

Illegal trade in cigarettes in the Republic of Moldova increases by 4.5 p.p. up to 11.9%

Illegal trade in cigarettes in the Republic of Moldova increased by 4.5 p.p. compared to the second half of 2022, from 7.4% to 11.9%, reveals the data of the IPSOS study, carried out in March-April 2023.

The results of the study show an increase in the black market of cigarettes in all regions of the country. The largest increase was recorded in the Centre region, where the illegal trade in tobacco products tripled, reaching 10.4%, in the North region it increased from 12% to 18.5%, and in the South – from 10.1% to 12.1%.

A considerable increase in the black market was registered in the regions located at the border with Romania, from 9% to 19.4%. The illicit market of tobacco products in the regions near the border with Ukraine reached 19.1% from 14.4%.

The main source of illegal trade is filter and non-filter cigarettes of unknown origin or that do not comply with the national legislation. The share of these products doubled, reaching 6.7%. The share of cigarettes without an excise stamp or "illicit whites" reached 3.3%. Duty-free origin cigarettes have a share of 1.4%. Share of cigarettes intended for sale in countries other than Moldova ("non-domestic duty-paid") remained almost-stable – 0.5%.

The average purchase price of illicit cigarettes is 25.6 lei for a pack, while the average price of a pack of legally traded cigarettes is 40.4 lei.

The study carried out by IPSOS also shows that grocery stores remain the main channel for purchasing illegal products with a share of 67.7%. At the same time, minimarkets have become a less popular source of illegal trade. In kiosks selling tobacco products, the share of illicit cigarettes increased from 2.8% to 6.9%, and in open markets reached 7%.

The study was carried out by IPSOS, one of the largest market research companies in the world, in March - April 2023. The previous study was carried out in September - October 2022. The research methodology is face-to-face in-home. A total of 1,550 adult smokers aged between 19 and 64, from rural and urban areas of the country, excluding the Transnistrian region, were surveyed. The study was commissioned by the main international tobacco companies on Moldovan market– JTI and PMI.