

# Rapid Cash Feasibility Assessment Toretska Hromada, Donetsk Oblast

October 2023  
Ukraine

## KEY MESSAGES



**Regular shelling** was the main reported barrier to accessing markets for all 20 consumers while **unreliable electricity supply** was reported as a barrier to market functionality by all 12 retailers.

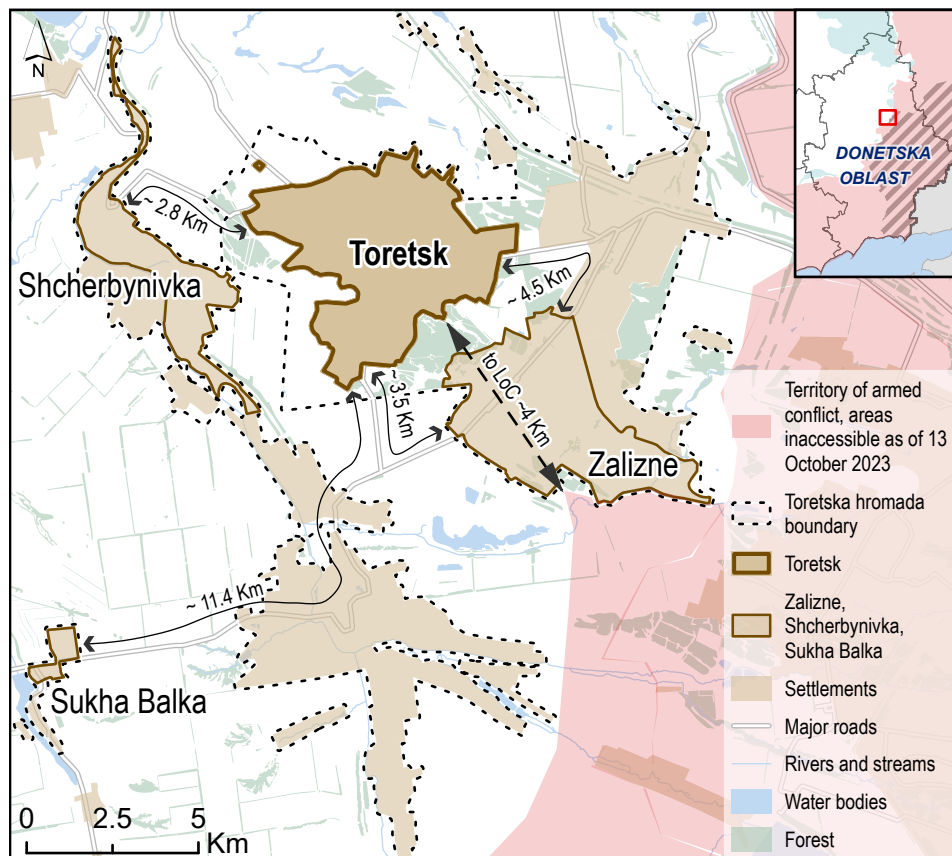


**All interviewed consumers** (20 of 20), said that **prices of items had increased** in the past 2-4 weeks and that they **could not afford** everything they needed.



Fifteen of the 17 items were sold by at least one retailer in the hromada, **but winter clothing and solid fuel were not sold by any interviewed retailer**. In addition, less than five of interviewed consumers reported any of these items as available, suggesting winterization items may be hard to find in the hromada.

**Map 1:** Toretska hromada, respondents' settlements, and the distance to the administrative center, Toretsk



## CONTEXT & RATIONALE

**Toretska hromada** lies within 4 km of the frontline in Donetsk Oblast. Hromada authorities report a **population of around 13,000 people**, including 250 children and 150 older adults who are living alone.<sup>1</sup> Electricity supply is limited, centralized water is not functioning, and the hromada has been without gas supply since 2022.<sup>2</sup> According to OCHA, food and drinking water are supplied to the community regularly by humanitarian actors, and inter-agency convoys sometimes bring shelter, hygiene, and medical supplies.<sup>3</sup>

Due to its proximity to the frontline, Toretska hromada is frequently shelled resulting in high levels of damage to civilian infrastructure.

This assessment was initiated by the Cash Working Group's Task Team on Cash and Voucher Assistance (CVA) Feasibility in order to assess whether or not cash assistance would be feasible in Toretska hromada. Given the security context, providing multi-purpose cash assistance (MPCA) is a potential way to ensure local communities can meet their basic needs while reducing risk for humanitarian partners. Effectiveness of MPCA rather than in-kind aid, however, is subject to market functionality.

### METHODOLOGY:

Task Team partners ACTED and Save the Children interviewed 12 retailers and 20 consumers in the hromada. Due to the security situation in Toretsk, all interviews were conducted over the phone. Data collection took place from the 2-13 October 2023. **Findings presented in this factsheet should be considered indicative of the overall situation.**

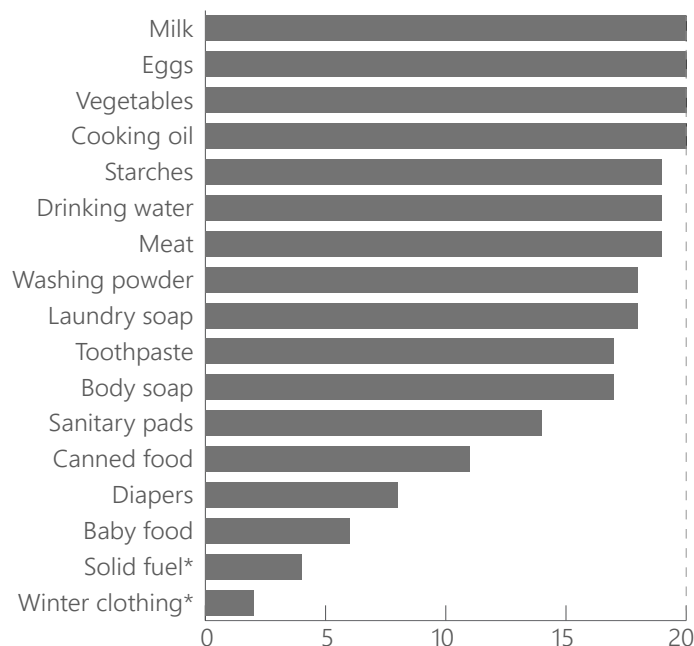
## Availability and Affordability of Items

Most items, both food and non-food, were reported as available by over half of interviewed consumers. Diapers and baby food were reportedly less available. However, it should be noted that the Government of Ukraine has been evacuating all children from frontline areas in Donetsk,<sup>4</sup> it is likely there is less demand for these items.

While items do appear relatively available, prices are reportedly high. All consumers (n=20) said that prices of items had increased in the 2-4 weeks prior to interviews, and **all consumers (n=20) said that they could not afford what they needed.**

Winterization items are the concerning exception to the relative item availability. **Solid fuel and warm clothing were the least available items.** Consumers explained that the city administration gives out some coal, but they do not feel it will be sufficient for the winter. According to REACH's Cold Spot Risk Assessment, **Kramatorskyi raion, in which Toretsk is located, is among the seven most vulnerable in the country,** especially in terms of susceptibility of the population and a lack of coping capacity.<sup>5</sup>

Graph 1: Item availability as reported by consumers



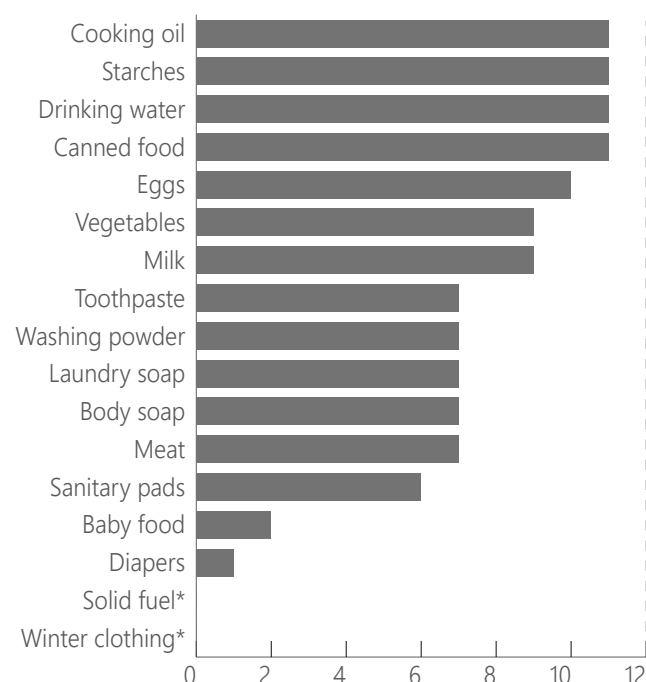
## Supply

**All (12 of 12) retailers felt the market could only partially meet the demand,** with 8 of 12 saying the supply of basic commodities was insufficient. Of the 11 interviewed retailers who sold food items, 6 were able to keep a 7-day stock and of the 8 interviewed retailers selling NFI, 6 could keep a 7-day stock. However, **none were sure if they could keep that stock for more than a week,** highlighting the unpredictability in frontline areas. It was further noted that due to the unstable electricity, it is not possible at any time to keep a stock of items that need to be refrigerated.

Of those retailers who were not able to keep a 7-day stock of items, **5 of 6 cited high wholesale prices** as a barrier and **6 of 6 said that there were fewer suppliers in the area.** Three of 6 also said that items were not available from suppliers.

In addition, while **12 of 12 retailers said that shelling and rockets had a negative impact** on their businesses, none reported that curfews, checkpoints, or presence of armed actors were hurting their business.

Graph 2: Items sold by interviewed retailers



\*Solid fuel includes firewood, briquettes, and/or coal and winter clothing includes winter coats, winter boots and/or warm blankets.

## Access to Cash and Markets

Problems for consumers with accessing both markets and cash fall largely under two categories: security-related barriers and infrastructural barriers. Proximity to the frontline means that Toretsk has been heavily damaged and still experiences regular shelling. Moreover, **half (10 of 20) of interviewed consumers were 60 years or older;** this is generally consistent with population estimates provided by local authorities in frontline areas that tend to show a disproportionate number of older people and/or people with disabilities. One 70-year old respondent reported having to ride her bike from the northern part of the hromada to Toretsk to withdraw her pension from an ATM, sometimes riding under shelling, as she reported there was no electricity in her area. Her experience highlights the compounding factors of security and infrastructural issues and the resulting effect on vulnerable members of the community.

## Security Access Barriers

Barriers related to conflict were those of most concern for consumers. **All (20 of 20) consumers** said that **fear of shelling was a barrier to accessing both markets and ATMs**. Eleven of 20 consumers also cited a fear of violence and active fighting. By contrast, no consumer named curfews, checkpoints, armed actors, or fear of harassment/robbery as security-related barriers to access.

While ATMs, banks, and UkrPoshta are all reportedly functioning in the hromada, **all 20 consumers said it was not safe** to travel to these locations. Fourteen of 20 also said that while ATMs and banks do operate, there are sometimes issues. Consumers explained that when there are power cuts, ATMs are not connected to generators and thus unusable. One consumer said there were long queues at ATMs when they are functioning. More concerning issues were also raised - one consumer explained that there were **no bomb shelters** near the bank, which closes during air raids, saying "People risk their lives to get money." Fourteen consumers said they do not feel safe because of the presence of armed groups and fear of being targeted. However, according to another consumer, cash is necessary as it is the only way to pay for goods when the electricity is not working.

## Infrastructural Access Barriers

While banks and ATMs were the primary sources for cash as reported by consumers, **12 (of 20) consumers reported already receiving humanitarian assistance** in the form of cash, 7 were able to access cash at the post office, and 6 received cash from friends, family, or other community members. Still, 13 of 20 said they did not have enough physical cash on hand to pay for the items they needed. One older woman explained that though she lives far from the market, she has to walk as she is not able to afford the bus fare (20 UAH each way). She then purchases food on credit as she cannot afford what she needs. **All interviewed consumers reported that they were unable to afford the items they needed due to high prices.**

Damage to infrastructure was reported as a major challenge for both consumers and retailers. Half of consumers were worried about disrupted communication channels meaning they could not contact anyone in case of an emergency while they were away from their homes. Just over half said the market was open for reduced hours making it more difficult to access regularly.

**Lack of electricity was a major issue for all 12 retailers**, 11 of whom experienced regular power cuts while the 12th retailer did not have electricity at all. Only 4 retailers had a generator. When electricity is functioning, 9 of 12 retailers have internet or mobile data. When electricity functions, all 12 retailers reported accepting payment via mobile app transfers, with 9 also using POS machines and 8 allowing purchase on credit. The retailers who offer consumers the option to purchase on credit say that up to half of their customers use this option.

## Conclusion

Most items are available in markets and local residents can access markets and cash in some ways. However, accessing markets and financial services does involve high risk for potential beneficiaries of multi-purpose cash. Providing MPCA should therefore not be seen as a risk-free means of covering basic needs. The provision of in-kind assistance also includes risk, in particular for partners, authorities and beneficiaries involved in distributions. Humanitarian partners determining how best to provide assistance in Toretska should carefully consider the risks and the transfer of risks associated with different modalities.

## METHODOLOGY OVERVIEW

This assessment was initiated by the Cash Working Group's Task Team on Cash and Voucher Assistance (CVA) Feasibility in order to assess market functionality and accessibility in hard-to-reach areas, including those within 30km of the frontline, newly accessible areas, and areas experiencing acute emergency situations where regular programming may be difficult.

Data was collected by two members of the Task Team: ACTED and Save the Children. Structured key informant interviews took place over the phone between 2 and 13 October. **Findings should be considered indicative of the situation.**



## ENDNOTES

<sup>1</sup> Figures and humanitarian situation reported by hromada authorities and shared bilaterally by OCHA in October 2023.

<sup>2</sup> Ibid.

<sup>3</sup> Ibid.

<sup>4</sup> Ukrainska Pravda, "Ukraine's police evacuates all children from 12 frontline settlements of Donetsk Oblast," 17 Oct 2023.

<sup>5</sup> REACH, "Cold Spot Risk Assessment: Winterisation 2023/24," Aug 2023.