



UKRAINE

# FOOD SECURITY & LIVELIHOODS CLUSTER

*Strengthening Humanitarian Response*

## Joint Food Security Assessment, September 2017: *Main findings*



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## MAIN FINDINGS.

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- **Increased food insecurity levels in NGCA:** as many as 26% (up from 13%<sup>1</sup>) or up to 800,000 people in Donetska and Luhanska NGCA were found to be severely or moderately food insecure with 5,2% (up from 1.7%) or 150,000 people among those being severely food insecure.
- **Increased food insecurity levels in GCA:** the levels of food insecurity have increased to 15% in Donetska GCA (up from 6%<sup>2</sup>) and 14% in Luhanska GCA (up from 10%) or up to 410,000 people were found to be food insecure in GCA. Among them 0,9% or up to 26,000 people were found to be severely food insecure.
- **The share of the population with poor and borderline levels of food consumption** has increased to 17.8% (up from 7.3%) in GCA and 20,8% (up from 15.2%) among the general population in NGCA.
- **Food Expenditure** has reduced overall, mainly to reflect the increased cost of utilities, which has negatively impacted food consumption of some vulnerable groups.<sup>3</sup>
- **The application of Negative Coping Strategies** has increased to 87% in **NGCA** (up from 40%), while in **GCA** 53% are applying negative coping strategies (down from 55%).
- The FSA indicates a **direct link between food insecurity and unemployment** – in GCA, the food insecurity levels of HHs where no one is working is 21% (compared to 8% in HHs with one or more employed). In Luhanska NGCA, 32% of HHs, where no one is working, are food insecure (compared to 20% in HHs with one or more employed) whereas in Donetska NGCA this figure is 45% (compared to 22%)
- FSA analysis of the main indicators (food consumption score, livelihood coping strategies and food security index) shows that the **most vulnerable groups** remain single headed HHs with children, elders (60+) (mostly those living alone), households with no active employment as well as female-headed HHs.

## BACKGROUND:

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The joint Food Security Assessment (FSA) was conducted in accordance with the Food Security and Livelihoods Cluster (FSLC) Assessment Framework, which was endorsed by the FSLC Strategic Advisory Group in March 2017. The planning and design stage of the FSA was initiated and led by the FSLC Technical Working Group and the FSA was undertaken jointly with **FSLC coordination by ACF, ADRA, CARITAS, DORCAS, FAO, NRC, PIN and WFP** (working through Kyiv International Institute of Sociology / KIIS).<sup>4</sup> The FSA main stages included: sample design and sampling; design of the questionnaire and accompanying tools; pre-test; selection and training of enumerators; field stage; interviewers' work control; coding and data processing.<sup>5</sup>

## HOUSEHOLD INTERVIEWS:

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The joint cluster FSA covers both Government controlled areas (**GCA**) covering **Luhanska and Donetska oblasts** (778 face to face household (HH) interviews were undertaken during June 2017 by ACF, ADRA, CARITAS, DORCAS, FAO, NRC, PIN, WFP) and non-government controlled areas (**NGCA**) **Luhanska and Donetska oblasts** (1,909 interviews through phone interviews carried out by WFP through KIIS in May-

<sup>1</sup> 13% as per MSNA on NGCA - data collected on August-September period, 2016.

<sup>2</sup> 6% as per 2016 IAVA on GCA - data collected on June-July period, 2016.

<sup>3</sup> The average percentage share of food expenditure among the population in GCA is estimated as 47% (down from 53%) and NGCA 59% (down from 64%). However, 58% in GCA and 45% in NGCA indicated a reduction of expenditure for food and medicines to pay utilities during the last 12 months. Please see Share of Food Expenditure section.

<sup>4</sup> All TWG meeting minutes are available on <http://fscluster.org/ukraine>. Enumerators received training on 30 May in Slovyansk from WFP VAM and KIIS on the HH questionnaire, sample procedures and HHs' selection process.

<sup>5</sup> As information on IDPs was not considered in the sample design, it is not statistically correct (in terms of representativeness) to undertake analysis on IDPs as special category.

June, 2017).<sup>6</sup> KIIS (with FSA partners observations) undertook seven Focus Group Discussions (FGDs) and 32 Key Informants Interviews (KIIs) during July, 2017.

## DATA ANALYSIS:

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The data analysis was completed by the FSA Analytical Technical Working Group, which includes Caritas Head of M&E, REACH Assessment Officer, WFP VAM Officer, FSLC IMO and KIIS analytical expert.

## FOOD SECURITY ASSESSMENT METHODOLOGY:

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This joint FSA was carried out to determine food insecurity levels using WFP's household-level food security classification (CARI Approach).<sup>7</sup>

The **CARI methodology** was also used when analyzing the 2016 Inter-Agency Vulnerability Assessment (GCA) and Multi-Sector Sectoral Needs Assessment (NGCA) and is thus **comparable** with these findings – similarly, the questionnaire design is comparable.<sup>8</sup>

This report refers to the analysis of the 2016 IAVA (GCA) and MSNA (NGCA) when comparing FSA findings to previous findings.

## FOOD CONSUMPTION SCORE (FCS):

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The share of people with poor and borderline food consumption is estimated at 17.8% (up from 7.3%) in **GCA** and 20,8% (up from 15.2%) among the general population in **NGCA**. Donetska NGCA has the highest level of poor and borderline up to 22.9% (was 15,6%).<sup>9</sup>

It is estimated that 21% of female-headed HHs have poor and borderline levels of food consumption (up from 13%) and therefore continue to be more vulnerable than male-headed HHs at 14% (up from 4%) in GCA. In NGCA, these figures are 25% (up from 19%) for female-headed HHs compared to 15% (up from 9%) for male-headed HHs. HHs headed by Elders (60+) were found to be more vulnerable with an average of 25% in GCA (up from 18%) and 32% in NGCA (up from 23%) having poor and borderline food consumption.

There is a high proportion of HHs with a poor level of food consumption at 5,1% in GCA and 7,6% in NGCA. During the last 12 months, 58% in GCA and 45% in NGCA indicated a reduction of expenditure for food and medicines in order to pay utilities. Those who reported a reduction of expenditure on food and medicines in order to pay for utilities has twice as high inadequate food consumption levels when compared to those who did not reduce their food and medicine expenditure in NGCA (15% compared 28%) – in GCA (9% compared to 24%) this number is even higher.

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<sup>6</sup> The FSA surveyed 2,677 households in the Donetska and Luhanska Oblasts; 1909 in the NGCA and 768 in the GCA. Of these, 8.7% were IDPs in GCA, and 7.3% in NGCA. Most IDP households are registered, 89.5% in the GCA and 79.7% in the NGCA. Respondents were primarily female in both regions.

<sup>7</sup> The “Consolidated Approach for Reporting Indicators” of Food Security (CARI) is WFP’s corporate methodology to determine overall prevalence of food insecurity. These indicators are used to assess the food security: **Food Security Index** (FSI) with defined ranges classifying HHs into food security levels, **Food Consumption Score** (FCS), **Livelihood Coping Strategy Index** (LCSI), **food expenditure indicators** etc. Global experience of food security research and studies with the use of this methodology in Ukraine confirms the correctness, appropriateness and effectiveness of the use of these indices for the food security and vulnerability assessment.

<sup>8</sup> Please refer to the “FSLC Main Findings Food Security Analysis - February 2017”: <http://fscluster.org/ukraine>. Multi-Sectoral Sector Needs Assessment (MSNA) in NGCA refers to data collected on August-September, 2016 and data for the Inter-Agency Vulnerability Assessment (IAVA) in GCA was collected on June-July, 2016.

<sup>9</sup> In rural areas, people are found to have better food consumption although the general level of food insecurity is similar to urban areas. Comparably to rural and small urban settlements, food insecurity is higher in settlements with more than 100 thousand of people.

Over the past year, 41% in GCA and 69% in NGCA of interviewed HHs experienced situations where they ate only a few types of food due of a lack of money and / or other resources to obtain food. This was confirmed during focus group discussions.<sup>10</sup>

Cash (markets) and own household level production are the main sources of food in Donbas: the average in GCA is 88% from cash and 10% from own production whereas in NGCA the average is 84% from cash and 11% from own production. Analysis shows that, as in 2016,<sup>11</sup> the highest share of own production is still represented by roots, vegetables and fruits and there is a lower consumption of pulses compared to other commodities.<sup>12</sup> Cereals, sugar and oil are most commonly commodities distributed by aid agencies as humanitarian assistance.

### ***Diet Diversity Score:***

In **GCA**, a longitude<sup>13</sup> analysis of the diet diversity score (DDS)<sup>14</sup> found that the situation for groups with a low and good diet diversity has become worse: 14% (up from 3%) of HHs were found to have low dietary diversity,<sup>15</sup> whereas 26% were found to have a good diet diversity score (down from 56%). At the same time, the group with a medium diet diversity have increased from 42% to with 59%.

Moreover, a full 32% of HHs reported that they had not eaten any fruit in the past 7 days (an increase from 13%). For milk, this number was 21% (up from 5%), and for meat and eggs, the number was 12% (up from 5%). This trend could be a concern due to the potential negative impact on Vitamin A and micronutrient intake at HH level.

These levels of diet diversity in GCA have led to increasing levels of poor and borderline food consumption scores (especially poor) – in particular, for HHs with more elderly people, low income HHs or HHs where no one are employed (see above for details).

In **NGCA**, diet diversity overall has worsened.<sup>16</sup> A total of 20% of HHs (an increase from 12%) were found to have a low diet diversity score whilst 53% (down from 56%) have a medium diet diversity score and 27% (reduced from 33%) were found to have a good dietary diversity. Moreover, a full 42% of HHs reported that they had not eaten any fruit in the past 7 days (up from 24%). For milk, the number increased to 25% (up from 18%) and for vegetables it was 13% of HHs (up from 5%). This trend, as for GCA, could be a concern due to the potential negative impact on Vitamin A and micronutrient intake at HH level.

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<sup>10</sup> Focus Group Discussions (FGDs) confirm this finding: When discussing how many HHs over the past year had situations where they ate only a few types of food due to lack of money and/or other resources to obtain food, the majority of respondents consider this situation quite widespread in their locality and themselves regularly resort to this method of economy. Cereals, potatoes with a small addition of chicken meat (ham) are often named as an example of an economical diet. The basis of the overall nutrition was found to consist of cereals, soups, pasta and potatoes whereas in the summer-autumn period, seasonal vegetables (cabbage, zucchini, cucumbers and tomatoes) are added to the main diet. The main complaint was a high price for fruits, which even in the season were found to be too expensive for many of the respondents. In NGCA, the main change was the final disappearance of Ukrainian products after the blockade. These were replaced by Belarusian and Russian products, which most respondents consider of lower quality than Ukrainian ones.

<sup>11</sup> 2016 IAVA (GCA) data collected on June-July, 2016 and MSNA (NGCA) data collected on August-September, 2016.

<sup>12</sup> FGDs highlight that HHs having their own garden production, preferred to grow vegetables (more so than fruits). The disadvantages of own production are the high price for water for irrigation and frequent cases of theft in the kitchen gardens. HHs are less likely to keep poultry or livestock – if they do, then they prefer animals that are cheaper to keep, for example, goats.

<sup>13</sup> When comparing at least two points in time.

<sup>14</sup> The analysis in GCA found a reduced consumption of milk and dairy products at 20%, eggs at 13,5 % and fruits at 17,6% and at the same time an increase of meat at 14%, sugar, cereals and grains at 11% and oil at 16%.

<sup>15</sup> This covers those who reported that they had not eaten at least one or more of the different types of commodity groups during the past seven days.

<sup>16</sup> As opposed to GCA, the consumption of almost all products (except meat and eggs) have decreased in NGCA.

There has been an increase in the levels of poor and borderline food consumption score (especially poor) in NGCA, which was found to influence almost all HH groups.

### ***Trends in Time and Seasonality:***

In GCA for the first time since March 2015, a negative trend of food consumption levels has been observed showing a significant increase from 7,3% to 17,8% HHs with poor and borderline food consumption levels. In NGCA, the situation remains unchanged with higher percentage of poor and borderline HHs than in GCA with a clear seasonal trend of the poor and borderline food consumption score rising after summer period and decreasing after in the winter.

As many as 23% of HHs in both GCA and NGCA reported that they did not have enough food to meet their food needs in the height of winter (in the month of February). There is a clear trend of significantly higher unmet food needs during winter with the percentage of affected households peaking during January-February (21% in January and 23% in February in GCA and 20% and 23 % in NGCA) but with high rates (10% and above) from November-December and again in March-April.<sup>17</sup> During summer, these rates reduce to 3-4% during July – likely owing to an improved food access during the summer season due to a higher availability of food commodities at the local markets and decrease of food prices during this period. Moreover, some HHs are more engaged in small-scale agricultural activities / home gardening which provides an additional source of food and can help increase HH income.

## **FOOD EXPENDITURE**

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The analysis on Food Expenditure shows that the average percentage of the share of food expenditure among the population in Donbas has decreased to 47% (down from 53%) in GCA and to 59% (down from 64%) in NGCA. However, at the same time, there has been an increase in expenditure for utilities (see section above for details on percentage of HHs who have indicated reducing the expenditure for food and medicines in order to pay utilities) – especially in GCA. The share of expenditure for utilities increased and is now 20% in GCA and 15% in NGCA.<sup>18</sup> However 14% of the population in GCA and 40% in NGCA is spending more than 65% of their HH expenditure budget on food – due to higher price level on food (25%) in NGCA.

## **LIVELIHOODS – BASED COPING STRATEGIES**

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The application of (negative) coping strategies due to lack of money to buy food has increased in NGCA to 87% (up from 40%), while in GCA the situation has become slightly better at 53% applying (down from 55%). Coping strategies are classified as stress, crisis or emergency strategies reflecting the severity of the strategy.<sup>19</sup>

The most commonly applied coping strategies are crisis strategies. Nearly 20% of HHs in NGCA (up from 3%) and 4% (up from 2%) in GCA has a member that has migrated elsewhere in search of work. Around 61% (up from 46% before) of HHs in NGCA and 31% (down from 35%) of HHs in GCA were found to have reduced health expenditures.

Among the stress coping strategies, *spent savings* is the most common and is applied by 63% (up from 25%) in NGCA and 26% (up from 25%) in GCA. Around 20% of the households interviewed in GCA (up from

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<sup>17</sup> FGD respondents all found that in winter, the diet becomes less diverse due to the lack of fresh vegetables and fruits, which is replaced by canned food (even for those who did not have home gardens).

<sup>18</sup> There is a clear indication of an increased share of expenditure for utilities based on the information of State Statistics Service (increased from 11,7% in 2015 to 16% in 2016). And most probably increasing in the 2017 as prices for utilities has increased by 7,4% in June 2017 when compared to December 2016. Please refer to [www.ukrstat.gov.ua](http://www.ukrstat.gov.ua).

<sup>19</sup> Please refer to definitions included below in “Main Definitions” in Annex 1.

10%) and 28% in NGCA (up from 6,4%) purchased food on credit or borrowed food. This was confirmed through focus group discussions.<sup>20</sup>

In NGCA, the percentage of the emergency coping strategies has also increased. Nearly 14% of the HH interviewed indicated that the entire HH had moved from place of in search of work (up from 3%) and almost 10% of HHs are using degrading sources of income<sup>21</sup>, illegal work or high risk jobs (up from 2%).<sup>22</sup> This was confirmed through respondents in focus group discussions. In GCA, levels of emergency coping strategies remained the same as in the earlier analysis.

In GCA, 37% of HHs interviewed (up from 27%) are borrowing money or have debts whereas in NGCA this percentage is 43% (this was not covered in 2016 MSNA). Most of them borrow money from family or friends.

## LIVELIHOODS

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Since the beginning of 2017, nearly 12% of interviewed HHs in NGCA and 5% in GCA have experienced a loss of employment.<sup>23</sup> In addition, during this period, 25% of HHs in NGCA and 13% in GCA have experienced a reduction of salaries and income. These findings were confirmed through Focus Group Discussions where respondents emphasized the loss of permanent jobs or pensions / other social benefits as well as the sharp reduction in income or the problem of salary arrears.<sup>24</sup>

Employment levels are found to be slightly higher in GCA compared to NGCA – in GCA, on average, 0.9 person in each interviewed HH have a job, whereas in NGCA this number is 0.7. Data indicates that the main job provider in NGCA are the de facto authorities with 34% of HHs listing them as a main source of income in their household. In GCA the percentage listing the state as the main job provider is 17%.

In both NGCA and GCA, high rates of dependence on social benefits were found – 53% of GCA households were found to rely on social benefits as their primary source of income, and an additional 17% as their

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<sup>20</sup> FGDs highlighted that lending money or food from relatives or neighbours (stress coping strategies) is common practice. Some respondents said that they regularly share food with their neighbours. In addition, in small settlements or some areas of large cities (where the population is well known and trusts each other), the purchase of food products on credit is “actively used”, both in stores and in markets. Among other ways to cover food needs, most respondents referred to the sale of personal items. Respondents in large cities in GCA noted that they recently had begun to resort to such methods much more often.

<sup>21</sup> FGDs highlighted the following examples of “degrading work” (emergency coping strategies): low-paid work (for example, the work of a cleaner in cases where people with higher education and positions have to take these jobs), collection of recyclables – empty bottles or waste paper. This source of income was noted as widespread in GCA. Some elderly respondents themselves are involved in collecting recyclables. The distribution of food by supermarkets that was either passed it sell by date or spoiled was also noted. However, respondents who applied such emergency coping strategies did not consider these types of sources of income as “degrading” or humiliating.

<sup>22</sup> FGDs highlighted the following as examples of “illegal work or high risk jobs” (emergency coping strategies) in NGCA: Illegal (unlawful) sources of income were understood as crimes theft and robbery, and drug trafficking that have become more prevalent in the region after the conflict began. Smuggling was also mentioned as an illegal source of income in NGCA. “High risk” work is understood by respondents to mean go abroad without official registration, work without an official contract with an associated high risk of being cheated/deceived. In addition, illegal mining was mentioned.

<sup>23</sup> Almost all respondents in FGDs identified the absence of jobs / closure of enterprises as the main problem in their locality. This finding is corroborated by the Summary Report on the FSLC Analysis on the Socio-Economic Situation (<http://fscluster.org/ukraine>) as well as by the recent (2017) REACH Thematic Assessment of Local Enterprises and Labour Markets in Eastern Ukraine assessment” (<http://www.reach-initiative.org/ukraine-local-economy-trade-relationships-and-labour-markets-disrupted-by-conflict-in-eastern-regions>).

<sup>24</sup> FGDs highlighted that most respondents believe that their “real incomes” have greatly decreased (by 2-3 times compared to pre-conflict) which leads to a drop in purchasing power. The majority of respondents highlighted a key problem to be the delay in wages (salary arrears) in both NGCA (mainly in Luhanska) and GCA (where “Azot” chemical plant was mentioned as an example). Findings are verified by the Summary Report on the FSLC Analysis on the Socio-Economic Situation (<http://fscluster.org/ukraine>).

second main income source. In NGCA, 33% of households similarly relied on social benefits, perhaps pointing to a lower availability of social funds in the region, as incomes are also significantly lower in NGCA.

The FSA indicates a direct link between food insecurity and unemployment. In GCA, the food insecurity levels of HHs where no one is working is 21% (compared to 8% in HHs with one or more employed). In Luhanska NGCA, 32% of HHs, where no one is working, are food insecure (compared to 20% in HHs with one or more employed) whereas in Donetska NGCA this figure is 45% (compared to 22%). From the data analysis in GCA and NGCA there is a clear difference between the group where no one is working in the HH and the group of HHs that has one or more employed. The first group generally consist mostly of elderly people and/or females with less income when compared to the second group, which generally consists mostly of younger, mostly male that have a higher income level.

A sizeable percentage of interviewed HHs stated that they were unable to cover their most basic needs: 1) 45% of single-person HHs (mainly elderly and often widowed<sup>25</sup>) in GCA and 31% in NGCA, 2) 30% of HHs headed by a divorced person in GCA and 27% for NGCA, 3) 16% of HHs headed by an unmarried person in GCA and 19% in NGCA and 4) 17% of HHs headed by a married person in GCA and 12% in NGCA.

## HUMANITARIAN ASSISTANCE

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In NGCA, 42% of interviewed HHs indicated that in last 6 months they received some type of assistance from NGOs, humanitarian organizations or government/communal institutions, in addition to social benefits whereas only 19% had received some type of assistance in the last 30 days. In GCA, 8,6% indicated they had received some type of assistance over the last 6 months and 4% of interviewed HHs having received some during the last 30 days.<sup>26</sup> The analysis indicates that there were no major differences between the HHs' profiles of those who received assistance from humanitarian organizations or government/communal institutions, in addition to social benefits and those who did not received assistance.

Compared to previous analysis, the percentage of the population which relied on humanitarian assistance as a primary source of cereals, sugar and oil reduced from 2,5% to 0,8% in GCA and 16,1% to 6,9% in NGCA. This was confirmed through focus group discussions where respondents had a general impression that overall humanitarian aid had reduced.

## FOOD SECURITY INDEX:

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The analysis of the above food security indicators (food consumption score, share of food expenditure and livelihoods coping strategies) provides a projection of the overall food security situation and is referred to as the food security index (FSI). The food security index indicates an increase in food insecurity levels in both GCA and NGCA.

**Moderate and severe food insecurity levels:** In GCA, moderate and severe food insecurity has increased to **15%** in Donetska GCA (up from 6%) and **14%** in Luhanska GCA (up from 10%).

The food insecurity level has also doubled in **NGCA**. For the first time since the beginning of the conflict, the highest level of food insecurity in NGCA is observed in Donetska NGCA where 28% (up from 12%) of the population are moderately or severely food insecure (see possible contributing factors). In Luhanska NGCA – traditionally the most food insecure part of NGCA – 23% are moderately or severely food insecure (up from 14%).

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<sup>25</sup> Widowed HHs in GCA were found to be the HH group the most likely to have debt at 67%.

<sup>26</sup> Please see section on reduction in humanitarian assistance under possible contributing factors on page 8-9.

**Severe food insecurity levels:** In **GCA**, the levels of severely food insecure have remained stable in Donetska GCA, where the level is 0.6% (up from 0.5%) whereas in Luhanska GCA it has increased to 1.9% (up from 0.2%). In average the level of severe food insecurity is 0.9% (up from 0.4%) across GCA.

In **NGCA**, however, the level of severe food insecurity is 5% (up from 1.7%). In Luhanska NGCA, 3.3% of the population are severely food insecure (up from 2.1%) whereas 6.4% in Donetska NGCA are severely food insecure (up from 1.5%). In some raions of Donetska NGCA – for example, Donetsk city region (Donetsk city council, Yasynuvata and Yasynuvatsky district, Maryinsky district, Dokuchaivsk city, Volnovakha district) up to 32% of the population are affected by food insecurity, of which 8% are severely food insecure. Proportionally higher levels of food insecurity were also observed in Luhanska South-West region:

(Anratsyivsky raion) with 34% of the population affected by food insecurity, from those 7% are severely food insecure.

In **GCA**, the group of marginally food secure HHs has reduced (from 54% to 44%) – 8% has moved to the moderate-severe food insecure group whereas 2% has moved to food secure. In **NGCA**, the marginally food secure HHs has reduced from 72% to 62% - with all 10% having moved to the moderate-severe group thus confirming an overall trend of increased food insecurity.

**Vulnerable Groups:** Across all areas observed, the most vulnerable groups were found to continue to be single headed HHs with children, elders (60+) (mostly those living alone), HHs with no active employment as well as female-headed HHs. In GCA and NGCA, female headed HHs were found to be more vulnerable than male headed HHs.

A total of 30% of female headed HHs in NGCA and 17% in GCA were found to be food insecure. In comparison, 12% of male headed HHs in GCA and 22% in NGCA were found to be food insecure. However, elders (60+) were found to be the most vulnerable group with up to 35% found to be food insecure in NGCA and 21% in GCA.<sup>27</sup>

**People in Need:** Based on the FSA analysis, the overall number of food insecure people in Donbas was found to up to 1.2 million.

In **NGCA**, up to 800,000 (up from 401,000) people were found to be severely or moderately food insecure with 150,000 people among them being severely food insecure.

In **GCA**, up to 410,000 people (up from 220,000) were found to be food insecure, among them up to 26,000 people were found to be severely food insecure.

## POSSIBLE CONTRIBUTING FACTORS FOR CHANGE IN SITUATION:

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- **Increased Consumer Prices:** Consumer prices has seen a rapid increase – between June 2016 and June 2017, consumer prices had increased by 15,6% (especially utility prices which alone increased by 29,2%).
- **Increased Food Prices:** In May 2017, the value of the WFP monitored food basket in NGCA reached the highest level (at 1066 UAH per person per month) since the beginning of the conflict. Food prices in Donbas GCA, according the WFP monitored food basket, between December 2016 and June 2017, increased by 20.5% from UAH 702 in December to UAH 846 in June 2017.
- **High unemployment rate:** During the first quarter of 2017,<sup>28</sup> unemployment has increased to 18,3% in March (up from 16.9% in December 2016) in Luhanska GCA and in Donetska GCA to 15,6% (up

<sup>27</sup> The analysis indicates worse food insecurity levels for IDPs in NGCA and GCA when compared to resident HHs.

<sup>28</sup> Data on Donbas second quarter of 2017 is available at the end of September.

from 14,6%). This is the highest increase in the unemployment rate since 2008.<sup>29</sup> Employment data is unavailable for NGCA, however FSA indicates increased levels of unemployment.<sup>30</sup>

- **Blockade and nationalization:** After March 2017, the blockade and “nationalization” of numerous businesses and mines in NGCA, is expected to have led to a large number of people losing their jobs and income.<sup>31</sup>
- **Salary Status:** The average salaries since the beginning of 2017 has increased by 19% in Donetsk GCA and 14% in Luhanska GCA, however, the “real salaries” (ratio between salaries and consumer prices index) stay almost at the same level. In addition, by June 2017, the amount of salary arrears in Donetsk GCA was 435 million UAH and in Luhanska 507 million UAH, which makes up 41% of the salary arrears of all of Ukraine.<sup>32</sup>
- **Social Benefits:** In a context of increased prices, social payments for the most vulnerable groups have stayed almost on the same level.<sup>33</sup> The main social payment is pensions, which in average in Ukraine have increased only from 1,738 UAH in June 2016 to 1,828 UAH in May 2017 while the actual minimum subsistence level in May 2017 was 2,930 UAH – this means that the income of the majority of pensioners fall below the actual minimum subsistence level.<sup>34</sup> Information on social benefits in NGCA is not available, however the FSA section on livelihoods and FDGs indicate that the situation in NGCA is worse.
- **Reduction of humanitarian assistance:** Between January and June 2017, food assistance was provided to up to 727,000 food insecure people with 129,000 beneficiaries in GCA and 598,000 in NGCA. However, between February and March 2017, food assistance declined by 89%, reflecting the significant reduction in food distributions in NGCA. Going from around 500,000 beneficiaries in early 2017, between the months of March-June, only 69,600 beneficiaries in average per month across Donbass received some type of food assistance – in NGCA alone, the monthly average was only 25,800.<sup>35</sup>

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<sup>29</sup> Please refer to the SSSU web-site [www.ukrstat.gov.ua](http://www.ukrstat.gov.ua). Please also refer to the FSLC Summary Report on Analysis of Socio-Economic Situation available on Summary Report on the FSLC Analysis on the Socio-Economic Situation (<http://fscluster.org/ukraine>) after 15 September, 2017. This describes the trend of unemployment in Donbas GCA.

<sup>30</sup> In GCA, FSA shows that in average 0.9 person in each interviewed HH have job, whereas in NGCA this number is 0.7. In addition, almost all respondents in FDGs identified “the absence of jobs / closure of enterprises as the main problem in their locality”. The blockade and ‘nationalization’ could have accelerated this situation – see footnote 31.

<sup>31</sup> At the IOM presentation of the NMS survey on 12 May 2017, the Ministry for Temporarily Occupied Territories and IDPs (MTOT) stated that a new wave of IDPs could be expected due to “nationalisation” of businesses in NGCA. As estimated by the MTOT, some 250,000-300,000 people in NGCA may lose their jobs. For further information: [http://www.niss.gov.ua/content/articles/files/ocinka\\_blokad-f17c4.pdf](http://www.niss.gov.ua/content/articles/files/ocinka_blokad-f17c4.pdf)

<sup>32</sup> Please refer to the SSSU web-site [www.ukrstat.gov.ua](http://www.ukrstat.gov.ua).

<sup>33</sup> WFP is currently undertaking a Desk Review (secondary data and expert interviews) on “Social Protection and Safety Nets in Ukraine”. This should be published after October, 2017.

<sup>34</sup> Please refer to the SSSU web-site [www.ukrstat.gov.ua](http://www.ukrstat.gov.ua).

<sup>35</sup> FSA shows that in NGCA, 42% of interviewed HHs indicated that in last 6 months they received some type of assistance from NGOs, humanitarian organizations or government/communal institutions, in addition to social benefits whereas only 19% had received some type of assistance last 30 days. This is in line with the known reduction in humanitarian assistance from March 2017 in NGCA.

## ANNEX 1

# MAIN DEFINITIONS

**FOOD SECURITY** defined at the World Food Summit in 1996 as “when all people, at all times, have physical and economic access to sufficient, safe and nutritious food to meet their dietary needs and food preferences for an active and healthy life”. Food security includes aspects of availability, access, utilization and as well stability. Household food security is the application of this concept to the family level.

**FOOD INSECURITY** being an insufficient access to adequate food. As long as food security indicators do not assess adequacy of nutrient intake, households may be classified as food secure but individual nutrient intake may not be adequate. Households with a per capita daily kilocalorie intake greater than 2,100 kilocalories are considered to have adequate food consumption. When analysing food insecurity, it is not enough to know the duration of the problem that people are experiencing, but also how intense or severe the impact of the identified problem is on the overall food security and nutrition status.

The main indicators used by WFP to measure food security on household level are Food Consumption Score, Dietary Diversity Score, reduced (food) Coping Strategy Index, Livelihood-Based Coping Strategy Index and Share of Expenditure on Food:

**THE FOOD CONSUMPTION SCORE (FCS)** is one of the main WFP corporate indicators used for measuring household food consumption and, thus, progress and effectiveness of the operations. The FCS, an indicator of dietary quality and frequency of consumption, is calculated using the frequency of consumption (number of days) of eight food groups consumed by a household during the seven days before the survey. The FCS is used to classify households into three groups: poor, borderline or acceptable food consumption and the households with acceptable food consumption are considered food secure, while those with borderline or poor food consumption don't have adequate food consumption level. The dietary diversity indicator on the other hand measures the number of different food groups consumed over a given period. It provides an estimation of the quality of a diet and it is a good complement to FCS since it provides a complete picture of the household diet. WFP uses the following thresholds for interpretation: 6+ = good dietary diversity; 4.5–6 = medium dietary diversity; <4.5 = low dietary diversity.

**THE LIVELIHOOD-BASED COPING STRATEGY INDEX** is measured to understand better longer-term household coping capacities. Household livelihood and economic security is determined by income, expenditures and assets. Understanding the behaviours households engage in to adapt to recent crises provides insights into the difficulty of their situation, and how likely they will be to meet challenges in the future. Households were asked if anyone in their households had to engage in any of the ten coping strategies because there was not enough food or money to buy food during the past 30 days. One neutral strategy, four stress strategies, three crisis strategies, and three emergency strategies were asked based on the severity of the strategies. The higher the CSI value, the higher the degree of food insecurity.

- Stress strategies, such as borrowing money or spending savings, are those which indicate a reduced ability to deal with future shocks due to a current reduction in resources or increase in debts.
- Crisis strategies, such as selling productive assets, directly reduce future productivity, including human capital formation.
- Emergency strategies, such as selling one's land, affect future productivity, but are more difficult to reverse or more dramatic in nature.

**SHARE OF EXPENDITURE ON FOOD** gives impression how much of all budget of household they use for food (indicator measuring economic vulnerability). A categorical variable is created that equates ranges of the food expenditure share to levels of food insecurity, with the most food insecure spending greater than 75% of their budget on food and food secure spend less than 50%.

**FOOD SECURITY INDEX** - the final output of the CARI, combines a suite of food security indicators into a summary indicator called the Food Security Index (FSI). The FSI represents the population's overall food

security status. This is based on an algorithm which combines, at the household level, the results for each of the reported food security indicators. Each household has been assigned to a Food Security Index group based on a simple averaging process using the 4-point scale scores it attained for each indicator. Specifically, each household's Food Security Index classification is based on a simple average of their food consumption score and their coping capacity score. The coping capacity score is a simple average of share of food expenditure categorical variable and the livelihood-based coping strategy index. The console itself serves to provide a clear snapshot of the rates of the different types of a population's food insecurity at quick glance.