
DEVINPRO Moldova Overview

Press Conference, 19 February, 2010



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DEVINPRO Moldova

- ❑ DEVINPRO was developed by the International Agency for Source Country Information (IASCI - NEXUS)
- ❑ Jointly implemented in Moldova with CIVIS
- ❑ Sponsors: European Commission and UNDP
- ❑ Partners: Agroindbank, Banca de Economii, Centre for Rural Development, Mobiasbanca, Moldinconbank, Romanian Commercial Bank
- ❑ Projects in Albania, Kosovo, Bosnia-Herzegovina, Armenia, and Moldova

Project addresses common market-failure in countries of transition and development

Foundation of this project: Recognition of migrants and their beneficiaries as a distinct market segment

Objectives

- ❑ Link migration, remittances, financial intermediation with sustainable development
- ❑ Support migrants to make the overall migration experience/venture 'more successful'
- ❑ Attract remittances and migrants' transfers towards formal financial intermediation and productive investments in Moldova
- ❑ Promote strategic partnerships between government, civil society actors and formal financial intermediaries
- ❑ Develop and test replicable and durable business models that expand the frontiers of remittance delivery, savings, and investment



Approach

- ❑ Combine market positioning of key financial institutions with knowledge in migration management/development
- ❑ Leverage knowledge of the market-place, regulatory framework, and expertise in retail banking
- ❑ Pilot project encompasses three linked phases:
 - Phase I: comprehensive market analysis of migrant communities
 - Phase II: Develop innovative products and services of relevance to migrants
 - Phase III: Market-test products and services; evaluate impact and develop business model and recommendations to governments



Household Composition in Place of Migration and Moldova

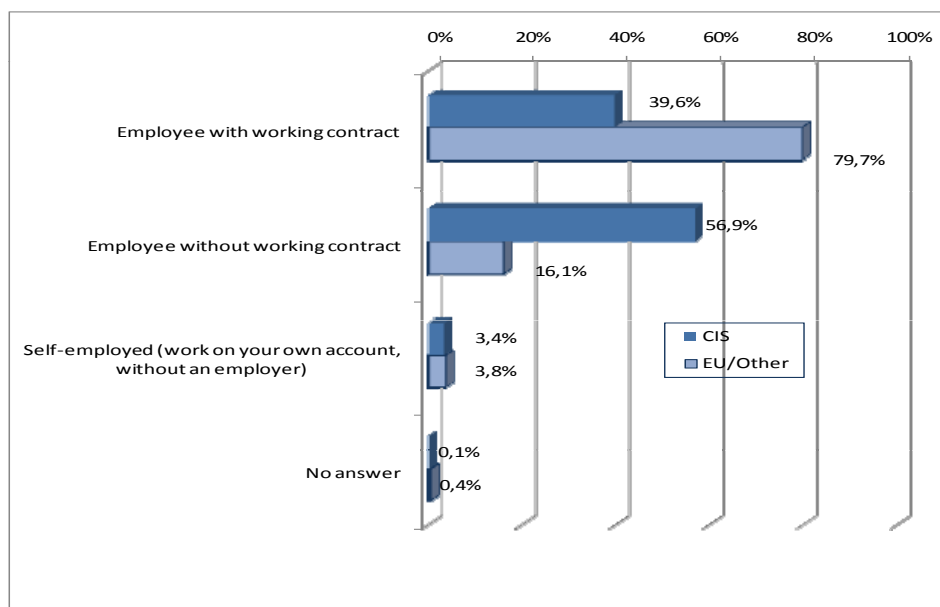
- ❑ - 1.45 Household Members in Place of Migration
- ❑ - 1.9 Household Members in Moldova

- ❑ - 70.5% of Interviewed Moldovan Migrants are married
- ❑ - Only 26.9% of Married Couples are unified in place of migration (*compare + 90-98%*)

- ❑ - 1.28 Income Earners per Household in Migration (*compare 1.87 – 2.10*)

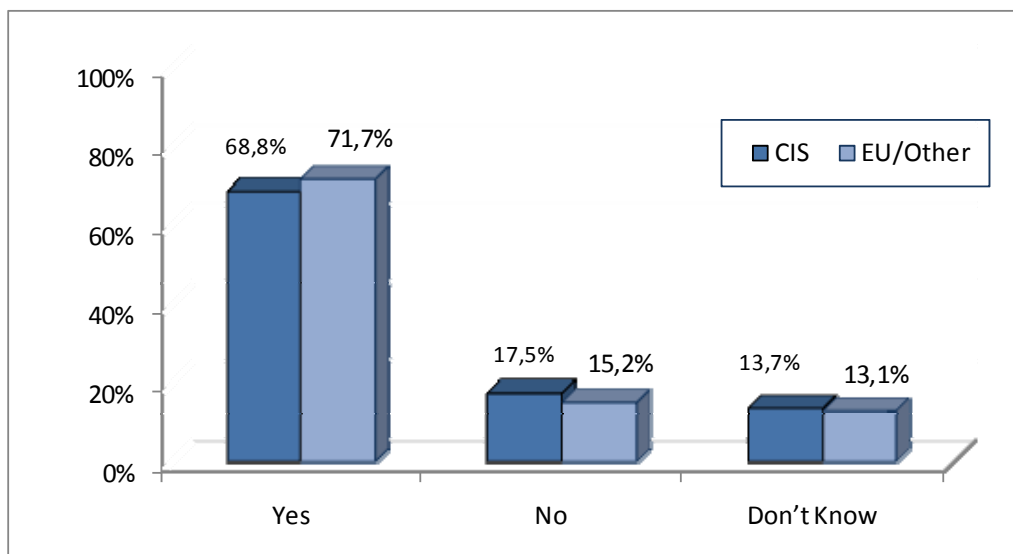
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Primary Source of Income (2009)



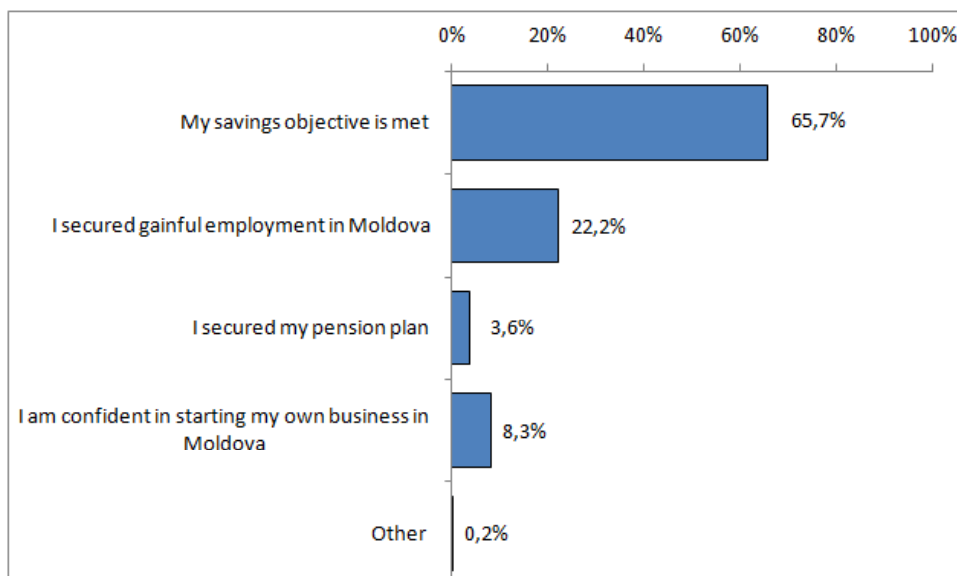
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“Do you plan to return to Moldova (i.e. permanently)?”



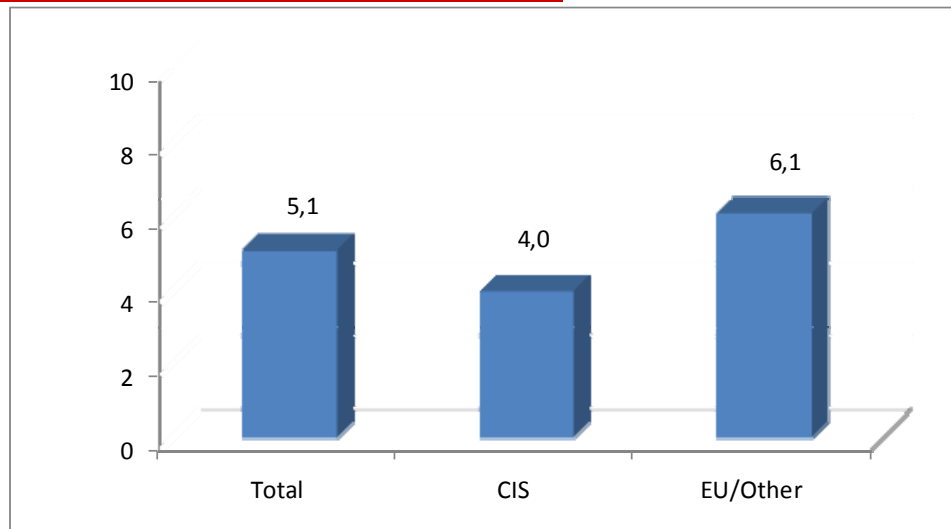
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“Which personal PRIMARY condition has to be met before you will consider returning to Moldova on a permanent basis?”



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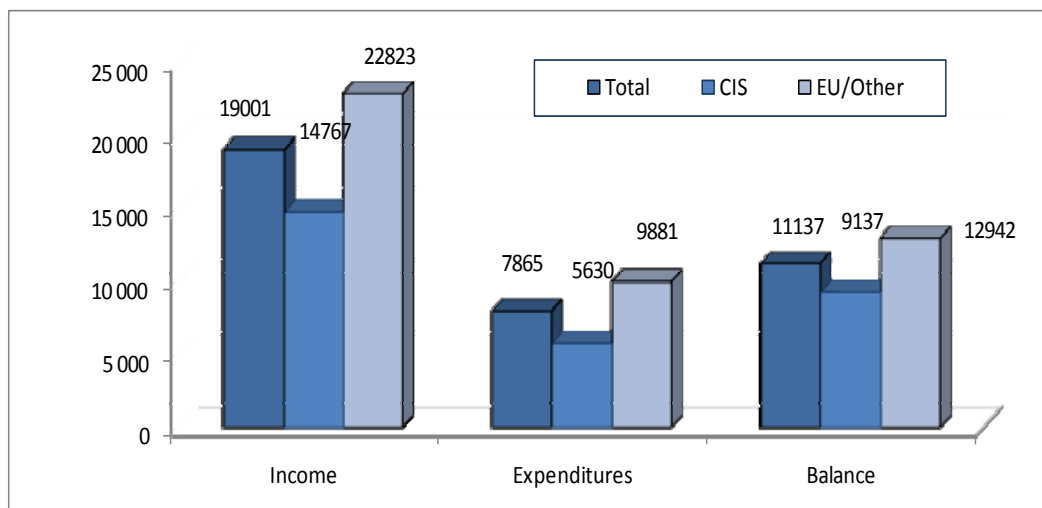
“In how many years do you intend to return permanently to Moldova to live and work?”



•Average number of Years in Migration to date - 7
 •Total number of Years in Migration expected - 12.1
 (compare 12-14.3)

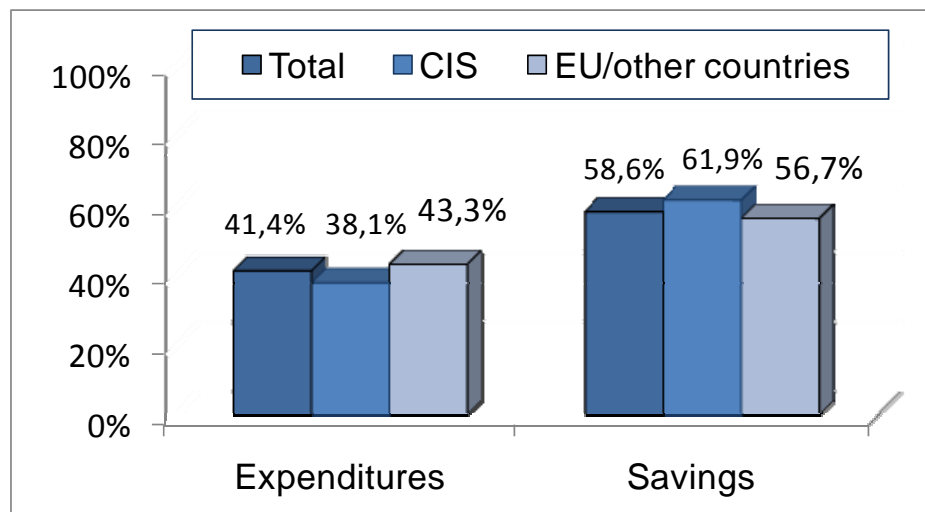
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Average Household Monthly Incomes, Expenditure and Savings (in MDL) (i.e net after taxes and other mandatory payments), by Region



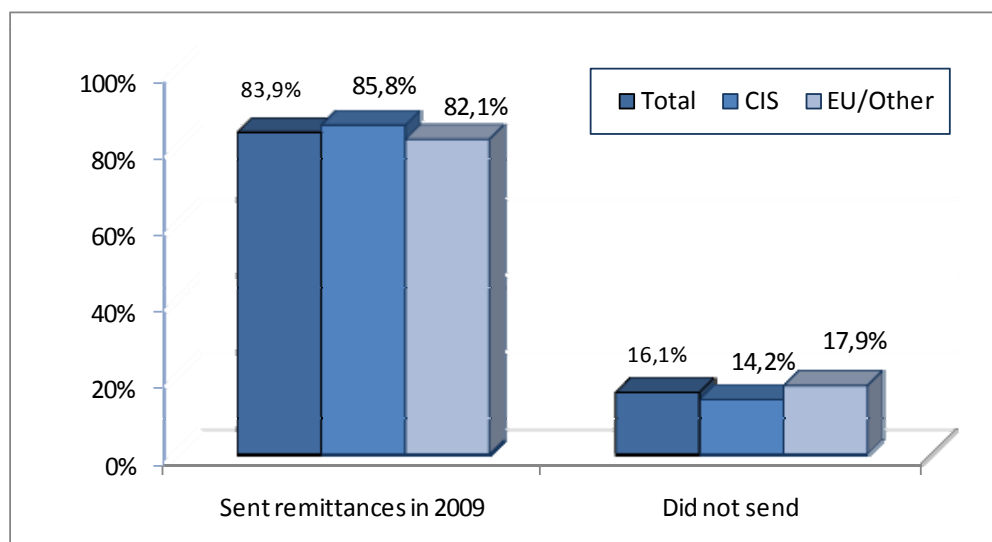
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Share of expenditures and savings out of monthly HH incomes (in MDL) (i.e net after taxes and other mandatory payments), by Region



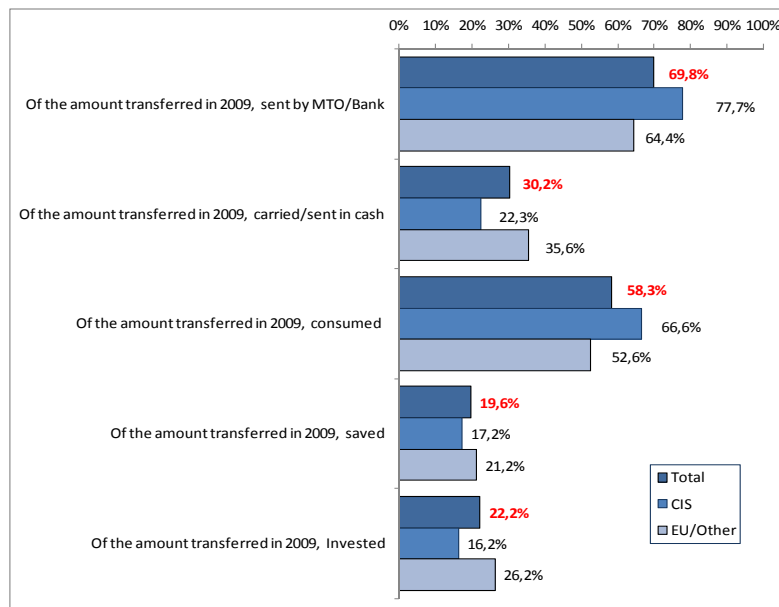
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“Did you or a member of your household in migration transfer money to Moldova in 2009?” (i.e. incl. hand-carry?)



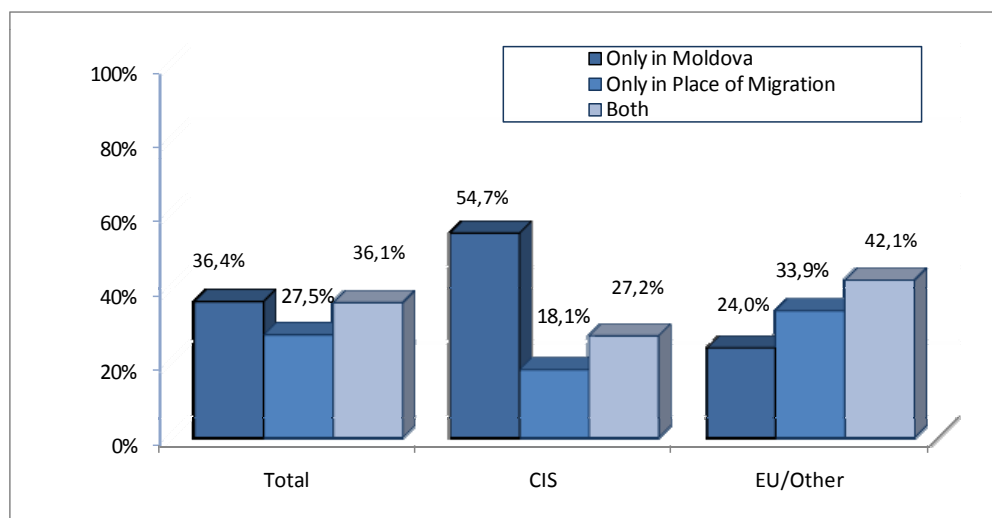
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Estimated Percentage of Transfer Consumed, Saved, Invested

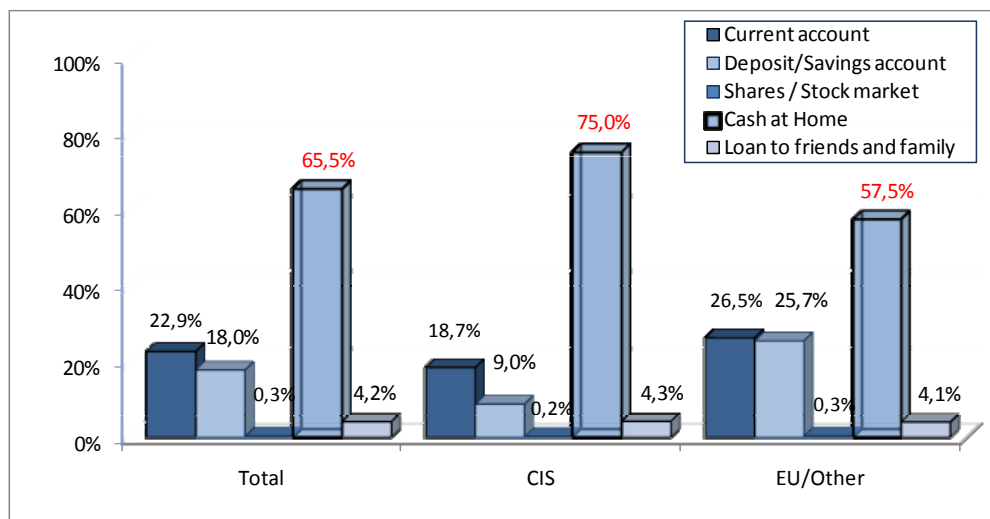


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Where does your HH regularly save money?



In Moldova, you keep your household savings in:



Sample: 1125 respondents who keep savings in Moldova

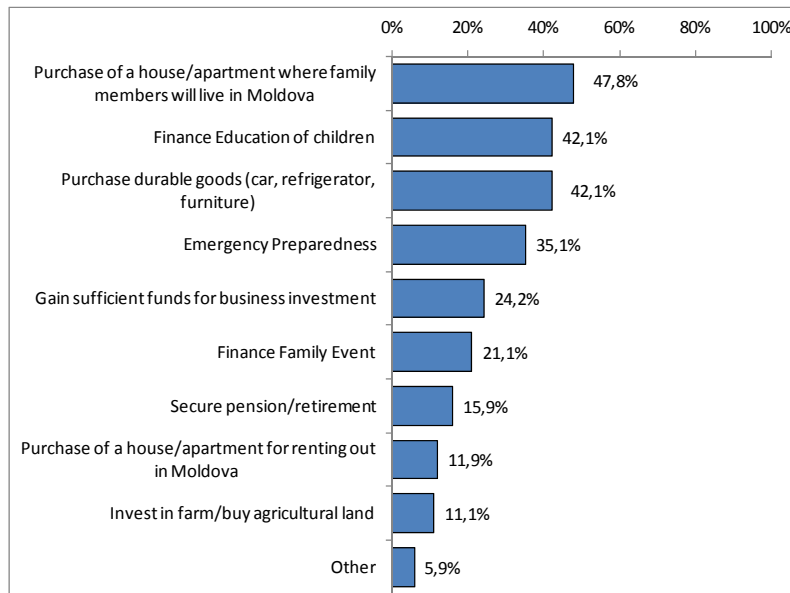
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Share of household savings currently kept in Moldova

Sample: 1552 respondents who save regularly money						
	CIS		EU/Other Countries		Total	
	Freq	%	Freq	%	Freq	%
None	113	18,1%	314	34,0%	427	27,5%
1 to 25%	37	5,9%	177	19,1%	214	13,8%
26 to 50%	46	7,3%	106	11,4%	152	9,8%
51 to 75%	49	7,8%	63	6,8%	112	7,2%
76 to 99%	35	5,6%	31	3,3%	66	4,3%
All	343	54,8%	222	24,0%	565	36,4%
DK/NA	3	0,5%	13	1,4%	16	1,0%

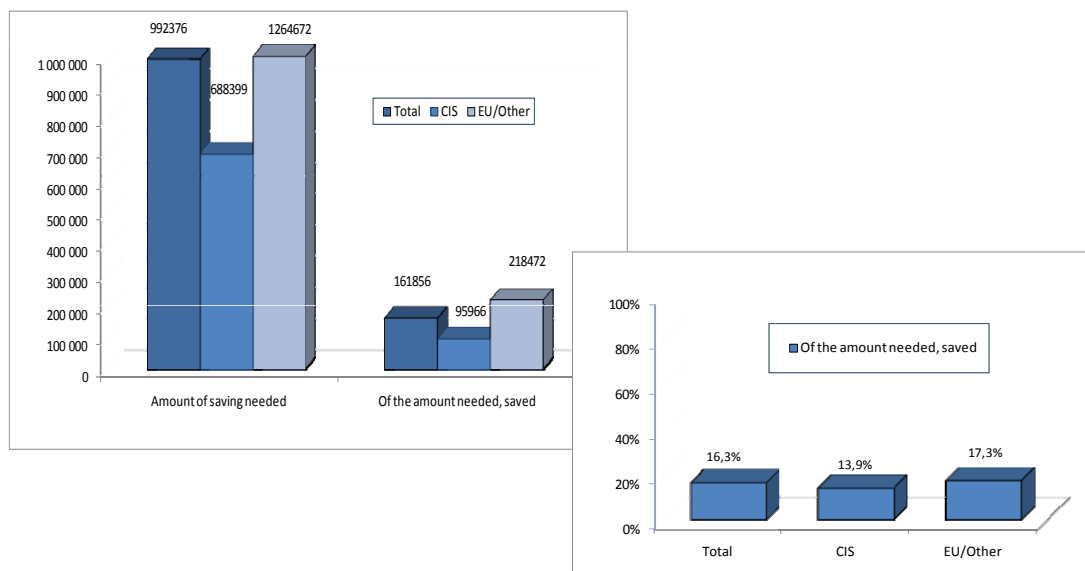
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Top three savings objectives to be achieved during period of migration



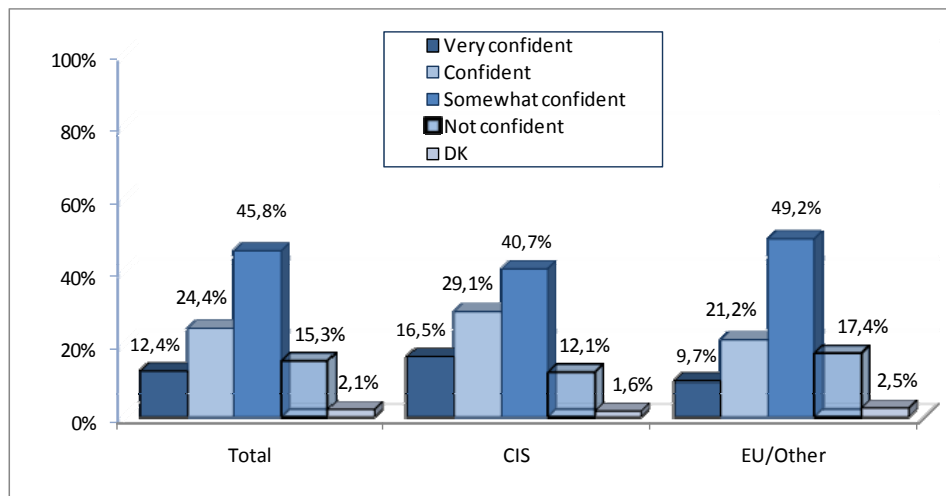
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Estimated amount of money needed to meet above savings objectives



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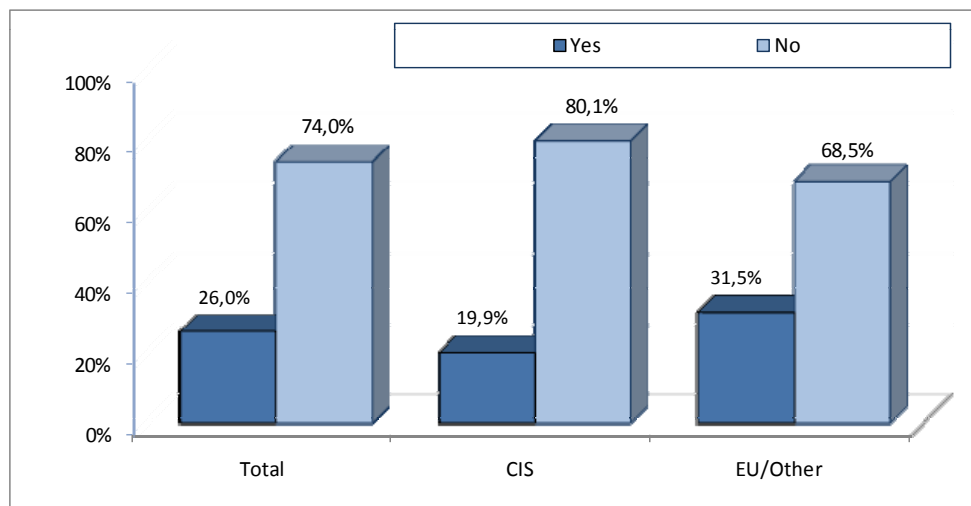
How confident are you in reaching your savings objectives?



Sample: 1552 respondents who save regularly money

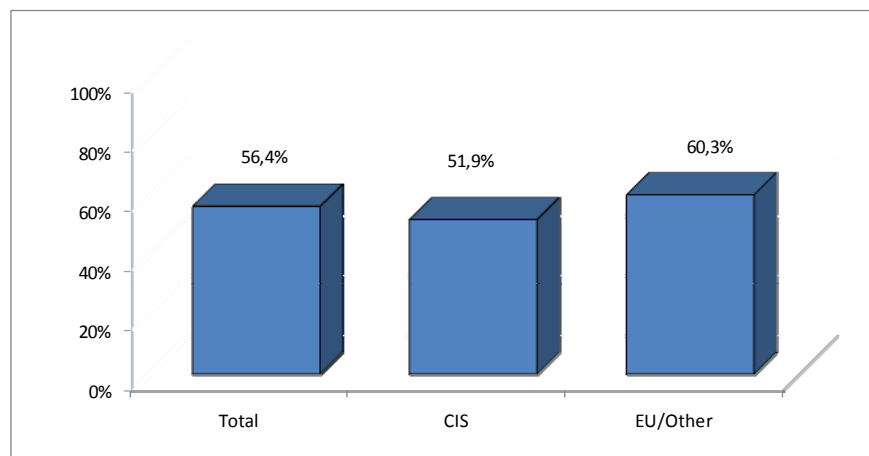
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Have invested in or provided credit to a business enterprise in Moldova in the past



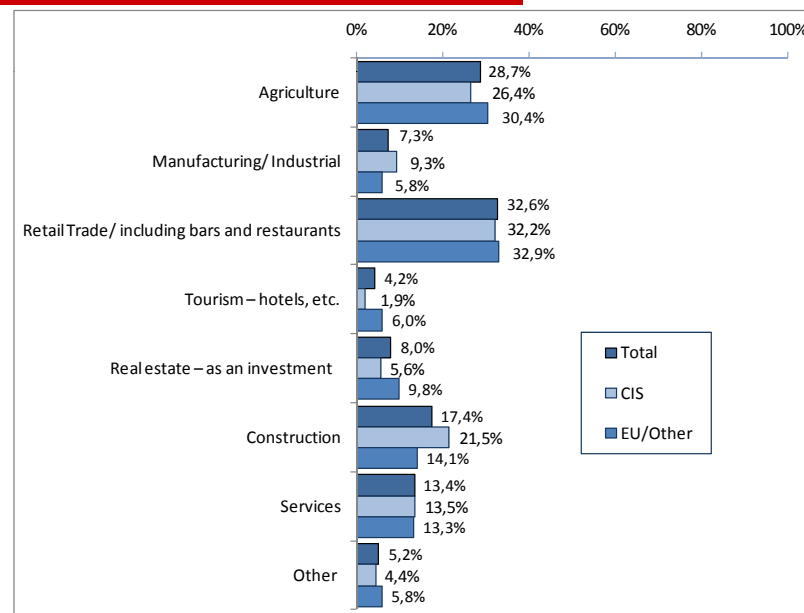
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Positive interest in initiating or expanding an investment in a business enterprise (future) (including real estate) in Moldova



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Sectors of Investment interest (future) in Moldova



Sample: 1308 respondents who plan to invest

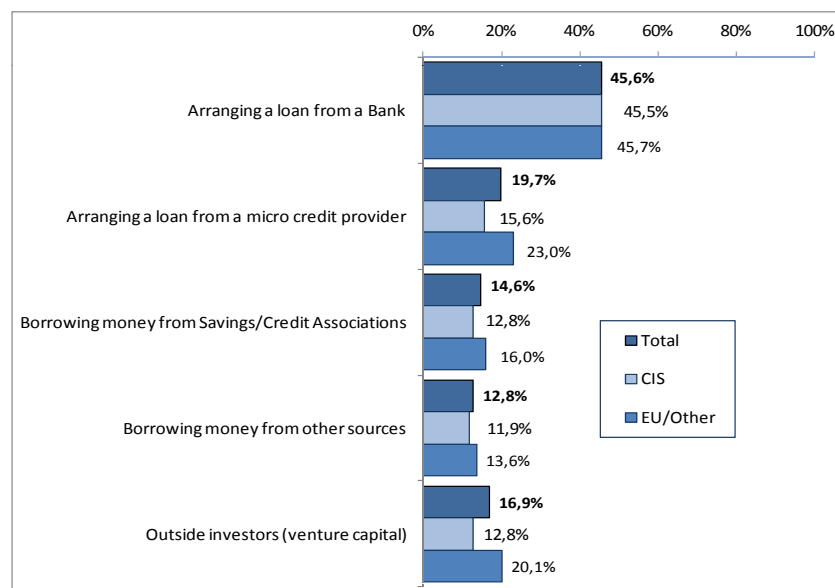
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Sectors of investment interest in Moldova - % change in past and future

Sector	% Change
Agriculture	- 9.5
Manufacturing/Industrial	+ 0.7
Retail Trade/ including bars and restaurants	+ 4.3
Tourism – hotels, etc.	+ 1.4
Real estate – as an investment	- 2.8
Construction	+ 0.1
Services	+ 5.6
Other	+ 2.6

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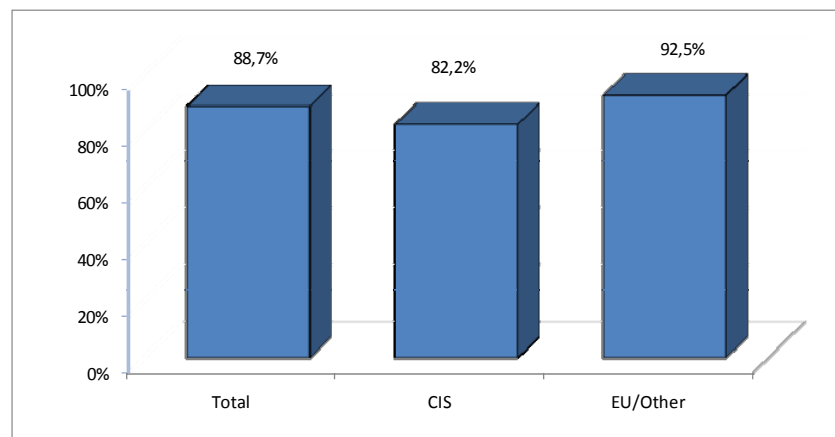
Plan to supplement investment(s) through other means, such as:



Sample: 1308 respondents who plan to invest

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Skills and experience obtained during migration influenced investment interest



Sample: 604 respondents who invested in business in Moldova

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Key Financial Characteristics

	Moldova	BiH	Albania
~ Monthly HH Income:	1,224 (1.28)	2,525 (2.10)	2,300 (1.87)
~ Monthly Expenditures:	507	1,758	1,477
~ Monthly Saving Rate:	717	767	855
~ HH Remittance Value:	2,382 - 3,671	3,686	1,664
~ Annual Savings Rate: * (Propensity to Save)	4,933 - 6,222 (34 - 42%)	9,210 (20%)	10,236 (38%)
Savings Abroad: *	601 M +	3,920 M	€ 3,463 M
Remittances: *	448 M +	1,759 M	€ 672 M
Savings/Remittances Factor:	1.45-2.99	2.2	5.2

* # HH Moldova: 122,000 # HH BiH: 480,000 # HH Albania: 404,000

Disclaimer

Prezentarea este realizată în cadrul proiectului „DEVINPRO Moldova 2009/2010”. Proiectul este implementat în parteneriat de Centrul de Analiză și Investigații Sociologice, Politologice și Psihologice CIVIS din Republica Moldova și International Agency for Source Country Information din Austria.



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