

# Rapid Cash Feasibility Study in Newly Accessible Areas in Ukraine

*Pilot in Kherson Oblast*

*February, 2023*

**IMPACT** Shaping practices  
Influencing policies  
Impacting lives  
REACH PANDA AGORA



**UKRAINE CASH  
WORKING GROUP**



# Context

- This pilot has been conducted to:
  - \_ inform the Ukraine Cash Working Group on the **functionality and accessibility** of marketplaces in newly accessible areas in Kherson,
  - \_ provide an **evidence base** for the organization of **future** multi-purpose cash assistance (**MPCA**).
- The assessment was developed within the scope of work of the **Cash Working Group (CWG) Task Team on Cash Feasibility**, and through consultations with the Ukraine Response Consortium and coordinated with the **CWG East – Dnipro**.

# Objectives

## Main objectives of the assessment

1. Understand if marketplaces can **meet current demand**;
2. Determine conflict's impact on **access to markets**, including financial and security-related aspects;
3. Understand whether the **currently functioning services and infrastructure** can support the market environment.

- **Kherson:**

- \_ occupied by Russian forces in March 2022, came again under the control of the Government of Ukraine in November 2022;
- \_ heavily-affected by the conflict, not easily accessible.

# Data Collection



Quantitative data: **Key Informant Interviews (KIIs) - 25 retailers;**  
**Individual Interviews (IIs) - 99 customers.**



Respondents were selected through **purposive sampling**.  
58% of interviews were conducted **in-person**.



Data collection took place **between 2nd and 21st February**.



Data was collected by **ACTED, ZOA and CORE**.

# Demographics

## 99 customer interviews:



- Beryslavskyyi: 59%
- Khersonskyyi 41%



- Female: 71%
- Male: 29%

### LIMITATIONS

\* Due to the small number of retailer interviews, results will be reported in absolute figures, as well. Direct comparison among retailers and customers might be inaccurate.



## 25\* retailer interviews:

- Smaller stores: 96% (24)
- Big traders: 4% (1)



- Both: 36% (9)
- Food: 24% (6)
- NFIs: 40% (10)



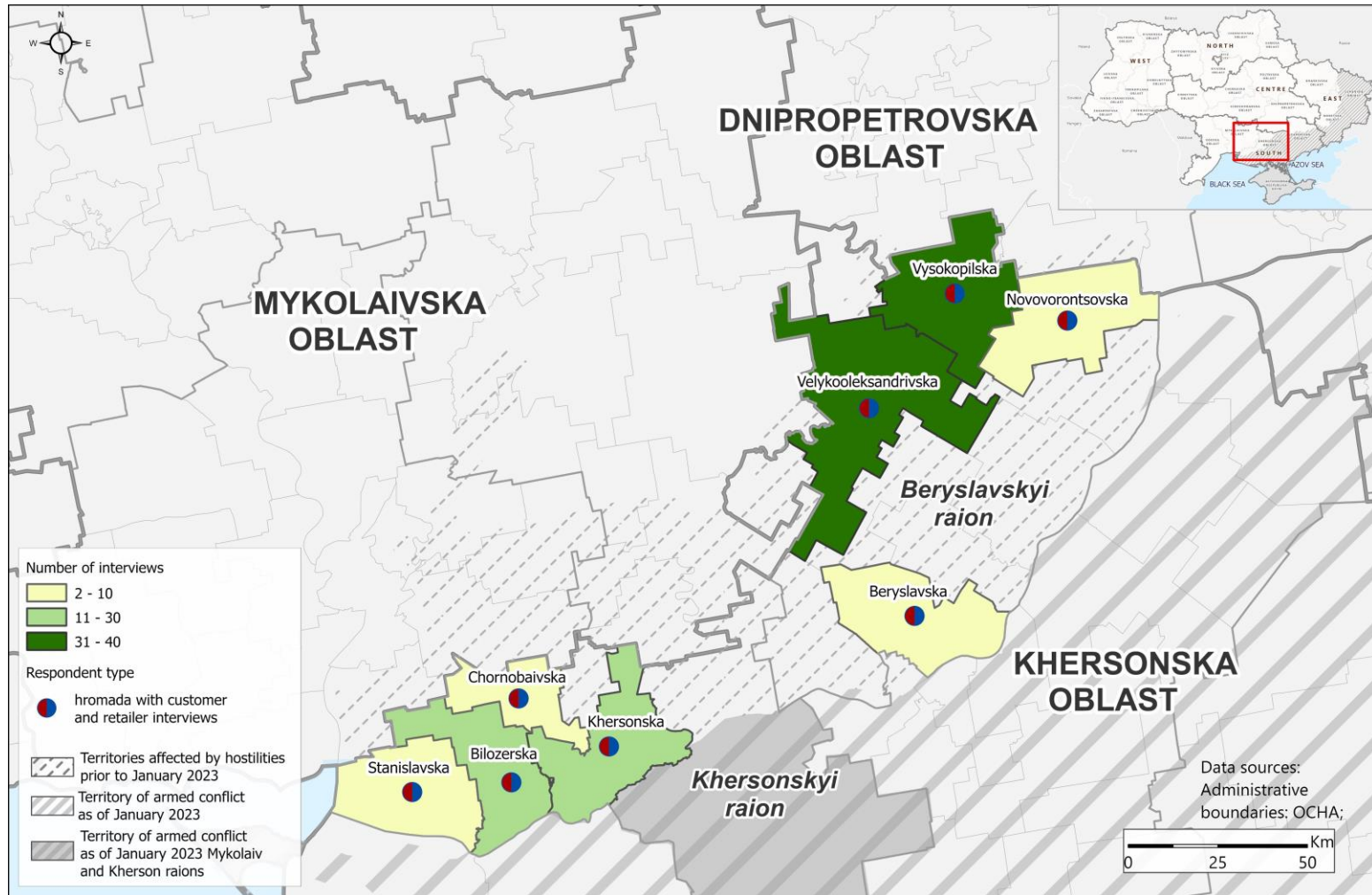
- Beryslavskyyi: 72% (18)
- Khersonskyyi 28% (7)



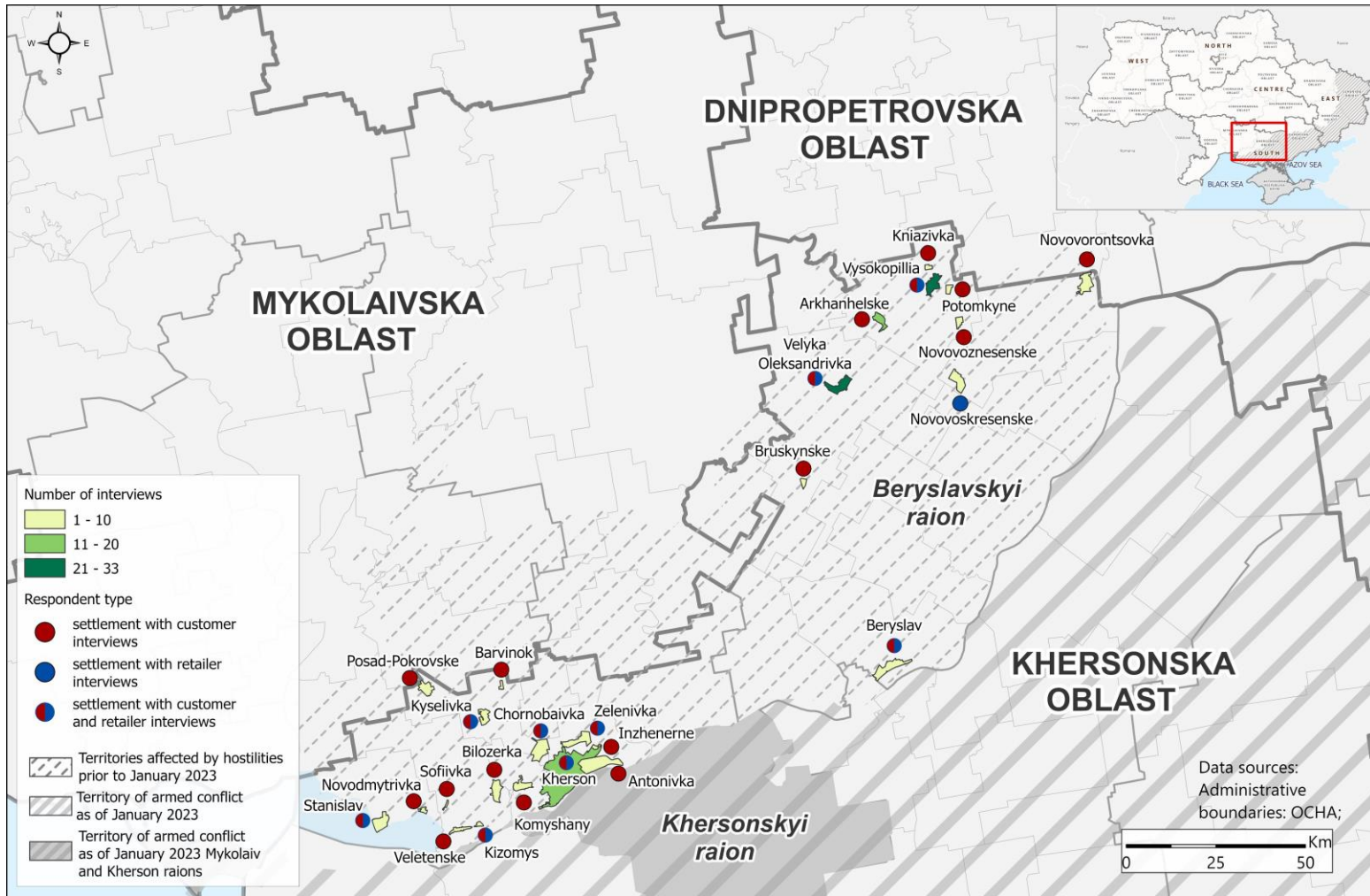
- Female: 80% (20)
- Male: 16% (4)
- Prefer not to say: 4% (1)

***Most of the retailers interviewed had reopened their shops before 11 Nov (11 retailers) or had never closed (7 retailers), while some of them (5 retailers) reopened after 5 Nov.***

# Pilot Coverage I: hromadas



# Pilot Coverage II: settlements



A faint, light blue world map is centered in the background of the slide. The map shows the outlines of continents and is overlaid on a grid of thin, light blue lines that form a network of interconnected nodes and edges, resembling a global network or data structure.



# Findings

- a. Market Activity & Availability of key items
- b. Access to the Market
- c. Infrastructure & Services





## **a. Market Activity & Availability of Key Items**



**Finding 1.** Market activity is low. Several shops remained closed at the time of the assessment (February 2023) and those that were open and trading faced challenges.

# 1. Market Activity

## Market activity

- 74% of customers estimated that **up to a quarter or even up to half** of the shops in their marketplace remained closed.
- Overall, the **lack of funds, reduced number of clients** and **infrastructural damage** were considered by retailers the main reasons hindering the reopening of shops.

# 2. Market Activity

## Demand & Supply

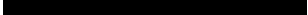

- Many retailers (10) mentioned that **the market cannot meet current demand in volume.**
- **Keeping a 7-day supply of food and NFI items** has also been reported challenging for several retailers.

## Food

Among reported reasons for not being able to keep a 7-day supply were that the **supplier** they made use of was **no longer active** and that **the food quality was poor.**

## NFIs

Most reported not being able to keep a 7-day supply because the **wholesale price was too high.**



**Finding 2.** Availability of key items is fairly widespread; however, affordability is a key concern.

# 3. Item Availability & Prices

## Availability of items

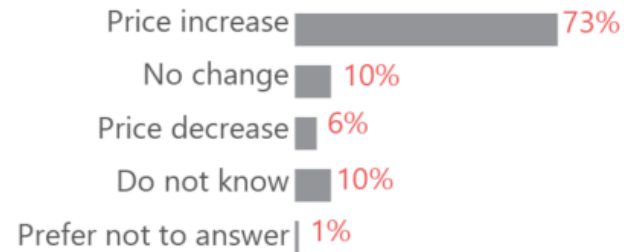
- **80%** of customers reported availability of **all items**.



- **Hygiene items** (sanitary pads, laundry soap, toothpaste) were slightly less available than food items (canned items, fresh food).
- **Products for infants** (diapers, baby food) were in lower availability.

## Prices and affordability

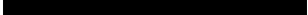

*Figure 3: % customers reporting on price changes in the previous 2-4 weeks*



- The great majority of customers (**73%**) reported **price increases** in the **2 to 4 weeks prior** to the interview, a result in line with other assessments (cf., JMMI).
- **40%** of customers report **not being able to afford the items** (52% in Beryslavskiyi, 24% in Khersonskiyi).



## **b. Access to the Market**



**Finding 3.** Access to the market has been significantly impacted by conflict, both in terms of functionality (reduced hours, damaged infrastructure), as well as, safety, especially in the Khersonskyi raion.

Elderly people were reported as the population group feeling less safe in accessing the market.



# 4. Access to the Market

## Mode and time of travelling to market

- The majority of customers reported a **contained travel time**, which suggests that marketplaces are close to their homes.
- **73%** of customers travelled to the market **on foot**, 10% by car.
- **57%** reported their travel time to be **under 20 minutes**, and **38%** to be between 20 minutes and 1 hour.
- **Retailers** confirm these data, most report that their **customers** come **from the same settlement**.

# 5. Access to the Market

## Impact of conflict on physical access

### *Top 5 factors limiting physical access to the marketplace*

- **Only 1 out of 3 customers (33%)** reported that the **conflict has not impacted** their personal **physical access** to the marketplace.

|  |     |
|--|-----|
| No limit to access   | 33% |
| Market not functional due to conflict-related damage, damaged buildings, etc | 26% |
| Market not safe, fear of being targeted                                      | 19% |
| Reduced hours, cannot visit  | 19% |
| Damaged roads  | 17% |

- The rate of no impact from conflict was lower in **Khersonskyi (24%)**, where the main factor limiting physical access to the marketplace was **not feeling safe (33%)**. **Active fighting and particularly shelling** were the main security factors indicated as affecting access to the market.

# 6. Access to the Market



## - by population group

### Safety by population group

- **Only 44% of customers** reported that **all population groups felt safe** in accessing the market.
- **24%** of customers mentioned **older women**, and **22%** mentioned **older men**, not feeling safe going to the market, followed by **13%** indicating **people with disabilities**.
- In **Khersonskyi**, percentages for older women and older men amounted to **34% each**.



## c. Infrastructure & Services



**Finding 4.** Cash is the main payment modality, whereas retailers are also familiar with and accepting cash transfers through mobile apps. Financial services (bank branches, ATMs) remain scarce and only partially functioning, while Ukrposhta was more widely available.

# 7. Infrastructure and Services

## Infrastructure

- **Half of the retailers** reported having access to the **Internet** in their shop.
- **More than half say their business has been impacted by power cuts, one in three** reported using a **generator**.

## Financial services

- **Financial services availability remained low** according to surveyed retailers.
- Only **few (6 retailers)** reported that **bank branches offer the entirety of their services**, and, for **ATMs, only 5 retailers reported full functioning**,
- On the other hand, **Ukrposhta** was the **most widely available financial service**, with most of retailers (**16**) reporting **fully functioning** branches.

# 8. Infrastructure and Services

## Available payment options

- **Cash** was reported by customers to be the **main payment modality**, according to 88% of customers (95% in Khersonskyi).
- The second most chosen modality was payment by **card or POS (36%)**.
- **Almost all retailers** mentioned they accepted money transfers between cards via mobile apps.

## Access to cash

**Figure 10: Top 5 challenges in accessing cash**

|                          |     |
|--------------------------|-----|
| ATMs/bank not functional | 53% |
| Expensive transport      | 26% |
| ATMs/bank have issues    | 25% |
| No money in the account  | 24% |
| Unsafe transportation    | 23% |

- The main reported barrier to **access cash** was that **ATMs or bank branches in the area were not functional (53%)**.
- In **Khersonskyi** having **no money** in the account (**44%**) and the **unsafe transportation (37%)** were more marked than on average.

# Summary

**Finding 1.** **Market activity is low.** Several shops remained closed at the time of the assessment (February 2023) and those that were open and trading faced challenges.

**Finding 2.** Availability of key items is fairly widespread; however, **affordability** is a key concern.

**Finding 3.** Access to the market has been significantly impacted by conflict, both in terms of functionality (reduced hours, damaged infrastructure), as well as, **safety**, especially in the Khersonskyi raion. Elderly people were reported as the population group feeling less safe in accessing the market.

**Finding 4.** Cash is the main payment modality, whereas retailers are also familiar with and accepting cash transfers through mobile apps. Financial services (bank branches, ATMs) remain scarce and only partially functioning, while Ukrposhta was more widely available.



# Thank you for your attention

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