SITUATION OVERVIEW

Assessing the impact of the Energy Vulnerability Reduction Fund in the winter of 2024-2025

March 2025 | Republic of Moldova

Key Messages

- Gaps remain in awareness regarding eligibility and the application procedure for the EVRF compensation, as 21% of non-beneficiary HHs were unaware of the programme before December 2024, when the first round of the compensation was distributed. **36% of refugee HHs were unaware compared to 11% of host community HHs, suggesting that refugee HHs are at a greater disadvantage in terms of access to information on the programme.**
- 63% of non-beneficiary HHs in November 2024 and 67% in December 2024 were potentially energy-vulnerable, in that they were reportedly spending over 10% of their HH expenditure on energy. **Of these, a higher percentage of refugee HHs were energy-vulnerable compared to host community HHs.**
- **The EVRF compensation positively impacted the living conditions and well-being of refugee beneficiary HHs, but it was not enough for many of them to be able to meet all their energy needs.** Though a higher percentage of refugee HHs reported that the EVRF compensation received had a positive impact than host community HHs, a lower percentage of refugee HHs were able to cover their energy bills/expenses, and more reported the temperature of their accommodation being "cold" compared to host community HHs.
- 52% of beneficiary HHs were satisfied with the amount of EVRF compensation received and 82% were satisfied with the process of receiving the compensation.

Context & Rationale

Moldova has faced a worsening energy crisis since 2019, driven by escalating natural gas prices and dependency on imports.[1] In response to this crisis, further exacerbated by the escalation of hostilities in Ukraine, the Moldovan government established the Energy Vulnerability Reduction Fund (EVRF) in 2022 with the support of the European Union (EU) and the United Nations Development Programme (UNDP). Administered by the Ministry of Labour and Social Protection (MLSP), the fund aims to alleviate energy poverty through subsidies and measures to promote energy efficiency.[2]

For the 2024-2025 winter season, the EVRF transitioned from on-bill compensation to cash-based compensation for households (HHs) in Moldova. Eligible HHs received an amount each month, from December 2024 to April 2025, which was recalculated each month based on the fluctuation in energy prices. Outside of the Transnistrian region, all HHs in Moldova could apply, including refugees if they have a national identification number (IDNP) and have lived in Moldova for at least eight months in the last 12 months at the time of application.[3]

Further information is needed related to the EVRF programme's impact, especially on refugees, the effectiveness of the EVRF compensation in meeting beneficiaries' needs, and barriers to accessing the compensation. To fill in these information gaps, REACH conducted an assessment of the EVRF energy compensation to assess the accessibility and effectiveness of the compensation in minimising the negative impacts of the the increase in energy prices on the living conditions and well-being of energy-vulnerable Ukrainian refugee and host community households. The assessment also aimed to assess coping strategies and levels of satisfaction with the compensation and its mode of distribution. This assessment sought to inform the effective and inclusive design and implementation of future interventions aimed at energy vulnerability in Moldova in a way that supports social cohesion and the integration of refugees.

It is important to note that findings from this assessment should be considered indicative and not representative of the populations of beneficiary and non-beneficiary HHs.

Methodology Overview

From 20 January to 7 February 2025, REACH conducted 435 structured HH surveys across the Republic of Moldova, excluding the Transnistrian region. The populations of interest included beneficiary and non-beneficiary HHs of the EVRF compensation; refugee HHs, defined as HHs that consisted solely of refugees from Ukraine, and host community HHs, defined as HHs with at least one host community member with Moldovan citizenship.

Table 1: HHs surveyed by beneficiary status and type

Type of HH	Beneficiary HH	Non-beneficiary HH
Refugee	99	55
Host community	198	83
TOTAL	**297**	**138**

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HHs were interviewed via phone call if they filled in the consent form disseminated online, or in-person by enumerators recruiting participants in the field. HHs interested in participating in the assessment were invited to fill in an online form prior to the interview which was disseminated on various social media platforms and posters with a QR code to the form were put up in public spaces in several cities and villages in the North, Centre and South.

Throughout this situation overview, findings will be organized and presented by beneficiary status (EVRF beneficiary HHs versus non-beneficiary HHs).

Key Limitations

Limited ability to assess the full impact of EVRF: At the time of data collection, only two rounds of the compensation had been distributed. As such, this assessment is unable to capture the full impact of the programme during this winter period. This is particularly relevant as for November and December 2024, only heating was compensated by the EVRF. As of January 2025, eligible HHs were compensated for the rise in electricity prices as well.[4]

Selection bias: The sampling approach was not representative and the method of scoping for respondents may have been impacted by selection bias. Those that signed up online are likely to have been interested in participating due to having feedback or the expectation of getting more assistance.

Respondent bias: This assessment relies on HHs' self-reported experiences and perspectives to evaluate the EVRF. Respondents were not always reliable when reporting their HH income, bills and expenses, either because they could not remember the exact figures or in some cases, they were unwilling to declare their full income. Additionally, though REACH enumerators clarified to all respondents that their participation in the interview would not impact their compensation or application for it in any way, their responses may still have been impacted by a fear of either losing the compensation or the expectation of receiving assistance in return for participation in the interview.

For more details on the methodology and limitations, please refer to the Terms of Reference.

Key Definitions

Energy vulnerability: Defined in the law as a situation characterised by reduced access or reduced purchasing power of the HH consumer in relation to the energy resources necessary for food preparation, thermal comfort in the home and other basic needs.[5]

Energy-vulnerable HHs: For this assessment, HHs that are spending over 10 percent of their consumption expenditure on electricity, gas and thermal energy are determined to be energy-vulnerable.[4]

Household (HH): The respondent and all individuals, including their family or close acquaintances, who are living with them and share key resources and expenses beyond rent. Family units that use a common meter but do not live in the same accommodation are not considered to be within the same HH.

Refugee HH: HHs in Moldova consisting only of refugees from Ukraine and no members of the host community.

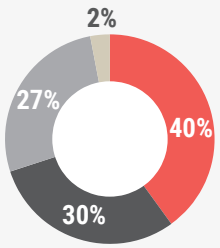
Host community HH: HHs in Moldova consisting of at least one member of the host community with Moldovan citizenship. Such HHs are considered to be at a significant advantage compared to HHs consisting only of refugees in terms of having a strong social network in their local community and access to public services and information.

Demographics

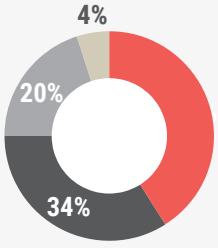
Average HH size of 2.8

% of HHs by primary type of heating system**

Beneficiary HHs (n=297)

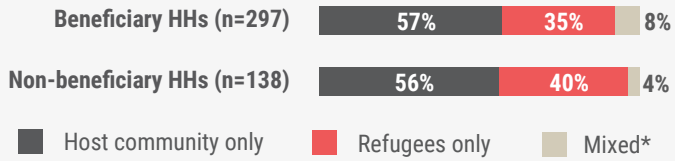


Non-beneficiary HHs (n=138)



- Autonomous gas-based heating
- Central heating
- Solid fuel
- Autonomous electric-based heating or space heaters/ACs

% of HHs by type of HH (host community only, refugees only, mixed) and beneficiary status (n=435)



*As mixed HHs include at least one HH member that has Moldovan citizenship and is a member of the host community, these HHs are classified as "Host community HHs" in the rest of this situation overview.

HHs with persons with disabilities (according to WG-SS)[7]

- **14% of beneficiary HHs**
- **9% of non-beneficiary HHs**

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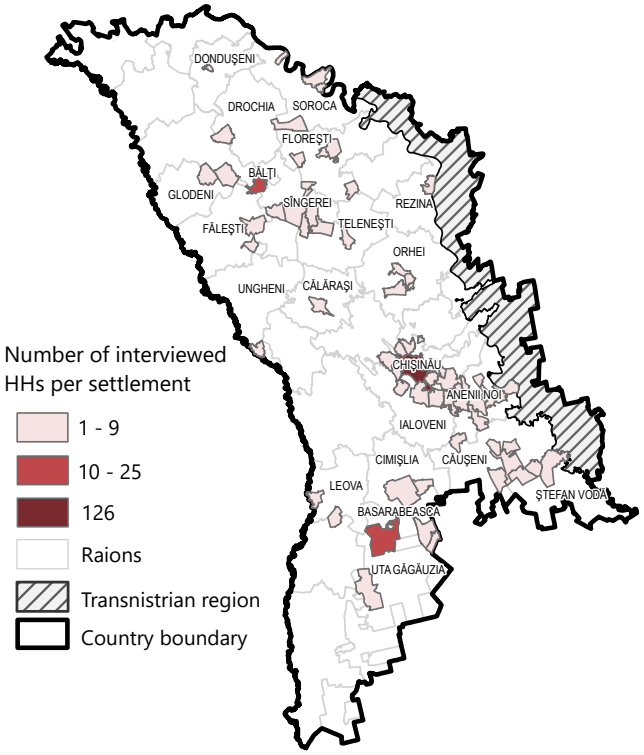
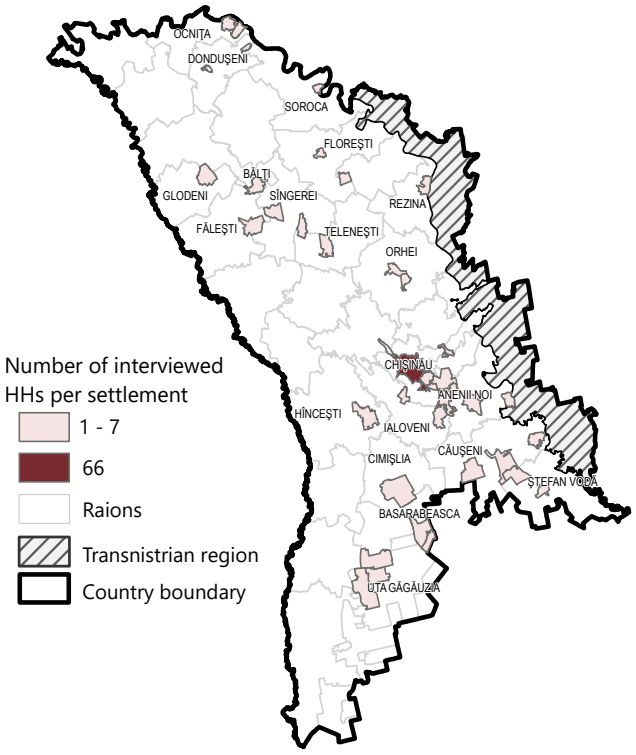
Demographics (continued)

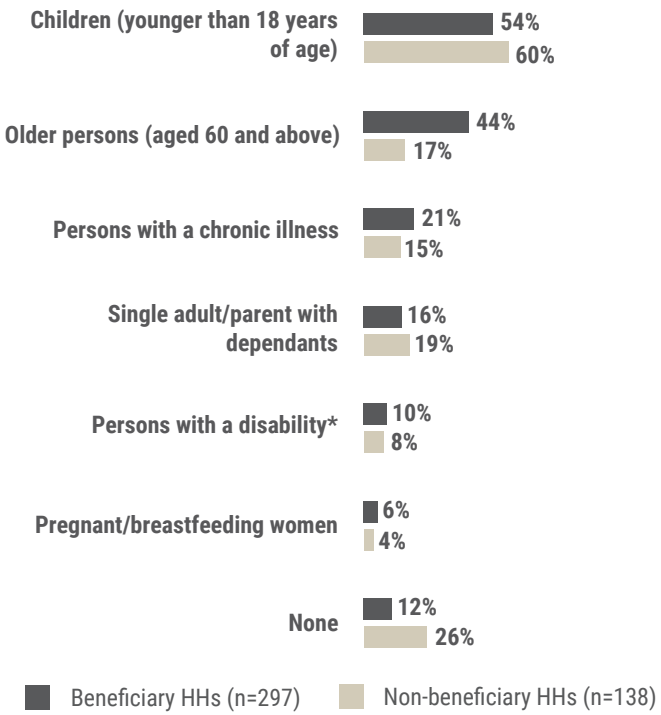
Map 1: Location of EVRF beneficiary respondents in Moldova.



Map 2: Location of EVRF non-beneficiary respondents in Moldova.



% of HHs by reported vulnerable groups present in the HH and beneficiary status (n=435)*

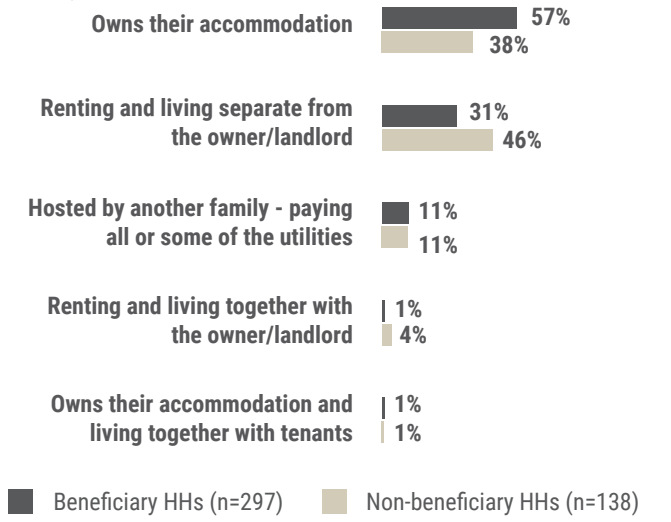


*"Persons with a disability" in this variable is based on reports of respondents regarding whether there are any persons with disabilities in their HH. Disaggregations by HHs with or without people with disabilities in the rest of this analysis are NOT based on this variable, and instead are based on respondents answers to questions from the Washington Group Short Set on Functioning (see previous page).

Table 2: Average number of children per HH among HHs with children, by type of HH and beneficiary status (n=435)

Type of HH	Beneficiary HH	Non-beneficiary HH
Refugee	1.6 (n=73)	1.7 (n=40)
Host community	1.4 (n=86)	1.4 (n=43)

% of HHs by type of housing tenure and beneficiary status (n=435)**



Comparing between refugee and host community HHs, **most refugee HHs are renting and living separate from the owner/landlord, while most host community HHs own their accommodation.** This may point to refugee HHs generally having higher accommodation-related costs compared to host community HHs.

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Income, expenditure, financial stress, and energy vulnerability

Beneficiary HHs vs Non-beneficiary HHs

In this section, the profiles of beneficiary and non-beneficiary HHs are compared in terms of HH income, HH energy-related bills and expenses, financial stress, and energy vulnerability.

% of HHs by range of monthly HH income (in Moldovan lei) between November and January 2025 and beneficiary status (n=435)**

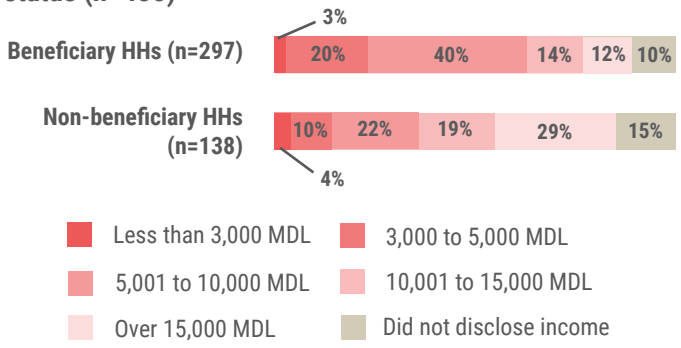


Table 3: Average monthly HH income (in Moldovan lei) between November 2024 and January 2025 by type of HH and beneficiary status (n=435)[8]

Type of HH	Beneficiary HH (n=297)	Non-beneficiary HH (n=138)
Refugee	8,223	9,052
Host community	10,345	19,201
Average monthly income (MDL)	**9,611**	**14,979**

In terms of HH income, non-beneficiary HHs' average income is 5,000 Moldovan lei (MDL) higher than that of beneficiary HHs. However, such a notable difference does not apply to refugee HHs, with the average income of refugee non-beneficiary HHs (n=55) only 829 MDL more than refugee beneficiary HHs (n=99). Among host community HHs, non-beneficiary HHs (n=83) have an average income almost double that of beneficiary HHs (n=198). This suggests that many refugee HHs, though they are from lower income groups and are potentially energy-vulnerable, may have faced a barrier to accessing the EVRF compensation, likely due to having more limited awareness about the programme. This is discussed further in the section on "Barriers to Access".

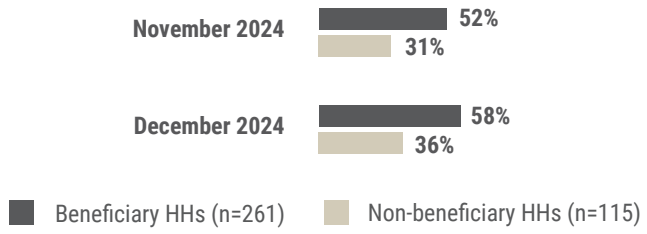
There were little differences in the average total energy-related bills and expenses between beneficiary and non-beneficiary HHs in November and December 2024 (see Table 4). There were also no clear differences observed between refugee and host community HHs.

Table 4: Average total energy-related bills and expenses (in Moldovan lei) by month and beneficiary status (n=435)[9]

Month	Beneficiary HH (n=297)	Non-beneficiary HH (n=138)
November 2024	2,235	2,389
December 2024	2,686	2,574

According to UNDP, approximately 40% of Moldovan HHs report financial stress each year.[10] Financial stress is defined as the situation when HHs' overall expenditures exceed disposable income.[11] Overall, most beneficiary HHs (n=261) were reportedly experiencing financial stress in November and December 2025, compared to about a third of non-beneficiary HHs (n=115), indicating their overall greater vulnerability to sharp rises in energy prices during the winter.[12] Note that the calculation of HHs experiencing financial stress did not incorporate the EVRF compensation received by beneficiary HHs, and if it were would likely slightly reduce the percentage of beneficiary HHs reportedly experiencing financial stress.

% of HHs experiencing financial stress by month and beneficiary status (n=376)



In terms of energy vulnerability, for November, 76% of beneficiary HHs spent more than 10% of their regular HH expenditure on basic needs on energy, of which most spent between 11-50%.[13] 11% of beneficiary HHs reportedly only spent up to 10%, suggesting that other factors contributed to their eligibility for the EVRF compensation. According to UNDP, disposable income, financial stress, the proportion of energy expenditures in the total HH budget, HH composition, and the presence of persons with disabilities in the HH were among the factors for determining energy vulnerability of beneficiary HHs. Note also that reported HH income in this assessment may differ from the income taken into account in HHs' applications for the EVRF compensation, as some forms of income are ineligible for the EVRF application.[14]

For November, while a higher percentage of non-beneficiary HHs (20%) spent only up to 10% of their regular HH expenditure on energy, 63% of non-beneficiary HHs (n=138) spent more than 10%, including one HH that spent over 75%. This HH was a single female adult refugee living in a rural area with a chronic illness, who was only paying for utilities (not rent) for her accommodation and primarily heating with solid fuel.

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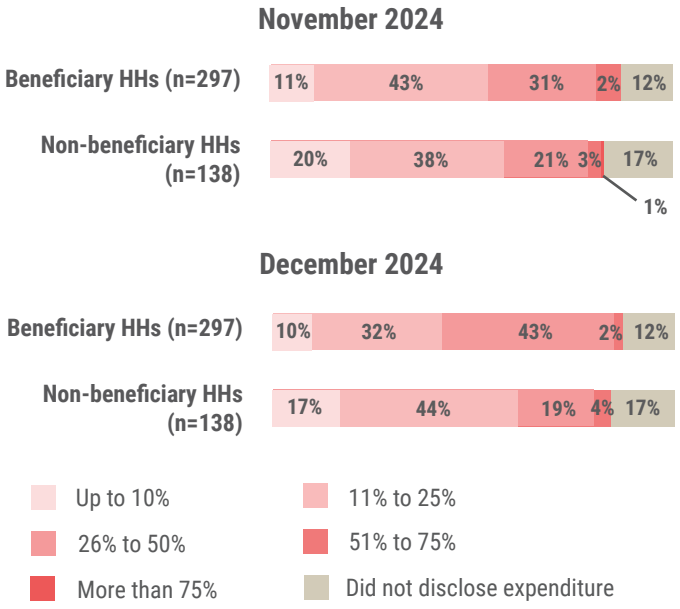
She reportedly was aware of the EVRF compensation before December 2024, and when asked why she did not apply for it, responded that she didn't know why she did not apply. Although this is a single case, it suggests the need for increased inclusion of vulnerable persons and HHs from rural areas, who may have more limited awareness and more limited capacity to apply independently for the EVRF compensation.

% of HHs by share of HH expenditure spent on energy in November and December 2024 and beneficiary status (n=435)**



For December, beneficiary HHs spending over 10% of their expenditure on energy only increases by 1 percentage point. However, there appears to be an increase in vulnerability among HHs already spending over 10% of their income in November as most of these HHs spent between 26% to 50% in December. For non-beneficiary HHs, the percentage of HHs spending over 10% increases by 4 percentage points in December.

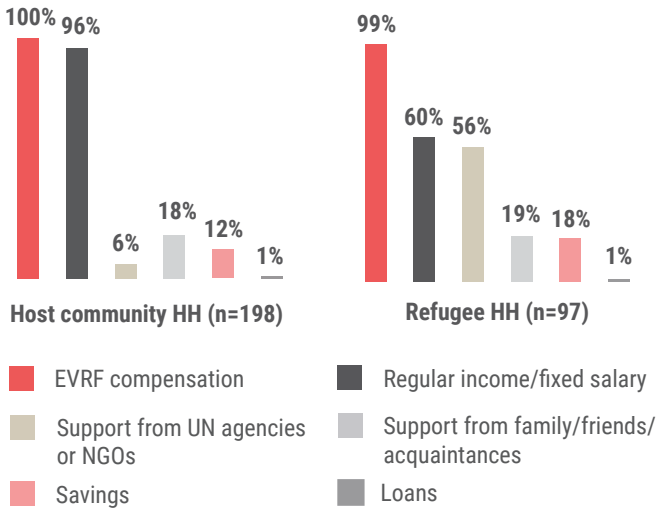
Considering such a high percentage of non-beneficiary HHs are energy-vulnerable, it may indicate that **barriers to accessing the EVRF compensation remain for many energy-vulnerable HHs in Moldova.** These barriers are explored further in the section on "Barriers to Access".

Beneficiary HHs (n=297)

Among beneficiary HHs, a slightly higher percentage of host community HHs appear to be experiencing financial stress than refugee HHs (n=99). In November 2024, 55% of host community HHs compared to 49% of refugee HHs were reportedly experiencing financial stress. In December 2024, 61% of host community HHs were reportedly experiencing financial stress compared to 55% of refugee HHs. This difference in the percentage experiencing financial stress is seen despite the comparable HH size and total energy-related bills and expenses between refugee and host community HHs; the higher percentage of refugee HHs that rent their accommodation while most host community HHs own their accommodation, suggesting that refugee HHs would have higher monthly HH expenses; and the higher average monthly HH income of host community HHs. Rather, this difference could be because host community HHs have higher average reported monthly HH expenses for basic needs excluding utility bills than refugee HHs. This may indicate that refugee HHs are more inclined to spend less on basic needs than host community HHs due to having been used to relying on limited financial resources even before the winter period. According to the SEIS, the average HH income of refugee HHs was 9,400 MDL in 2023 and 10,500 MDL in 2024. Additionally, for both years, most refugee HHs reportedly relied on income sources other than employment, of which the significant majority relied on cash assistance from humanitarian organisations.[15] Note, however, that the financial stress indicator is based on reported HH income and expenditure which may not be entirely reliable or accurately reflect differences in economic vulnerability between refugee and host community HHs.

Differences in financial stress were also seen between urban and rural HHs, with 55% of urban HHs (n=212) reportedly experiencing financial stress compared to 43% of rural HHs (n=85) in November 2024. In December 2024, 63% of urban HHs compared to 46% of rural HHs reportedly experienced financial stress.

% of beneficiary HHs by resources used to pay for energy-related bills/expenses and type of HH (n=295)*



In terms of resources used to pay for energy-related bills/expenses, all beneficiary HHs (n=295) used the EVRF compensation. 14% of beneficiary HHs still needed to use their savings and 1% used loans to pay for their energy bills/expenses. A lower percentage of refugee HHs (n=97) used regular income or fixed salary (60%) compared to host community HHs (96%) (n=198), whereas a higher percentage of refugee HHs used support from UN agencies or NGOs (56%).

Regarding energy vulnerability, a slightly higher percentage of refugee beneficiary HHs (n=99) were

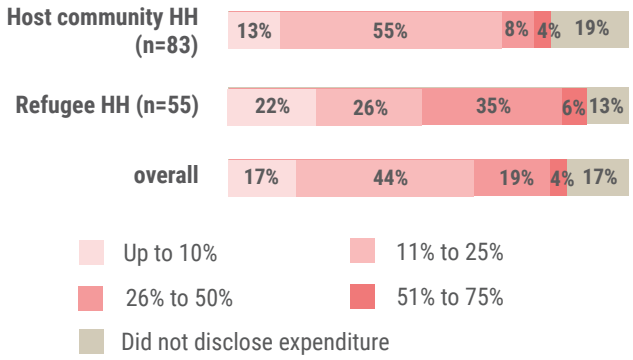
spending over 10% of their regular HH expenditure on energy compared to host community beneficiary HHs (n=198). For November, 81% of refugee HHs spent more than 10% of their regular HH expenditure on energy, of which most spent 26-50%, whereas 75% of host community HHs spent more than 10%, of which most spent between 11-25%. A recent UNDP report similarly found that Ukrainian refugee HHs are more energy-vulnerable than local HHs.[16] A similar pattern was observed in December, but both groups increased in energy vulnerability as the temperature dropped and more heating was required. For both months, a greater percentage of urban HHs (n=212) were energy-vulnerable compared to rural HHs (n=85) – 6 percentage points more in November and 18 percentage points more in December.

Non-beneficiary HHs (n=138)

Among non-beneficiary HHs, a slightly higher percentage of refugee HHs (n=55) appear to be experiencing financial stress than host community HHs (n=83). In November 2024, 38% of refugee HHs compared to 25% of host community HHs were experiencing financial stress, and in December 2024, 38% of refugee HHs compared to 34% of host community HHs experienced financial stress. Like beneficiary HHs, a higher percentage of urban non-beneficiary HHs (n=101) were experiencing financial stress compared to rural HHs (n=37). 33% of urban non-beneficiary HHs compared to 22% of rural non-beneficiary HHs were experiencing financial stress in November 2024, and 41% of urban non-beneficiary HHs compared to 22% of rural non-beneficiary HHs experienced financial stress in December 2024.

In terms of resources used by non-beneficiary HHs (n=136) to pay for energy-related bills/expenses, host community HHs (n=83) relied on stable sources of income (99%), while a substantial percentage of refugee HHs (n=53) were using less sustainable financial resources such as support from UN agencies or NGOs, support from family, friends or acquaintances, and savings.

% of non-beneficiary HHs by share of HH expenditure spent on energy in December 2024 and type of HH (n=138)**



Regarding energy vulnerability, for November, 74% of refugee non-beneficiary HHs (n=55) spent more than 10% of their regular HH expenditure on energy, whereas 56% of host community non-beneficiary HHs (n=83) spent more than 10%. Interestingly in December, the percentage of energy-vulnerable host community HHs increases but the percentage for refugee HHs decreases. Four refugee HHs reportedly spent less on energy in December compared to November. This may be due to the implementation of measures to reduce consumption of energy in December, in anticipation of high energy bills. As with beneficiary HHs, a greater percentage of urban HHs (n=101) were energy vulnerable compared to rural HHs (n=37) for both months – 16 percentage points more in November and 21 percentage points more in December.

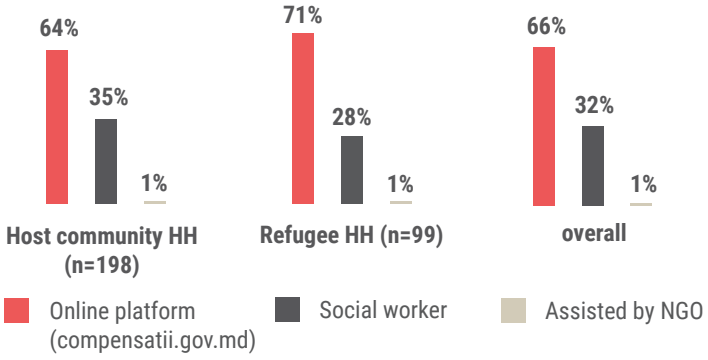
Barriers to access

Beneficiary HHs (n=297)

This section will explore how beneficiary HHs learned about EVRF, how they applied and their level of satisfaction with the application process, and any challenges they may have faced in applying.

Among the top three channels, **50% of all beneficiary respondents reported learning about the EVRF compensation for the first time through social media,** followed by 30% that learnt about it through family, friends or community members, and 12% that learned about it through the television. Most refugee beneficiary respondents (n=99) had learnt of the compensation through social media (70%) while to host community beneficiary respondents (n=198) were more equally split between those that had learnt about it through social media (39%) and those who learnt about it through family, friends or community members (36%).

% of beneficiary HHs by method of application for EVRF and type of HH (n=297)



66% of beneficiary HHs applied for the EVRF compensation through the online platform. **95% of beneficiary HHs were satisfied (67%) or very satisfied (28%) with the application process for the EVRF compensation.** Only one host community HH reported being dissatisfied . This HH had applied online, and the reason they provided for their dissatisfaction was that the application was too long and complex to complete. All beneficiary HHs that received support from social workers to apply for the EVRF compensation (n=98) were satisfied with the support received. Of these, 55% were very

satisfied.

98% of beneficiary HHs reportedly encountered no challenges in the process of applying for the EVRF compensation. Of those that did encounter challenges (n=6), four HHs encountered technical issues with the online application system; one HH's landlord had already applied for the accommodation they were living in; and one HH was refused help from a social worker toapply, so they turned to support from a local NGO instead.

When asked what changes would make the EVRF compensation more accessible to HHs like theirs, the top three suggestions provided by beneficiary HHs were that the amount of compensation offered should be increased (71%), that more clear and detailed information on how the calculation is done should be provided (22%), and that more clear and detailed information about the eligibility criteria should be provided (19%).

Non-beneficiary HHs (n=138)

This section will explore levels of awareness among non-beneficiary HHs of EVRF, how HHs learned about EVRF, and information related to HHs that applied and were rejected or did not apply for EVRF compensation.

21% of all non-beneficiary respondents were not aware of the EVRF compensation prior to December 2024, and four of these were not aware until they either saw the invitation to participate in this assessment or were directly informed about it by REACH enumerators. Of the four, all were living in rural areas, three were from refugee-only HHs, and one was from the host community. Several respondents were noted to have signed up to participate in this assessment either to ask for help with applying for the EVRF compensation or to know more about the programme.

The percentage of those that were not aware prior to December is higher among refugee HHs (36%) (n=55) than host community HHs (11%) (n=83), and among those living in rural areas (27%) (n=37) than urban areas (19%) (n=101). **26 of the 29 HHs that were unaware of the compensation before December 2024 had not applied for it at the time of data collection,** while 62% of those that were aware of it before December 2024 (n=109) had not applied. A few respondents that were unaware about the programme until after the registration deadline at the end of November 2024 reported that they did not know they could still apply and receive the compensation in the following rounds of distribution. As such, the level of awareness and the recentness with which HHs are made aware about the EVRF compensation plays an important role in influencing their decision to apply for, and thereby, access the compensation.

Among the top two channels, **64% of non-beneficiary respondents reported learning about the EVRF compensation for the first time through social media,** followed by 23% that learnt about it through family, friends or community members. There were no significant differences between refugee (n=55) and host community (n=83) non-beneficiary respondents for this indicator, except that a higher percentage of respondents from the host community (27%) had learnt of it through family, friends or community members compared to refugee respondents (18%).

Only 32% of non-beneficiary HHs applied for the EVRF compensation. 23% of refugee non-beneficiary HHs (n=55) applied compared to 37% of host community non-beneficiary HHs (n=83). In terms of accommodation, 48% of non-beneficiary HHs that own their accommodation (n=54) applied for EVRF compensation compared to 21% of non-beneficiary HHs that do not (n=84). This, coupled with the higher percentage of beneficiary HHs that own their accommodation compared to non-beneficiary HHs (see under the section "Demographics"), suggests there may be a barrier to accessing the EVRF compensation related to housing tenure. On one hand, HHs that rent their accommodation often pay fixed sums that include both rent and utilities. In such cases, the HH would be unable to report on specific utility bills as required in the EVRF application. Several respondents that were renting and living separately from their landlord (n=64) reported that their landlord was receiving the EVRF compensation, although the landlord did not live there. Additionally, several non-beneficiary respondents reported that their landlords did not permit them to apply for the compensation, likely due to lacking a formal rental agreement. According to the 2024 Socio-Economic Insight Survey (SEIS), only 36% of surveyed refugee HHs had written documentation to prove their occupancy arrangement.[17] Since a higher proportion of refugee HHs are renting their accommodation while most host community HHs own their accommodation, this barrier may be disproportionately affecting refugee HHs.

Only 26% of non-beneficiary HHs with an average monthly income of 10,000 MDL or less (n=50) applied for EVRF compensation, compared to 40% of non-beneficiary HHs with an income of more than 10,000 MDL (n=67). 43% of HHs using a solid fuel stove or fireplace (n=28) as their primary heating system applied for the compensation compared to 34% of HHs using central heating (n=47), 33% using autonomous electricity-based heating systems (n=6), and 25% of HHs using autonomous gas-based heating systems (n=57).

Among non-beneficiary HHs that did not apply (n=94), 40% did not apply because they believed they were not eligible, 20% did not apply because they were unaware of the programme, 14% did not apply because they did not trust they would receive the support, 11% did not apply because they did not understand how the programme works, and 14% either did not need the support or believed other HHs needed it more than they did. None of the five HHs that did not meet the length of stay criterion applied for the EVRF. According to the SEIS, 84% of surveyed refugee HH members were estimated to have stayed in Moldova for 12 months or more.[18] While this suggests that most refugee HHs in Moldova are eligible for the EVRF compensation, newly arrived refugees are unable to access it and likely at risk of greater energy

vulnerability.

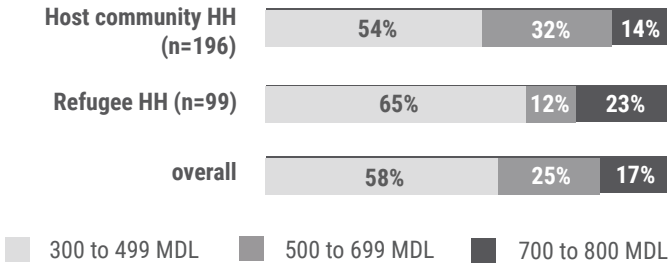
Among non-beneficiary HHs that applied to but did not receive EVRF (n=44), 73% believe their application was not accepted because their HH did not meet the eligibility criteria, 16% did not know why their application was not accepted, and 7% believe their HH's income and expenses were not accurately calculated by the application system. Because there was not a follow-up question for those HHs that believed they did not meet the eligibility criteria, it is unclear which criteria they believe they did not meet.

Of non-beneficiary HHs that applied to EVRF, 66% in November 2024 and 68% in December 2024 reportedly spent more than 10% of their *HH expenditure* on energy, 52% in November 2024 and 57% in December 2024 reportedly spent more than 10% of their *total monthly income* on energy.

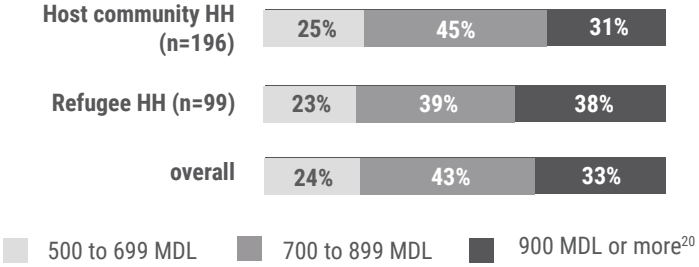
When asked what changes would make the EVRF compensation more accessible to HHs like theirs, the top three suggestions provided by non-beneficiary HHs were that more clear and detailed information about the eligibility criteria should be provided (46%), that the programme should be made available to a broader range of HHs (33%), and that more clear and detailed information on how the calculation is done should be provided (17%).

EVRF compensation received

% of beneficiary HHs by amount of EVRF compensation received for November 2024 and type of HH (n=297)[19]



% of beneficiary HHs by amount of EVRF compensation received for December 2024 and type of HH (n=287)**



Small differences were noted in the average amount of EVRF compensation received between refugee (n=99) and host community HHs (n=198) as well as between rural HHs (n=85) and urban HHs (n=212), with refugee HHs and urban HHs having received slightly more on average. The average amount of EVRF compensation received for November was 467 MDL. Refugee HHs received an average of 473 MDL versus 463 MDL for host community HHs. The average amount received for December was 796 MDL, with refugee HHs having received an average of 808 MDL versus 790 MDL for host community HHS. For November, rural HHs received an average amount of 493 MDL while urban HHs received an average of 456 MDL. For December, rural HHs received an average of 757 MDL while urban HHs received an average of 812 MDL.

As it relates to the method of receiving compensation, 67% of beneficiary HHs received the EVRF compensation through the post office, 32% received it via bank transfer, and 1% received it via both methods. A substantially higher percentage of refugee HHs (n=99) received the compensation through the post office (86%) compared to host community HHs (57%) (n=198). This difference may be due to refugees lacking a Moldovan bank account. In the Refugee Intentions Assessment, conducted in November 2024, 54% of surveyed refugee HHs did not have a bank account in Moldova.[21]

73% of beneficiary HHs reported that the compensation they received for November and December was equal to the amount they were informed they would receive. 26% were unsure if the amounts were equal because they were not informed about the amount they would receive beforehand. Two HHs reported that their compensation amount was different from the one they had been informed about, the difference being 200 MDL in both cases. Overall, there remains some confusion among beneficiaries regarding where they can find information on the amount of compensation they will receive.

75% of beneficiary HHs were also EVRF beneficiaries during the previous winter season of 2023-2024. Of these (n=223), **60% perceived that the compensation received during this season was less than that received in the last (2023-2024).** 41% reported that the amount they received this season was much less than the amount received last season. Note that due to the long recall period and the fact that compensation was provided on-bill last season, data for this indicator is highly based on the perception of respondents and is susceptible to bias.

99% of beneficiary HHs spent the EVRF compensation they received on utility bills or firewood, 4% spent it on food, and 1% on healthcare. Only one refugee HH, a single female adult with a child, spent the compensation on food rather than on utility bills or firewood. A higher percentage of rural HHs (n=85) spent the compensation on food and healthcare than urban HHs (n=212). Several of these rural HHs had no reported expenses for heating and some had no reported expenses for gas in November and December 2024, likely due to having stocked up on solid fuel and gas canisters during earlier months.

As such, while some beneficiaries benefited from receiving the compensation in cash this season as it allowed them to decide how to use it based on their HH's priority needs, the significant majority of beneficiary HHs spent

it only on energy-related bills/expenses, likely due to the small amount received compared to the cost of their energy bills/expenses.

Among beneficiary HHs, only 1% received a voucher for energy-efficient appliances that was offered in addition to the compensation as part of the EVRF programme.[22] The four HHs that did receive the voucher were living in urban areas and had applied online.

Ability to meet energy needs

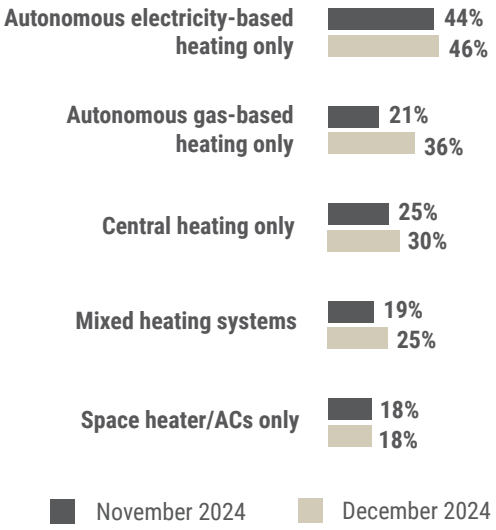
To understand the ability of HHs to meet their energy needs in the winter of 2024-2025, HHs were asked regarding their ability to cover energy-related bills and costs, and thermal comfort of their accommodation during the months of November and December 2024.

Beneficiary HHs (n=297)

87% of beneficiary HHs were able to cover their electricity, gas and heating bills/expenses for November 2024. This percentage dropped slightly to 81% for December 2024. For November, 1% of beneficiary HHs could not cover any of their bills. For December, this increased slightly, with 4% unable to cover any of their expenses.

A slightly higher percentage of refugee beneficiary HHs (n=99) were unable to cover any of their bills compared to host community beneficiary HHs (n=198) - 2 percentage points more in November and 7 precentage points more in December. For December, 7% of HHs renting and living separately from their landlord (n=92) could not cover any of their bills, compared to 1% of HHs that owned their accommodation (n=169), indicating their slightly greater vulnerability.

Average % of total energy-related bills/expenses compensated by EVRF compensation received, by type of heating systems used and month (n=297)[23]



On average, 22% of beneficiary HHs' total energy-related bills and expenses were compensated by the EVRF for November 2023 and 30% were compensated for December 2024.[24] For both months, the percentage compensated was slightly higher (6 to 7 percentage points higher) for refugee HHs (n=99) than host community HHs (n=198). The percentage was also higher for urban HHs (n=212) compared to rural HHs (n=85), smaller HHs rather than larger, and HHs with lower monthly income compared to higher monthly income. Note that the purpose of the EVRF compensation was to cover increases in HH's heating expenses during the winter months, and that compensation for increases in electricity prices was only implemented from January 2025, which is after this assessment's data collection period.

Most beneficiary HHs reported that the temperature of their accommodation was "comfortable" in November (77%) and December (76%). 16% of beneficiary HHs reported the temperature in November being "somewhat cold", and 1% reported it was "very cold". In December, this increased slightly to 19% reporting that it was "somewhat cold", and 1% reporting it was "very cold". For both months, a higher percentage of refugee beneficiary HHs (n=99) reported the temperature being" somewhat cold" or "very cold". In November, 28% of refugee HHs reported these conditions compared to 11% of host community HHs. In December, 31% of refugee HHs reported these conditions compared to 13% of host community HHs. This finding aligns with the higher percentage of energy-vulnerable HHs among refugee HHs than host community HHs as well as the lower average income among refugee HHs.

Of the beneficiary HHs that reported the temperature of their accommodation in either November or December being "cold" (n=61), 39% reported that it affected the health or wellbeing of members of their HH. Of the 24 HHs that reported this, 15 were refugee HHs and nine were host community HHs. 20 HHs were in urban areas while four HHs were in rural areas. 22 HHs reported increased instances of colds, flu, or respiratory issues. Three HHs reported increased joint pain or soreness (e.g. arthritis), and one HH each reported affected sleep quality or comfort, and that the temperature caused some discomfort but did not affect their health. While the 2024 SEIS reported a high level of winter preparedness among refugee HHs, with 94% of HHs indicating they had sufficient heating,[25] the findings of this assessment suggest there remains a gap in the ability of some refugee HHs to meet their heating needs in the winter.

Non-beneficiary HHs (n=138)

95% of non-beneficiary HHs were able to cover their electricity, gas and heating bills/expenses for November 2024. This percentage dropped to 87% for December 2024. For November, 1% of non-beneficiary HHs were unable to cover any of their bills. For December, 5% couldn't. All HHs that were unable to cover any of their bills were refugee non-beneficiary HHs. Those that were unable to cover any of their bills made up 4% of all

refugee non-beneficiary HHs (n=55) in November and 13% in December.

Most non-beneficiary HHs reported that the temperature of their accommodation was "comfortable" in November (75%) and December (76%). 7% of non-beneficiary HHs reported the temperature in November being "somewhat cold". In December, this percentage rose slightly to 14%. Similar to beneficiary HHs, for both months, a higher percentage of refugee non-beneficiary HHs (n=55) reported the temperature being "somewhat cold" – 26% for both months – compared to host community non-beneficiary HHs – 10% in November and 6% in December.

Of the 23 non-beneficiary HHs that reported the temperature of their accommodation in either November or December being "somewhat cold", 12 reported that it affected the health or wellbeing of members of their HH. Of these, six were refugee HHs and six were host community HHs. Seven HHs were in urban areas while five HHs were in rural areas. Of these, 12 HHs reported increased instances of colds, flu, or respiratory issues. Two HHs reported increased joint pain or soreness (e.g. arthritis), and one reported affected sleep quality or comfort.

Coping strategies

To understand the coping strategies employed by HHs in response to the increase in energy costs, HHs were asked about cuts to other HH expenses, HHs' strategies to reduce electricity, gas, and/or heating consumption, and HHs' long-term strategies to cope with energy costs.

Beneficiary HHs (n=297)

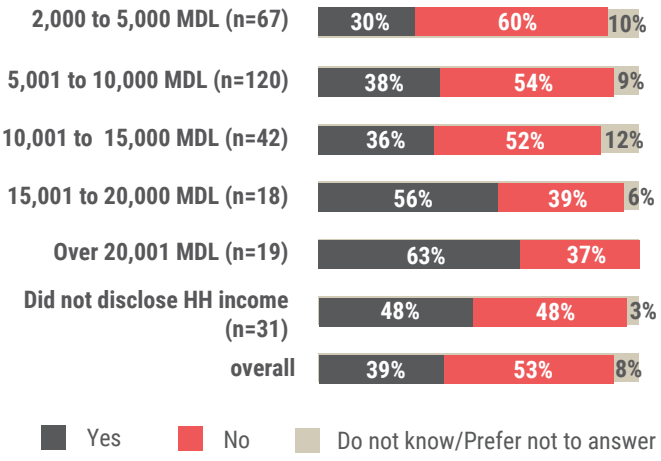
51% of beneficiary HHs had to cut down on essential expenses to pay for utility bills this winter. This percentage was slightly higher among refugee HHs (n=99) at 57% compared to host community HHs (n=198) at 49%. HHs with persons with disabilities were also particularly affected, as 73% of them (n=40) needed to cut down on essential expenses compared to 48% of those HHs without persons with disabilities (n=257). Of beneficiary HHs that cut down on essential expenses (n=152), **the top three expenses they needed to reduce were food (82%), healthcare (50%), and clothing or personal items (39%).**

HHs were asked about measures they took to reduce costs related to energy, gas, and heating consumption. Of these three energy sources, 81% of all beneficiary HHs implemented measures to reduce electricity consumption. Among HHs that use gas (n=248), 61% took measures to reduce their consumption of gas. Among HHs that reported using solid fuel-based or central heating (n=193), 60% reduced their heating consumption.

The top four measures HHs reported implementing to reduce consumption (n=152) were turning off or disconnecting appliances when not in use (64%), limiting the use of light fixtures (35%), lowering the indoor temperature (33%) and reducing the use of high-energy appliances (31%).

39% of beneficiary HHs were planning long-term strategies to cope with rising and volatile energy costs. A higher percentage of host community beneficiary HHs (43%) (n=198) were planning this compared to refugee beneficiary HHs (31%) (n=99), and the percentage of those planning these long-term strategies rises with almost every income group. This suggests that such long-term strategies are more accessible to HHs with a higher income. The top five long-term strategies beneficiary HHs plan to implement are saving money during the warm season (83%), reducing overall energy consumption (27%), stocking up on firewood during the summer (27%), improving home insulation (19%), and investing in energy-efficient appliances (14%).

% of beneficiary HHs by whether they are planning long-term strategies to cope with volatile energy prices and range of HH monthly income (n=297)**



Non-beneficiary HHs (n=138)

Findings of this assessment suggest that a lower percentage of non-beneficiary HHs implemented coping strategies than beneficiary HHs. **39% of non-beneficiary HHs had to cut down on essential expenses to pay for utility bills this winter.** Like beneficiary HHs, the percentage was higher among refugee non-beneficiary HHs (n=55) at 51% compared to host community HHs (n=138) at 30%. Non-beneficiary HHs with persons with disabilities were also particularly affected, as 8 of 13 of them needed to cut down on essential expenses compared to 36% of those without persons with disabilities (n=125). Of the non-beneficiary HHs that cut down on essential expenses (n=53), **the top three expenses they needed to reduce were the same as beneficiary HHs – food (72%), healthcare (38%), and clothing or personal items (34%).**

Non-beneficiary HHs were also asked about measures they took to reduce costs related to electricity, gas, and heating consumption. 62% of all non-beneficiary HHs implemented measures to reduce electricity consumption.

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Among HHs that reported using gas (n=119), 55% took measures to reduce their gas consumption. Among HHs the reported using other sources of heating (n=22), 11 took measures to reduce their heating consumption. The top four measures HHs reported implementing to reduce consumption were turning off or disconnecting appliances appliances (52%), lowering the indoor temperature (38%), and turning off heating during certain times (36%).

45% of non-beneficiary HHs (were planning long-term strategies to cope with rising and volatile energy costs. Like beneficiary HHs, a higher percentage of host community HHs (55%) (n=83) were planning this compared to refugee HHs (29%) (n=55). Among the top five long-term strategies non-beneficiary HHs (n=138) plan to implement are saving money during the warm season (58%), installing solar panels (23%), seeking more stable sources of income (19%), improving home insulation (19%), and investing in energy-efficient appliances (15%).

Differential impact on living conditions and well-being

To understand the impact of the EVRF compensation on HHs' living conditions and well-being, beneficiary HHs were asked about the effects of receiving the compensation on living conditions, psychological stress, and financial burden. All HHs were asked about their ability to meet their basic needs.

Beneficiary HHs (n=297)

98% of beneficiary HHs reported that the EVRF compensation improved their living conditions. 50% reported a moderate improvement, 34% reported slight improvement, 15% significant improvement, and 2% reported no improvement at all. All refugee HHs (n=99) reported improvement in their living conditions as a result of the compensation, with 27% of refugee HHs having reported significant improvement versus only 8% of host community HHs (n=198). There is no clear pattern in the amount of compensation received and the extent to which HHs reported it improved their living conditions.

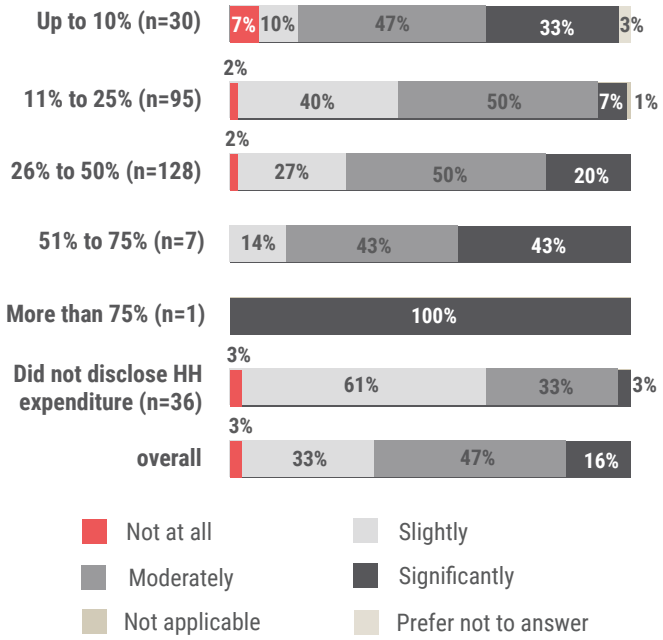
74% of beneficiary HHs reported that the compensation reduced their psychological stress. 33% reported a moderate reduction, 27% reported slight reduction, 14% significant reduction, and 2% no reduction at all. Like the previous indicator, a higher percentage of refugee HHs reported significant reduction in psychological stress (25%) compared to host community HHs (8%).

96% of beneficiary HHs reported that the compensation reduced their financial burden during the winter, with 47% having reported a moderate reduction, 33% a slight reduction, and 16% significant reduction. 3% reported no reduction at all. Like the previous indicators, a higher percentage of refugee HHs reported significant reduction in their financial burden (29%) compared to host community HHs (10%).

13% of beneficiary HHs reported that the compensation moderately reduced their need to resort to risky or harmful activities, 3% reported significant reduction, 2% slight reduction, and 1% not at all. The majority of beneficiary HHs (81%) considered this question to be inapplicable to them.

99% of beneficiary HHs reported that the compensation aided them in meeting their needs. 49% reported that the compensation moderately aided in meeting their needs, 35% reported it slightly aided, 16% reported it significantly aided, and 1% that it did not aid at all. 29% of refugee HHs reported it significantly aided compared to 9% of host community HHs. As such, refugee beneficiary HHs in the winter of 2024-2025 perceived a greater positive impact of the EVRF compensation they received than host community HHs.

% of beneficiary HHs by the reported extent to which the EVRF compensation reduced their financial burden during the winter and share of HH expenditure spent on energy in December 2024 (n=297)**



42% of HHs were able to meet all their basic needs, 31% more than half, 21% half, and 5% less than half. Among HHs that could not meet all their basic needs (n=173), the top four needs HHs reported they could not meet were access to healthcare (58%), access to sufficient and nutritious food (48%), approproate clothing for different weather conditions (21%), and access to electricity, gas, or heating (27%).

While refugee beneficiary HHs perceived a greater positive impact of the compensation and a higher percentage of their energy bills/expenses was covered by the compensation they received compared to host community HHs, findings in the previous section suggest

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that refugee HHs are also less able to meet their energy needs according to their ability to cover their energy bills/ expenses and thermal comfort (see section on "Ability to meet energy needs"). UNDP's report on the EVRF in the winter of 2023-2024 similarly noted that the impact of the EVRF compensation on reducing energy poverty and monetary poverty levels of Ukrainian refugee HHs was lower compared to local HHs, likely due to refugee HHs' lower initial level of income and higher poverty gap compared to local HHs.[26] Therefore, **while the impact of the compensation was higher on refugee HHs, they are still struggling more than host community HHs to meet basic energy needs.**

Non-beneficiary HHs (n=138)

As a comparison, **73% of non-beneficiary HHs were able to meet all their basic needs, 14% more than half, 9% half, and 4% less than half.** Among HHs that could not meet all their basic needs (n=38), the top four needs HHS reported they could not meet were access to healthcare (42%), access to sufficient and nutritious food (49%), adequate housing conditions (40%), and appropriate clothing for different weather conditions (29%). As a result, the findings suggest that beneficiary HHs, despite receiving the EVRF compensation, are less able to meet all their basic needs compared to non-beneficiary HHs.

Beneficiary satisfaction

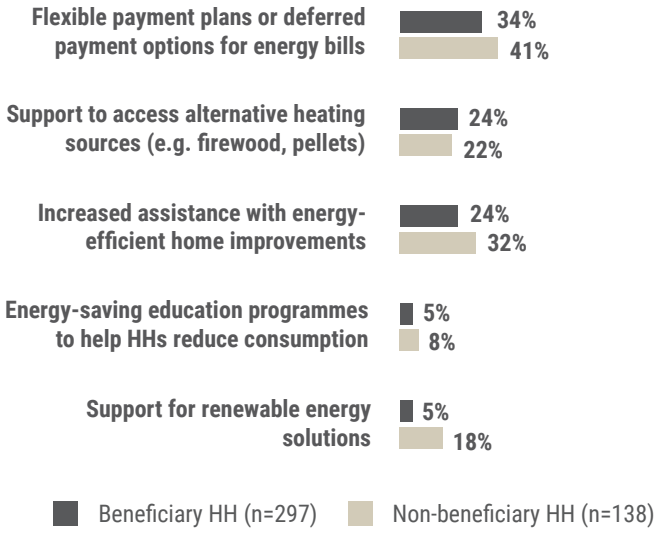
To understand beneficiaries' perspectives of EVRF, HHs were asked about their level of satisfaction with both the amount of compensation received and the process of receiving it.

52% of beneficiary HHs (n=297) were satisfied with the amount of EVRF compensation received, including 9% that were very satisfied. 16% were dissatisfied, including 3% that were very dissatisfied. Satisfaction was higher among refugee HHs (61%) (n=99) than host community HHs (48%) (n=198). This reflects the greater positive impact perceived by refugee HHs compared to host community HHs mentioned in the previous section.

82% of beneficiary HHs were satisfied with the process of receiving the EVRF compensation, among which, 18% were very satisfied. Only two beneficiary HHs were dissatisfied with the process of receiving the compensation. These two HHs, both living in urban areas, had received their compensation through the post office, and the reasons they provided for dissatisfaction were that the method of payment was inconvenient or difficult to access, and the payment was made in a way that was not accessible to them. Notably, these two HHs had a HH composition of one or more adults (18-59) with children and older people, and did not include and persons with disabilities.

When asked regarding their preferred method of receiving the EVRF compensation, **40% of beneficiary HHs prefer receiving it as direct cash support,** 32% prefer it to be subtracted directly from the bill, 1% prefer direct distribution of firewood, and 27% have no preference. Notably, over half of refugee HHs (51%) prefer receiving it as cash and about a quarter prefer subtraction from the bill (26%), whereas host community HHs were more equally split between receiving it as cash (35%) and direct subtraction from the bill (35%).

% of HHs by top 5 other forms of assistance they believe should be provided to help HHs cope with energy costs, and beneficiary status (n=435)*



Both beneficiary and non-beneficiary HHs were asked about other forms of assistance that would be helpful to HHs to cope with energy costs. Among both beneficiary and non-beneficiary HHs, the top three recommended forms of assistance were flexible payment plans or deferred payment options for energy bills, increased assistance with energy-efficient home improvements, and support to access alternative heating sources.

Conclusion

Findings from this assessment suggest gaps still remain in HHs', particularly refugee HHs', access to the EVRF compensation. A large proportion of assessed non-beneficiary HHs were potentially energy-vulnerable in November and December 2024, indicating a gap in reaching potentially eligible HHs. For refugee HHs in particular, the results from this assessment suggest gaps still remain in HHs' awareness related to eligibility and the application process for the EVRF compensation. Additionally, while the EVRF compensation positively impacted the living conditions and well-being of refugee HHs, it was insufficient for many of them to meet all of their energy needs. Findings also suggest housing tenure may be a barrier for HHs in accessing the EVRF compensation, as HHs that rent may have more limited access to or awareness of the EVRF compensation. A majority of refugee HHs rent their accommodation, suggesting refugee HHs could be disproportionately affected by this barrier.

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Endnotes

* Indicators marked with one asterisk throughout this situation overview represent indicators for which respondents could select multiple answer choices. Percentages may therefore not add up to 100%.
** Indicators marked with two asterisks throughout this situation overview represent indicators for which the percentages may not add up to 100% due to rounding.

[1] German Economic Team. Moldova is making some progress on energy security. Newsletter Moldova, Issue No. 77. May-June 2023 GET_NL_MDA_77_ENG.pdf

[2] Parliament of the Republic of Moldova. Law No. 241 of 28 July 2022 on the Energy Vulnerability Reduction Fund, amended by LP255 on 15 November 2024, MO477-480/20.11.24 art.643; in force 20 November 2024.

[3] UNDP, Registration has started for energy compensation for the 2024-2025 cold season | United Nations Development Programme, 5 November 2024.

[4] Ministerul Muncii și Protecţiei Sociale (3 January 2025). Guvernul va compensa creșterea tarifelor la energia electrică pentru toate gospodăriile casnice eligibile, astfel încât acestea să nu plătească mai mult decât anul trecut. Accessed on 5 March 2025.

[5] Parliament of the Republic of Moldova. Law No. 241 of 28 July 2022 on the Energy Vulnerability Reduction Fund, amended by LP255 on 15 November 2024, MO477-480/20.11.24 art.643; in force 20 November 2024.

[6] European Commission, Energy Poverty, accessed 18 March 2025. This definition is also used in UNDP (February 2025) Report on the welfare impact of energy compensations in Moldova in 2021-2024, for "energy poverty".

[7] For this assessment, the Washington Group Short Set on Functionality (WG-SS) was used to determine which HHs include persons with disabilities and which are without. The WG questions locate disability as at the interaction between a person's capabilities (limitation in functioning) and environmental barriers (physical, social, cultural or legislative) that may limit their participation in society. They are not intended as a diagnostic tool or as a means to determine eligibility for social benefits.

[8] Respondents were asked what the total average monthly income of their HH was, between November 2024 and the time of interview, including all sources such as employment, state support, pensions, or any other forms of financial assistance excluding the EVRF compensation.

[9] This was calculated based on the sum of reported bills or expenses for electricity, gas, and any other forms of heating such as solid fuel or central heating. HHs that had bought solid fuel or gas canisters before November 2024 and had no heating or gas expenses were excluded from the calculation as outliers.

[10] UNDP. Report on the welfare impact of energy compensations in Moldova in 2021-2024. February 2025.

[11] In this assessment, HHs were asked "What is the total average monthly income of your household, in Moldovan lei, between November 2024 and now, including all sources such as employment, state support, pensions, or any other forms of financial assistance (excluding EVRF compensation)?". This is taken to be referring to the disposable income of the HH, and used in calculations of financial stress.

[12] Financial stress is calculated based on the percentage of HHs with reported total monthly expenses (sum of HH total average monthly expense for basic needs excluding utility bills between November 2024 and the time of data collection, and the total energy-related bills and expenses for that month) that is higher than the reported HH total average monthly income. This data only includes HHs that reported both their HH income and expenses.

[13] This variable is based on a calculation of the sum of reported HH gas, heating and electricity costs for that month, divided by the sum of this amount with the reported total average monthly expense of the household for basic needs excluding utility bills between November 2024 and the time of data collection, multiplied by 100%.

[14] UNDP. Report on the welfare impact of energy compensations in Moldova in 2021-2024. February 2025.

[15] REACH, Socio-Economic Insights Survey (SEIS) – Situation Overview, December 2024. REACH, 2023 MSNA Situation Overview, February 2024.

[16] UNDP. Report on the welfare impact of energy compensations in Moldova in 2021-2024. February 2025.

[17] REACH, Socio-Economic Insights Survey (SEIS) – Situation Overview, December 2024.

[18] REACH, Socio-Economic Insights Survey (SEIS) – Situation Overview, December 2024.

[19] Only HHs that had been beneficiaries since the first round of distribution of the compensation inDecember were interviewed, to ensure all beneficiary HHs had a similar amount of time to experience the impact of the compensation.

[20] A few HHs reported receiving more than the maximum amount of compensation for December 2024 (1,000 MDL). This is reportedly due either to not having collected the compensation for November until January 2025, or the HH's compensation for November 2024 was reportedly miscalculated and the additional compensation they should have received was provided together with the compensation for December 2024.

[21] REACH, Refugee Intentions Assessment 2024 – Quantitative Data Analysis.

[22] Parliament of the Republic of Moldova. Law No. 241 of 28 July 2022 on the Energy Vulnerability Reduction Fund, amended by LP255 on 15 November 2024, MO477-480/20.11.24 art.643; in force 20 November 2024.

[23] HHs using only solid fuel for heating were removed from this indicator as several did not have any heating expenses for either one or both months

[24] This was calculated based on the share of the total reported bills or expenses for electricity, gas, and any other forms of heating that is covered by the amount of EVRF compensation received.

[25] REACH, Socio-Economic Insights Survey (SEIS) – Situation Overview, December 2024

[26] UNDP. Report on the welfare impact of energy compensations in Moldova in 2021-2024. February 2025.

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