

Activity update on NRC's support to entrepreneurs and small businesses



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Cover photo: Anna Celac/NRC

Anna, who fled frontline Zaporizhzhia in 2022, inside her floristry business in Chişinău. With support from Norway, she took part in business training and used grant assistance, alongside her own savings, to open and grow the business, creating jobs and helping her family rebuild stability in Moldova.



These project activities were made possible through financial support from Norway and Germany. Note: This report assesses support provided in 2023-24 but also refers to separate and complementary support on energy efficiency provided by Switzerland late-2025.

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1 Introduction

Moldova continues to host the highest number of refugees from Ukraine per capita in Europe, with refugees making up approximately 5% of its total population. As the war in Ukraine enters its fifth year, many displaced people in Moldova continue to face uncertainty around their displacement status and struggle to integrate socio-economically. The Temporary Protection (TP) Directive, modelled on the EU example and launched in March 2023, provides displaced persons from Ukraine with a more stable legal status in the country and allows them to access important rights and services; however, those that are working are often concentrated in low-paid, informal, or subsistence-level employment (UNHCR Policy Brief #1, November 2025). Many have limited access to the formal labour markets due to language barriers, qualification non-recognition, and legal status constraints (Moldova chapter, UNHCR Situation Ukraine RRP 2025-26). Moreover, vulnerable host-community households face similar barriers, including underemployment and restricted access to credit.

NRC Moldova's Livelihoods programme started in 2023 with funding from Norway and Germany. The programme strategy responds to the above-mentioned needs through three pathways: business support, vocational training, and job placement.

This report focuses on the business support component implemented in Chisinau, northern Moldova, and the Left Bank of the Nistru River. By providing business grants, entrepreneurship training, mentorship, and legal assistance, NRC aimed to promote economic self-reliance, household resilience, and social integration for displaced Ukrainians and vulnerable host-community households.

Why support to small businesses?

- Self-employment offers flexibility, autonomy, and income-generation where formal job opportunities are scarce.
- NRC's model directly addresses the barriers small businesses face: lack of finance, limited skills, and restricted market access.

The business support approach

The business support model is multi-faceted, including outreach, International Labour Organisation (ILO)-accredited training, competitive business plan pitching, financial inclusion support, and legal assistance through NRC's legal protection team ensuring businesses were formally registered and compliant. Once the business was established, participants also benefitted from continued mentoring and networking opportunities. Implementation was undertaken with local partners: the Association of Women Entrepreneurs in Moldova (AFAM), on the Right Bank of the Nistru River,

and the Agency for Innovation and Development (AID), on the Left Bank of the Nistru River, both of which complemented NRC by contributing detailed operational and contextual knowledge, and ongoing complementary activities.

Overall profile of project participants

Profile Dimension	Breakdown
Gender	74% women, 26% men
Displacement Status	63% displaced Ukrainians, 33% host community, 4% Moldovans displaced from Ukraine
Age Groups	60% aged 36–57; 38% youth (18–35); 2% aged 58–62
Geography	86% urban, 14% rural
Business Sectors	Retail (26%), Beauty (23%), Food (15%), Education (11%), Design/Fashion (9%), Others (16%)

Methodology for this learning exercise

This report presents findings from a medium- to long-term outcome monitoring exercise covering 82 of 97 business grant recipients (85% response rate) supported by NRC Moldova between 2023 and 2024. Fifteen businesses (15%) could not be reached and are categorised as status unknown.

Data was collected through face-to-face interviews using Computer-Assisted Personal Interviews (CAPI) via Kobo Toolbox, combined with review of programme documentation and direct business observation.

Assessment Parameter	Detail
Assessment period	September - October 2025
Businesses in scope	97 grant recipients (2023–2024 cohorts)
Unreachable businesses	15 (15%) categorized as <i>Status Unknown</i>
Businesses surveyed	82 (85% response rate)
Business duration at assessment	9 to 20 months post-establishment
Data collection method	CAPI via Kobo Toolbox; face-to-face interviews
Analysis approach	Descriptive statistics with disaggregation by gender, age, displacement status, and sector

2 Key Findings

This report presents medium- to long-term outcome findings from 82 former project participants assessed 9 to 20 months after they had received their package of support from NRC and partners. The participants were initially supported in 2023 and 2024. The findings from this exercise are intended to inform NRC programming, as well as provide recommendations to key stakeholders.

Below is a snapshot of some key findings:



2.1 Business Success and Operational Status

Out of the 97 businesses supported, 82 (85%) were successfully reached and participated in the interviews, while 15 (15%) could not be contacted despite repeated attempts via phone, email, and in-person visits.

A critical indicator of programme achievement is whether supported businesses remain operational – what we refer to as success rate in this report. At the time of assessment, between 9 and 20 months after the package of support had been provided, 74 (90%) of the 82 businesses surveyed were still operating.

Operational status of the 82 businesses assessed

Operational Status	Percentage / Count
Fully operational	77%
Partially operational	12%
Seasonally active	1%
Closed	10%

Success rates varied by age: entrepreneurs aged 36–62 achieved a 96% success rate, compared to 81% among youth (18–35 years). Displaced people also outperformed host-community participants (96% vs 78%).

Businesses owned by displaced people from Ukraine showed a 96% success rate at the time of the assessment, which is a very encouraging result for this approach and holistic package of support and mentorship.

Reasons for Business Closures

Eight (10 percent) businesses surveyed closed during the monitoring period; the majority permanently (7 out of 8). Closures were disproportionately concentrated on the Left Bank (5 closures vs 3 in Chisinau) and among women (6 female-owned vs 2 male-owned). Of those that closed, half of them occurred within 3–6 months of establishment.

Reasons for Business Closure:

- Financial difficulties and cash flow constraints: 67% of closures
- Health or family-related issues: 13%
- Low customer demand: 13%

2.2 Business Profitability

Eighty-one percent of operational businesses reported profitability, with no significant differences by gender or displacement status. Youth-owned businesses showed slightly lower profitability (76%) compared to older participants (84%). Knowledge-based businesses (quaternary sector) demonstrated the strongest profitability, followed by agriculture (primary), services (tertiary), and production (secondary).

Profitability by Group	Percentage / Count
All businesses	81%
Aged 36–62 years	84%
Youth (18–35 years)	76%
Female-owned	80%
Male-owned	83%
Displaced owned	82%

The programme’s businesses serve a diversified customer base: 34% serve both displaced and host-community customers, 33% serve primarily local Moldovans, 25% have online sales channels, and 8% cater mainly to displaced communities.

Barriers for the 19% of business that reported non-profitability:

- High operating costs and limited working capital: 41% of non-profitable businesses
- Low customer demand and strong competition: 32% of non-profitable businesses
- Personal or family-related shocks: 27% of non-profitable businesses
- Supply chain gaps and regulatory hurdles: 14% of non-profitable businesses
- Regional variations: Chisinau cites rent costs; North reports licensing delays

2.3 Employment Creation

One of the most striking outcomes of the programme is the new employment opportunities created. Available jobs across all supported businesses increased from 20 at programme inception to 149 at assessment. Three quarters (75%) of businesses expanded their workforce, driven primarily by the services (tertiary) and knowledge-based (quaternary) sectors.

Business sector	Employment growth
Tertiary (Services) e.g., beauty, cosmetics, wellness, restaurants, cleaning/ repair services	74 jobs
Quaternary (Knowledge) e.g., ICT, technology, finance, educational services	48 jobs
Secondary (Production) e.g., production of goods/furniture	16 jobs
Primary (Agriculture) e.g., agricultural food production	11 jobs

These positions, both full-time and part-time, extend programme benefits beyond direct grant recipients to the wider community, including both displaced and host-community members.

2.4 Business Sustainability and Reinvestment

Reinvestment is a key indicator of business confidence and long-term viability. Eighty-nine percent of businesses reinvested from at least one source: 70% from business profits, 95% from own resources, and 23% from external funds. Businesses that reinvested from profits were far more likely to be profitable (91%) compared to those that did not (50%), confirming a strong link between reinvestment and financial resilience. Also of note, displaced entrepreneurs were found to reinvest frequently but at lower amounts compared to host-community counterparts who invest less often but in larger sums. Retail and education businesses show the largest reinvestment volumes, while Chisinau-based enterprises demonstrate stronger overall reinvestment capacity.

Reinvestment Source	Displaced (%)	Host Community (%)
From own profits	58.2%	51.9%
From own resources	85.5%	59.3%
From external funds	25.5%	3.7%
Median profit reinvested (MDL)	5,500	18,000
Median own resource reinvested (MDL)	25,000	55,000

2.5 Household-level Impact

Income Stability and Basic Needs

Seventy-four percent of businesses reported stable access to income-generating activities over the three months preceding the assessment, with a pronounced gap between host-community households (90% stable) and displaced households (68%). This disparity likely reflects the additional financial pressures faced by displaced families, including higher accommodation costs, documentation barriers, and constrained market access.

Eighty-three percent of respondents with operational businesses confirmed their households were able to meet their basic needs consistently (e.g., food, utilities, education, healthcare), with host-community households showing the strongest positive response (96%).

Household Economic Outcomes	Percentage / Count
Income stability (overall)	74%
Income stability (host)	90%
Income stability (displaced)	68%
Can meet basic needs	83%
Reported income increase	77%
Able to save money	49%

Household Income Change

Seventy-seven percent of respondents reported increased household income following the intervention, with older participants (35+) more likely to report gains (81%) than youth (68%). Eighty-five percent attributed this improvement directly to their business activities. Only 7% reported a decline in income, typically linked to sector-specific shocks or personal circumstances.

85% of respondents reported that their business contributed to improved household income, indicating positive outcomes among supported participants.

Savings and Financial Resilience

Nearly half (49%) of operational business owners reported saving money over the past three months, with host-community households leading at 62%, followed by women (53%) and youth (52%). While these figures indicate growing financial confidence, more than a quarter (27%) reported an inability to save, highlighting the continuing financial vulnerability of a significant minority.

Socio-Economic Integration

The programme's impact extended beyond economic outcomes to social inclusion and community cohesion, both of which are critical components for durable solutions. Results show that NRC's interventions actively enabled the integration of displaced entrepreneurs into Moldovan society and markets.



The overwhelming majority of displaced entrepreneurs (91%) reported feeling accepted by their host communities, with only 5% reporting partial acceptance and 4% feeling excluded. This also reflects a generally welcoming environment in Moldova towards people displaced from Ukraine, which contributes to conditions conducive to social cohesion and economic participation.

89% of displaced entrepreneurs credited the NRC programme with supporting their successful social and economic integration into Moldova.

Economic integration indicators are equally strong: 85% of displaced entrepreneurs built a regular local customer base, and 77% established business partnerships with Moldovan suppliers, distributors, or service providers. More than half (51%) actively participate in community and business events, signalling expanding social and professional networks.

3 Recommendations

NRC’s business support component has contributed to the lives and livelihoods of those supported through this programme. This learning exercise has identified high business survival rates, strong profitability, significant employment creation, and measurable household-level improvements. These findings confirm the programme’s effectiveness in building economic self-reliance among displacement-affected populations. Social and economic integration outcomes are particularly encouraging, with most displaced entrepreneurs firmly embedded in local markets and communities. Despite these successes, disparities persist among youth, displaced households, women, and Left Bank entrepreneurs. The following recommendations are directed at partners best positioned to support entrepreneurs to succeed.

For NRC and partners	For Donors
<ul style="list-style-type: none">• Extend post-grant mentorship to at least 12 months with quarterly business health assessments• Deliver advanced financial literacy modules• Facilitate local trade fairs and an online marketplace for supported businesses• Establish targeted coaching for youth, women, and Left Bank entrepreneurs	<ul style="list-style-type: none">• This holistic approach can be scaled up by local partners but requires support from longer-term funding streams.• Support market system development to connect entrepreneurs to financial institutions and digital platforms• Enable flexible, adaptive programming for the most vulnerable groups

For Government stakeholders
<ul style="list-style-type: none">• Include persons displaced from Ukraine in <i>the National Programme on the Phased Integration of Foreigners</i>, including Displaced Persons in the Republic of Moldova (2025–2027), ensuring the necessary amendments to the relevant legal and policy framework to guarantee their access to integration measures• Streamline business registration and licensing, including digital platforms and fast-track procedures for displaced entrepreneurs• Expand microcredit and financial inclusion schemes in partnership with financial institutions• Recognise and integrate the skills and qualifications of displaced persons from Ukraine into national frameworks

4 Participant stories

Violetta and Anna are two of the entrepreneurs supported through this programme. Read more about our support to entrepreneurs: [From job seekers to job providers | NRC](#)



Violetta, displaced from Odessa, received technical and financial support in 2024 from NRC (funded by Norway) and AID. After completion, she opened a food kiosk in Tiraspol and has since expanded her business in 2025 (also funded by Norway) to include a bakery. Her business employs both locals and displaced people from Ukraine, helping her family to rebuild their life in Moldova.

Note: through a complementary project with Switzerland in 2025, NRC and partners supported Violetta with energy efficiency measures to help keep her business running more sustainably.



Anna, displaced from Zaporizhzhia, arrived in Moldova with her family in 2022. In 2023, with technical and financial support from NRC (funded by Norway) and AFAM, she used the support together with her own savings to open a floristry business in Chişinău. In February 2024, she received an expansion grant (funded by Germany) to invest further. Her business has since grown, created jobs, and helped her family rebuild their life in Moldova.

Note: through a complementary project with Switzerland in 2025, NRC and partners supported Anna with technical solutions to keep her business running during periods of energy uncertainty.

5 Partner profiles

AFAM and AID are two of the local organisations we partner with in Moldova.



Since 2023, NRC has partnered with the **Association of Women Entrepreneurs of Moldova (AFAM)** to support displaced people from Ukraine and host communities through business training and mentorship in Moldova.

Founded in 2013 by nine founding members, AFAM is an NGO that supports the growth of women's potential in entrepreneurship and leadership, while promoting a more enabling business environment for women. With over 13 years of activity, AFAM has built strong experience in this area, organising more than 600 events and projects and working with a wide range of national and international partners. It currently brings together 100 active members across more than 20 fields of activity.



Since 2024, NRC has partnered with the **Agency for Innovation and Development (AID)**, a non-profit organisation based on the Left Bank of Nistru River, to support displaced people from Ukraine and host communities residing on the Left Bank through business training, mentoring and wider self-reliance activities.

Established in 2015, AID promotes innovative ideas and social projects that contribute to human capital development and sustainable regional growth. With expertise in startup support, training, legal and financial consulting, educational programs, and business development in the areas of green economy, renewable energy, ESG practices, digitalization, and sustainable entrepreneurship, AID brings valuable local expertise to help communities on the Left Bank strengthen their skills, access opportunities, and build more stable livelihoods.