



UKRAINE  
FOOD SECURITY  
& LIVELIHOODS CLUSTER

## UKRAINE EMERGENCY LIVELIHOOD RESPONSE: SCOPE OF ACTIVITIES

The Food Security and Livelihoods Cluster present here an established conceptual framework and list of key nonagricultural (urban and off-farm) activities with which Food Security and Livelihoods (FSL) partners might further engage and expand their portfolio of emergency livelihood responses under the FSL cluster.



Yurii Minchenko and his father Viacheslav had a small family business in Novoselivka village near Chernihiv. It was a car repair station, a store, a cafe, and their family home. During the defense of Chernihiv, everything was destroyed by Russian forces.

Photo: ZOA, Ukraine

The Russian invasion of 2022 has had an enormous impact across Ukraine and on the lives and livelihoods of the whole population. The economic consequences and military destruction have disrupted livelihoods, created mass migration, and resulted in a shrinkage in the national and local economies as well as rapid increases in unemployment and poverty levels.<sup>1</sup> We present here an established conceptual framework and list of key nonagricultural (urban and off-farm) activities with which Food Security & Livelihoods (FSL) partners might further engage and expand their portfolio of emergency livelihood responses under the FSL cluster.

## DEFINITIONS OF KEY TERMS

What is livelihood?	What are livelihoods and emergency programming?	What is resilience and what does it mean?
Livelihood refers to the means by which individuals and communities secure their daily needs and well-being. It encompasses a wide range of activities, resources, and assets, and can vary greatly depending on the context. Livelihoods are essential for economic growth, social development, and the overall quality of life. <sup>2</sup>	Livelihood support programs in emergencies encompass a range of interventions aimed at protecting people's capabilities and assets and supporting their livelihood activities. These programs contribute to the resilience and recovery of affected populations. <sup>3</sup>	According to the UN Development Programme (UNDP), resilience is a transformative process of strengthening the capacity of people, communities, and countries to anticipate, manage, recover, and transform from shocks. At an individual level, resilience refers to a positive adaptation or the ability to recover when experiencing adversity. Each person's life and its development as well as social-cultural contexts contain factors shaping the development of resilience. <sup>4</sup>

A livelihood emergency represents a critical situation in which individuals or communities face a severe disruption or loss of their means of earning a sustainable income. The consequences of such emergencies are far-reaching, impacting basic needs and overall well-being.<sup>5</sup>

Efforts to mitigate the effects of livelihood emergencies require immediate relief measures (e.g., multipurpose cash assistance (MPCA), crops and vegetable kits) and long-term strategies to rebuild livelihoods and enhance resilience.<sup>6</sup> By addressing the root causes and providing support to affected populations, it is possible to alleviate the long-lasting impacts of livelihood emergencies and promote sustainable development. The development of livelihood opportunities can have a knock-on and sometimes multiplier effect on the affected population and communities.<sup>7</sup> The war-affected population has suffered direct losses of their human, physical, natural, financial, and social assets through natural disaster or conflict. They have the right to protect, recover, improve,

<sup>1</sup> <https://www.worldbank.org/en/events/2022/12/06/local-and-global-economic-impacts-of-the-war-in-ukraine>.

<sup>2</sup> <https://www.cmtoolkit.org/chapter/livelihoods/introduction>.

<sup>3</sup> <https://www.slideserve.com/ranger/save-lives-and-save-or-restore-livelihoods>.

<sup>4</sup> <https://www.cmtoolkit.org/chapter/livelihoods/introduction>.

<sup>5</sup> [https://www.crs.org/sites/default/files/tools-research/guidance\\_livelihoods\\_april\\_30\\_lo\\_res.pdf](https://www.crs.org/sites/default/files/tools-research/guidance_livelihoods_april_30_lo_res.pdf).

<sup>6</sup> <https://emergencymanual.iom.int/cash-based-interventions-cbi>.

<sup>7</sup> <https://www.un.org/development/desa/dspd/2021/05/social-protection-in-rural-areas/>.

and develop their livelihoods. Livelihoods contribute to food security, prevent dependency, reduce vulnerability, enhance self-reliance, and can develop or build a set of specific skills during displacement.<sup>8</sup> However, we need to combat protection risks related to alcohol, unemployment, and substance abuse, and cases of gender-based violence (GBV). Table one shows the types of emergency livelihoods interventions.

Table 1: Type of livelihood interventions<sup>9</sup>

Planning and designing interventions that support livelihoods in emergency	Interventions can be divided into three groups.
<p><b><i>Interventions to support livelihoods can have three objectives:</i></b></p> <ul style="list-style-type: none"> <li>• <b><i>Livelihood provision, the supply of basic immediate needs;</i></b></li> <li>• <b><i>Livelihood protection, preventing the sale of assets and facilitating the recovery of lost assets;</i></b></li> <li>• <b><i>Livelihood promotion, strengthening institutions and skills, and advocating for policy change that supports livelihoods.</i></b></li> </ul>	<ul style="list-style-type: none"> <li>• <i>Income and employment (food for work, cash for work, cash grants, microfinance, income-generating activities);</i></li> <li>• <i>Production support (crop production support, livestock support, fishing support);</i></li> <li>• <i>Market support (commodity vouchers, cash vouchers, monetization and subsidized sales, market infrastructure and access).</i></li> </ul>

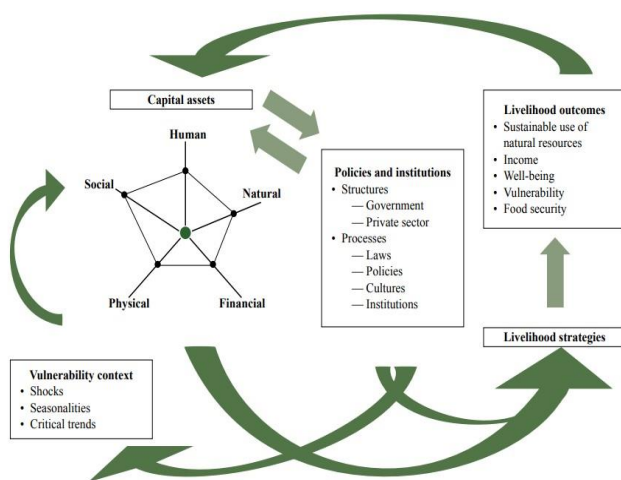
Urban and off-farm (nonagricultural) livelihood activities that could be implemented by partners in Ukraine during emergencies are crucial for the affected population to regain stability and self-sufficiency. These activities aim to provide alternative sources of income and employment opportunities for individuals and communities impacted by the crisis. The nonagricultural livelihood response interventions in Ukraine should be designed to address the diverse needs of the affected population. Nonagricultural livelihood support to the affected population will promote economic empowerment and self-sufficiency. Sustainable livelihood initiatives contribute to the overall resilience and recovery of Ukraine’s population.



<sup>8</sup> <https://www.cmtoolkit.org/chapter/livelihoods/introduction>.

<sup>9</sup> <https://www.slideserve.com/ranger/save-lives-and-save-or-restore-livelihoods>.

Using the sustainable livelihoods framework (see Figure 1) consider:



- The capital assets at household and community level in terms of targeting and understanding the opportunities and gaps/ needs to be addressed;
- The seasonality, shocks/stressors/vulnerability/ trends (macroeconomic and conflict), and inequalities affecting different population groups (poverty, vulnerability, food insecurity, etc.);
- The policies, key institutions, and processes (PIPs) at play at macro, meso, and micro level affecting livelihoods.

Figure 1. Sustainable livelihoods framework

This interplay determines the livelihood strategies that can be employed and the possible livelihood outcomes that can hopefully minimize people's, communities', businesses' (including farms) vulnerability/risks while building their capital assets and, when required, advocating for and changing PIPs.<sup>10</sup>

***Below is a list of nonagricultural livelihood activities commonly carried out by partners during an emergency:***

## **BUSINESS GRANTS AND SUPPORT**

1. **Self-employed and private enterprise business grant support:** Partners provide support to micro and small businesses affected by the crisis, offering access to grants. This helps entrepreneurs restart their businesses or establish new ones, contributing to local economic recovery. Small businesses require the support of grant schemes to enable beneficiaries to access capital, purchase equipment, and invest in income-generating activities. In their further development, partners can examine advanced programming like loan schemes and blended financing. Grants can be conditional on sustaining and/or expanding employment opportunities for vulnerable members of the targeted communities. Moreover, partners are further encouraged to train businesses, not only on how to prepare business grant applications but also to provide wider management training.

2. **Financial literacy and business management training:** Partners conduct financial literacy and business management training to equip the affected population with the knowledge and skills necessary for effective business planning, budgeting, accessing loans and grants, and financial decision-making. These initiatives help the vulnerable population establish and expand their

<sup>10</sup> <https://www.adb.org/sites/default/files/publication/27638/sustainable-livelihoods-approach.pdf>.

businesses, fostering entrepreneurship and economic growth. This is more advanced than the “entrepreneurship and business development training” outlined below.

**3. Entrepreneurship and business development training:** Partners offer entrepreneurship and business development training to individuals who aspire to start their own businesses. This training equips the affected population with the necessary knowledge and skills to develop business plans, manage finances, and market their products or services.

**4. Market support and linkages:** Partners facilitate market support and linkages for local producers and entrepreneurs, connecting them with potential buyers and markets. This helps individuals and communities access wider markets, increase their income, and enhance their economic resilience.

Partners implement market-based interventions to stimulate local economies and promote resilience. These interventions may include cash-for-work programs, value chain development, and market linkages, which enhance income opportunities for communities.

## TRAINING/EDUCATION

**5. Technical and vocational education and training (TVET):** Partners work in collaboration with local institutions to establish and enhance technical and vocational education and training centers to equip individuals with skills that are in demand in their local communities. These centers provide specialized skills training in fields such as mechanics, construction, plumbing (skilled people specialize in the installation, maintenance, and repair of plumbing systems), electronics, welding, and hospitality, enhancing employability. Women’s roles are changing in the agricultural sector, and there is a need to train women on use of tractors and other equipment to fill the gap. Further, by working with institutions, trainees can access recognized certification and accreditation.

**6. Skill enhancement events:** Partners can organize workshops, seminars, and short-term training sessions to develop soft skills and capacities of the vulnerable population. These programs can focus on enhancing soft skills such as CV writing, identifying training courses, communication, leadership, and problem-solving, as well as technical skills relevant to various industries.

**7. Digital and information technology training:** Partners recognize the importance of digital skills in today's job market. Partners can offer training programs focused on digital literacy, computer skills, and information technology. These initiatives empower individuals to access online job opportunities and enhance their employability in various sectors. Partners can also provide a common space that provides the affected population with access to computers in order to browse online, search for jobs, etc.

## EMPLOYMENT OPPORTUNITIES/JOB CREATION

**8. Job placement and career counseling:** Partners provide job placement services and career counseling to help individuals find employment opportunities suitable to their skills and interests. This includes resume building, interview preparation, and networking support. Partners can

further work in collaboration with government organizations, such as the State Employment Service, to facilitate job placement.

There are successes with job placement and career counseling programs in Ukraine, but achievements are still at a small scale. The key issues have to do with scaling up of the response.

**9. Job fairs and employment events:** Partners can organize job fairs and employment events to connect job seekers affected by war with potential employers. These events provide opportunities for networking, interviews, and on-the-spot hiring.

## SECTORAL CASH

**10. Temporary employment programs:** Partners implement temporary employment programs for displaced individuals and community members. This involves engaging individuals in activities such as cleaning, temporary repair, construction, and temporary infrastructure rehabilitation, thereby injecting cash into the local economy.

**11. Livelihood diversification initiatives:** These initiatives promote livelihood diversification strategies to reduce the vulnerability of affected communities. This includes supporting the development of alternative income-generating activities, such as beekeeping, mushroom cultivation, and driving, etc. By implementing these nonagricultural livelihood activities, partners in Ukraine can play a vital role in supporting the affected population during emergencies, helping them recover economically and rebuild their lives.

Ukraine imposes taxation on cash grants. Cash grants, which are nonrepayable funds provided by the government or other organizations, are subject to income and military tax. This currently applies to grants from nongovernmental organizations (NGOs). The income tax rate is 18%. In addition, a military tax (1.5% of grants) is a separate tax imposed on individuals subject to all who receive grants. It is important for individuals receiving cash grants to pay the 19.5%, including the military tax, in compliance with Ukrainian tax laws. Failure to do so may result in penalties and legal consequences.

## PROGRAMS FOR WOMEN

**12. Women empowerment programs:** Recognizing the importance of gender equality and women's empowerment, several projects were implemented in Ukraine to support women in starting their own businesses or improving existing enterprises. These initiatives aimed to enhance women's economic independence and create a more inclusive society.

## SCOPE OF SUPPORT

These nonagricultural livelihood activities implemented by partners are crucial for restoring economic stability, promoting self-reliance, and ensuring long-term recovery for affected communities. In the case of emergency grants, the cost typically ranges from 1,000 USD to 5,000 USD. The specific amount allocated for emergency grants depends on the severity of the effect of the crisis on the affected population, as well as the available funding resources.

For micro and small businesses affected by emergencies, the cost range for financial assistance can also vary widely. Food Security & Livelihoods Cluster (FSLC) partners, governments, and financial institutions may offer loans, grants, or other forms of support to help businesses recover and rebuild. The amount granted to small businesses depends on factors such as the size of the business and its financial needs. In some cases, small businesses might receive a one-time grant to cover immediate expenses, while in other cases, they might be eligible for long-term financial assistance or low-interest loans to aid in their recovery. Different partners have different policies and funding mechanisms in place but to ensure consistency and adherence to the do-no-harm principles, the cluster will develop other guidelines in consultation with the partners to draw up a list of activities and cost. Additionally, the FSLC realizes that the availability and accessibility of emergency funding can vary depending on the oblast, local infrastructure, and the capacity of partners to respond to need. It is important that partners increase their capacity to respond to the livelihood needs of the affected population.

Photo: ZOA, Ukraine

Now Yuriy (son) has bought a small garage and is starting from scratch. He bought a vehicle lift with ZOA grant of 3000 euros.



## TARGET POPULATION

It is crucial for partners to assess the specific needs and circumstances of the affected population to determine the appropriate amount of financial support required for grants and small

businesses. The below list provides key areas to consider when targeting the vulnerable populations:

- As humanitarian agencies, prioritize the poor, vulnerable and the most in need;
- Consider the risk factors, business owners' experience, education, and skill levels to maximize the chances of success; and
- A balance needs to be struck to ensure businesses succeed so as to deliver wider benefits to the workforce, customers, clients, and business owners and their immediate family (i.e., direct and indirect beneficiaries of the affected population).

## **NEEDS ASSESSMENT/PARTICIPATORY ASSESSMENT**

Partners need to seek evidence-based programming by conducting diagnostic needs assessment so as to monitor the impact of the project, and should refer to the MERS and MISMA.<sup>11</sup> Below are list of what should be consider when conducting a needs assessment:

- Assess skills that would potentially be most useful to the affected population and would contribute to their livelihood and food security;
- Assess the existing economic relations and trade, and goods and labor flows;
- Assess the local demand and supply and financial institutions;
- Look at their social stratification and level of vulnerability (conduct wealth ranking exercises);
- Review previous and present livelihood coping strategies;
- Review the priorities of diverse groups with different roles and social statuses;
- Consider the available resources (capital assets, e.g., human, natural, financial);
- Assess the household income and expenditure patterns and sources of cash and food;
- Consider the potentially negative social, economic, and environmental impacts;
- Consider the political and social impacts of activities on the local community, especially the labor market and for those wanting to support cash for work (CfW) activities, sale of firewood, etc.

## **CONTRIBUTING PARTNERS:**



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<sup>11</sup> Minimum Standard for Market Analysis (<https://spherestandards.org/wp-content/uploads/MISMA-EN.pdf>) and [Minimum Economic Recovery Standards \(https://seepnetwork.org/MERS\)](https://seepnetwork.org/MERS).