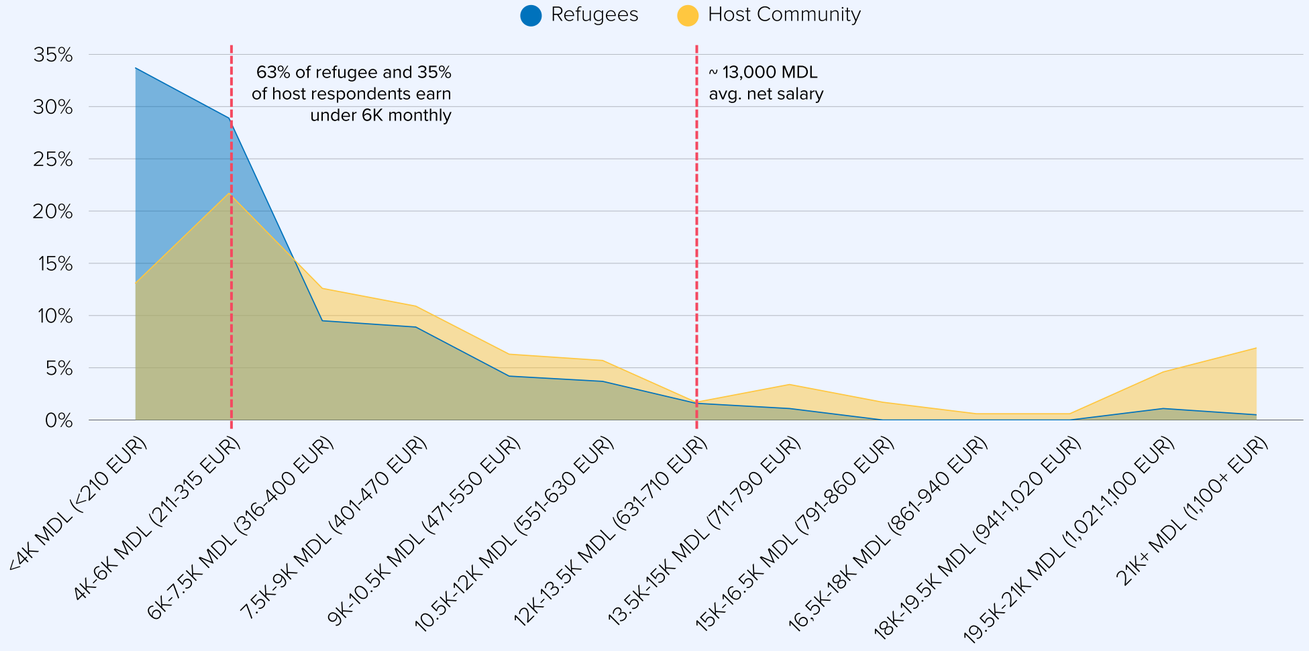
Compared to national averages, both the refugee and host household samples in the survey are skewed toward lower-income earners, with hosts consistently earning more than refugees but still below the broader labor market profile. In 2024, NBS data show only 5.4% of employees nationwide earned under 4,000 MDL net per month, versus 13% of hosts and 34% of refugees in the sample. For incomes below 6,000 MDL, the national share was 30%, compared to 35% of hosts and 63% of refugees; and for incomes under 9,000 MDL, 66% of hosts and 87% of refugees fell into this category. These differences suggest that refugees, despite participating in the labor market, are concentrated in low-paid sectors or jobs requiring lower qualifications, in line with earlier findings on skills mismatches. Even accounting for sample particularities, the conclusion holds: both refugees and a significant share of hosts have incomes far below the 2024 average net salary of about 13,000 MDL, reflecting Moldova's labor market structure, dominated by low-skill, modest-wage jobs for a large share of the workforce.

Net Salary Distribution in the National Economy (NBS)



Q46. Monthly net income (from job/activity)

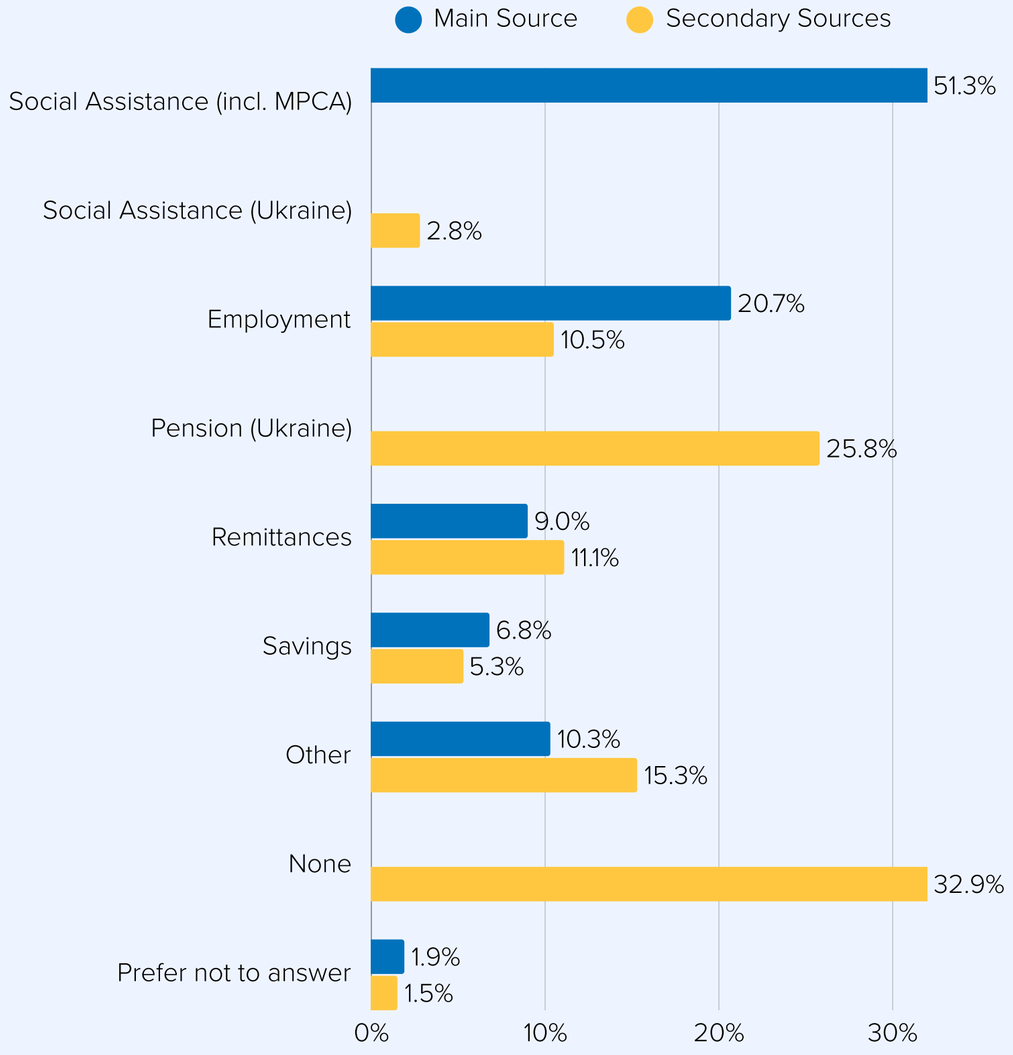
(n=191, 175, all employed refugee & host community respondents)



Other Income Sources

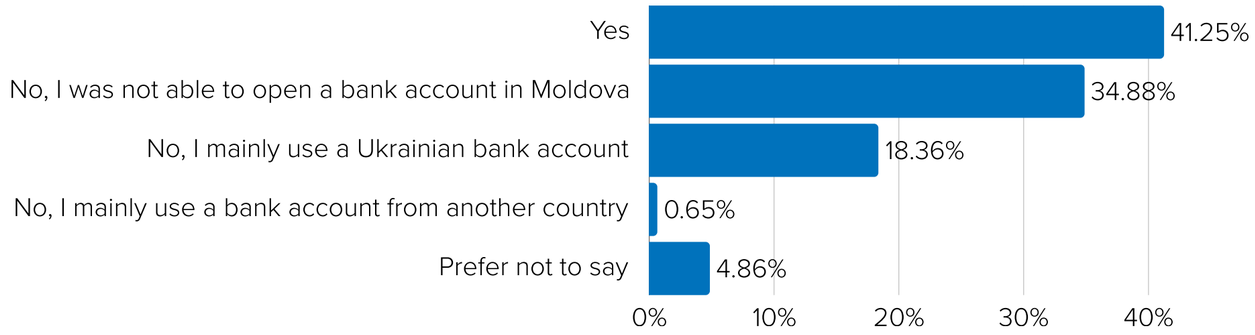
Q74. & Q75. Refugee Sources of Income

(n=926, all refugee respondents)



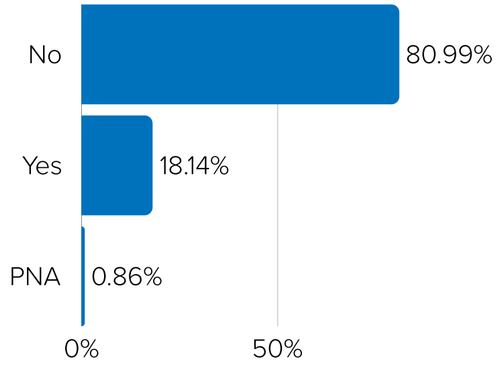
Q24. Access to Moldovan Bank Account (Excl. MPCA)

(n=926, all refugee respondents)



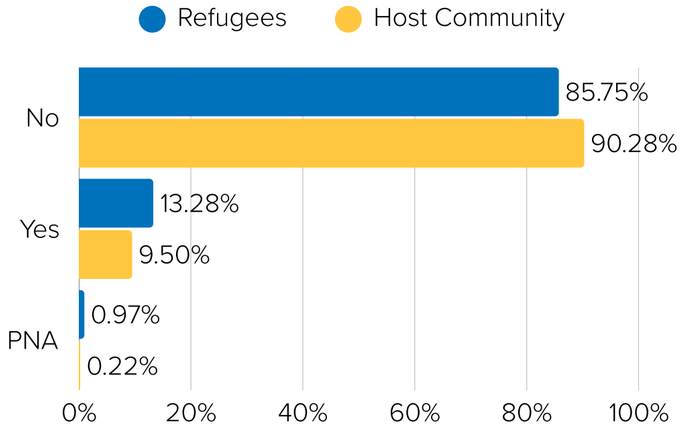
Q32. Current Savings Status

(n=926, all refugee respondents)



Q25. Receives Regular Remittances

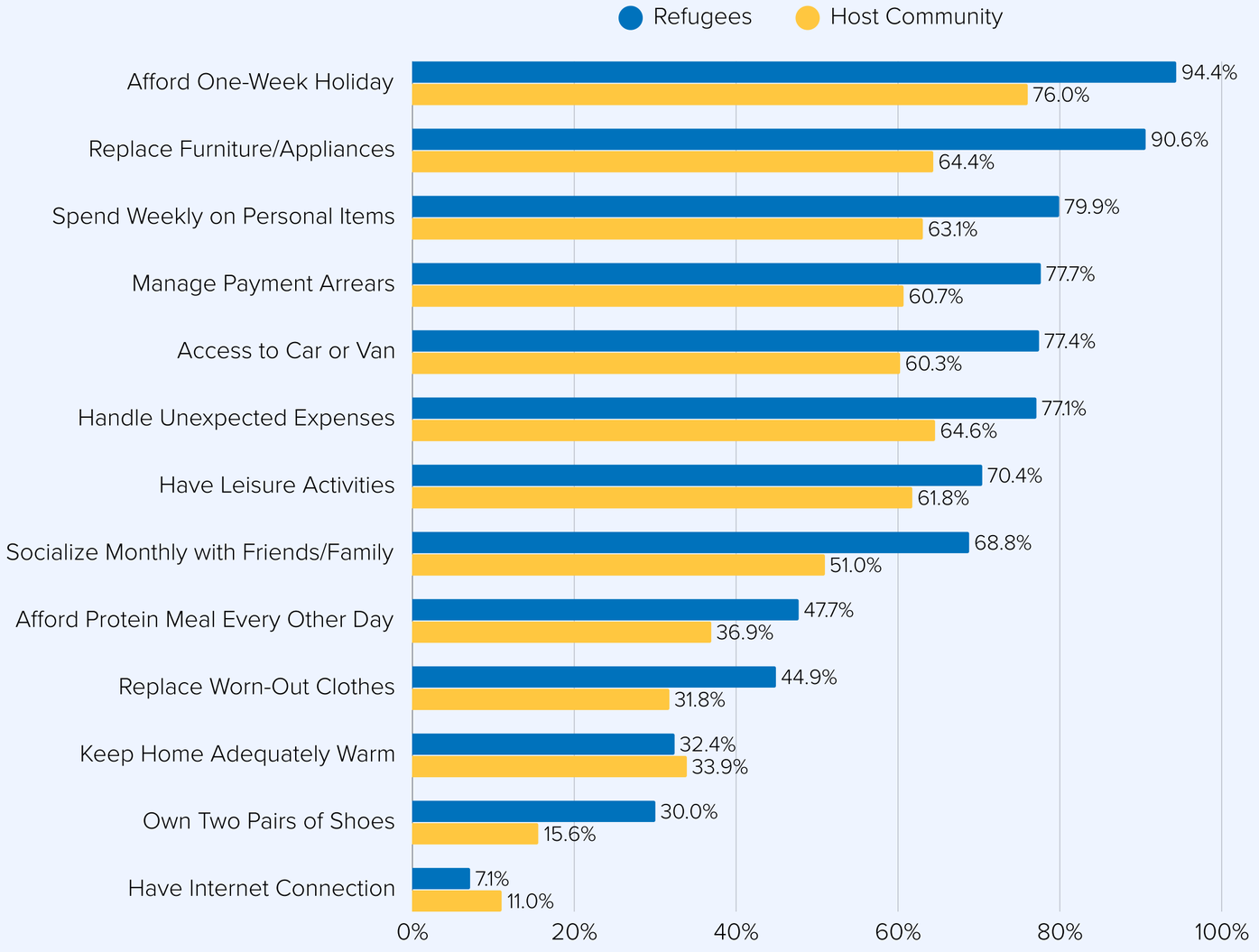
(n=926, 463, all refugee & host community respondents)



Household Affordability Challenges

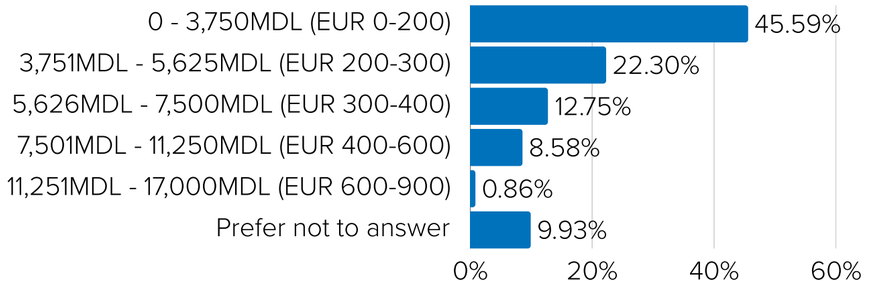
Q33-34. Share of HH Reporting Inability to Afford Selected Items

(n=926, 463, all refugee & host community respondents)



Q18. Monthly Housing Expenses

(n=816, refugees in rented & shared housing)



59.6%

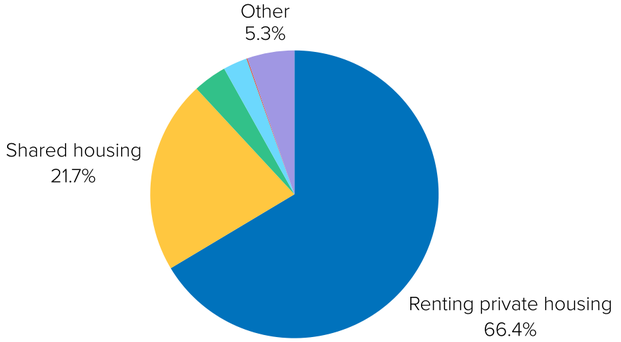
of households lack a formal lease agreement, leaving them without secure tenure

26.8%

of households reported being unable to afford their housing, while only one in five (19%) said they could afford it completely

Q11. Housing Arrangement

(n=926, all refugee respondents)



Recommendations

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1. Create a dedicated transitional legal regime for TP holders

- Allow TP beneficiaries to apply directly for a work residence permit without requiring an employer to initiate the process.
- This recognizes that many refugees are actively seeking work or engaged in non-traditional forms of employment but lack a formal contract.

2. Broaden eligibility for work residence permits

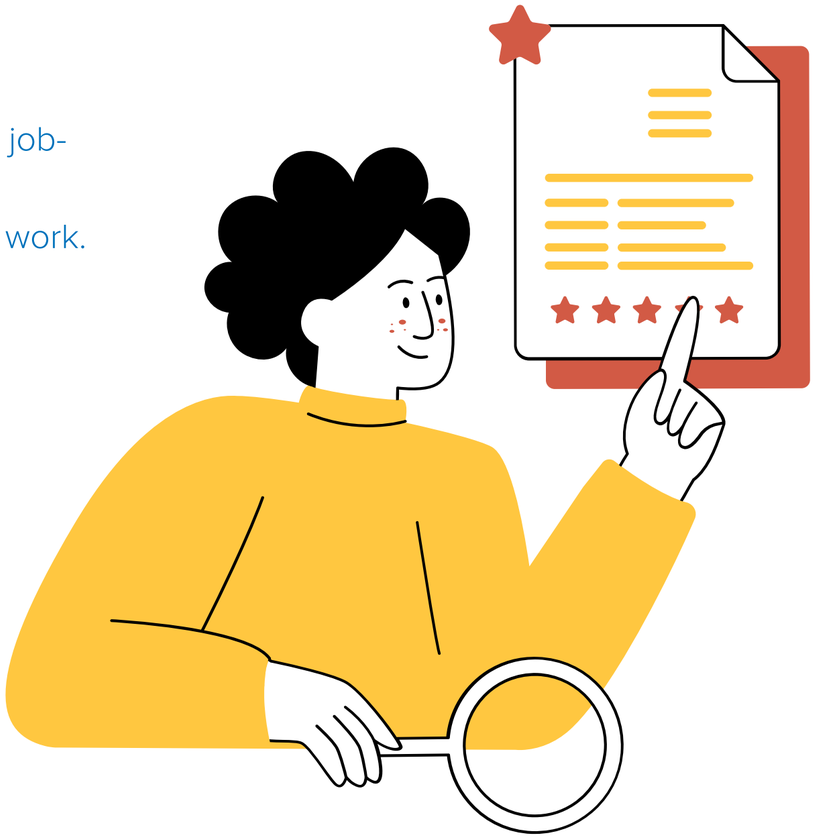
- Accept alternative income-generating activities such as:
  - Freelancing or remote work for foreign entities (with taxes paid in Moldova).
  - Registration as unemployed with the National Employment Agency (NEA) and active participation in job-seeking, including not rejecting more than three suitable offers.
- This flexibility would capture a wider pool of employable refugees and encourage formalization of their work.

3. Extend the validity of permits for TP holders

- Increase permit duration from 1 year to 2 years for applicants under this transitional regime.
- This provides greater security for refugees and increases employer confidence in making longer-term hires.

4. Strengthen employer engagement and awareness

- Launch a national communication and training campaign to inform companies about the rights, simplified procedures, and benefits of employing refugees under the new status.
- Produce sector-specific guides and training for industries facing labour shortages.



Recommendations

5. Enhance the capacity and role of NEA

- Upgrade NEA's information systems to track and match refugee jobseekers with vacancies.
- Equip NEA with resources for individual case management, skills assessment, and tailored career guidance.
- Provide targeted labour market information to both employers and refugees, focusing on sectors with the highest deficits.

6. Invest in targeted support measures for labour market integration

- Expand free Romanian language courses for adults, specifically tailored to employment needs, and consider making participation a requirement for facilitated work permit access.
- Offer training on labour law, workplace culture, and job application skills.
- Improve access to affordable childcare to enable labour market participation, especially for women.

7. Monitor and adapt integration policies

- Establish a data system to track employment outcomes, contract types, sectoral distribution, and training participation for refugees with the new legal status.
- Use real-time monitoring to refine policies and adopt relevant EU good practices.

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Inclusion & Solutions Working Group Moldova

Regional Refugee Response for the Ukraine Situation

HELVETAS Referral Tool

RRP 2026 Update Timeline

Validation of the 2026 Component of the Moldova 2025-2026 RRP and Transition to Development Programming

No.	Output	Purpose	Responsible Entity	Target Date
1	**Revised sector indicators framework and narratives**	Realign activities and indicators with the NPPIF and sectoral road maps; remove activities overlapping with the NPPIF which are included in the state budget; identify indicators suitable for alignment with the UNSDCF; update the sector's strategic direction for 2026 and transition of sector coordination.	Sector Leads	**Sep 19, 2025**
2	**Partners' projects submission**	Reflect adjustments to activities, targets and budgets based on sector guidance.	Partners	**Oct 10, 2025**
3	**Updated 2026 budget and targets**	Confirm the aggregate budget and targets for 2026	UNHCR	**Oct 15, 2025**
4	**Updated narrative for the 2026 chapter**	Integrate the revised sector inputs, financial tables and transition narrative into the regional RRP publication.	UNHCR and Sector Leads	**Oct 24, 2025**

General Updates on RACs

RAC Update

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Active RACs*

20 active RACs

1,006 people

People with disabilities	Older persons 60+	Children aged 0 - 2	Children aged 2 - 18
93	235	33	324

RAC Consolidation 2025

Group G	Closure date	# residents
RAC UID 100 Chisinau	24th March	8HH/ 18 ind.
RAC UID 5- Congaz	31st May	19HH/ 94 ind.
Group H		
RAC UID 3- Glodeni	1st June	15HH/ 43 ind.
RAC UID 8- Calarasi	30th June	17HH/ 36 ind.
RAC UID 111 Chisinau	14th July	5HH/ 8 ind.
RAC UID 574 Chisinau	31st July	13HH/ 36 ind.

RAC Consolidation - GROUP I

	RAC UID 66 - Cojusna	RAC UID 150 - Ungheni
Closure date	31st August	31st August
RCM	Acted	Acted
# residents	28 HH/ 84 ind.	8 HH/ 18 ind.
Disaggregated data		
Rental Assistance	1 HH / 3 Ind.	1 HH /4 Ind.
Relocation RAC	11HH / 14 Ind.	
Private Accommodation	1 HH / 8 Ind.	
Staying with host family	1 HH / 2 Ind.	
Travel to another country		1 HH / 3 Ind.

Key information / challenges

- HHs refuse the relocation provided, most insist to be relocated in Chisinau, but there are no available places.
- Beneficiaries find challenging to find rental facility for large HH.
- Unemployment and absence of stable income sources.

** Data as of 11th August 2025*

AOB

Thank You!

Click here to subscribe to our mailing list!

Contact us:
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