Household Economic Resilience Assessment (HERA)
Government Controlled Areas (GCA) of Donestk and Luhansk Oblasts
Ukraine, Post-winter, April 2021

Background

Early 2014 saw the beginning of an armed conflict between the Ukrainian government and non-state armed actors from the self-proclaimed Donestsk People's Republic (DPR) and Luhansk People's Republic (LPR). The fighting led to the separation of the Government Controlled Areas (GCA) and the Non-Government Controlled Areas (NGCA), a demarcation that cut through the socio-economic fabric of both sides.[1] Further to the humanitarian situation resulting from the conflict, the outbreak of COVID-19 in 2020 and associated containment measures have lead to increased concerns around livelihoods and socio-economic wellbeing in the eastern conflict area.[2] Moreover, it has been suggested that COVID-19 may have disrupted access to basic public services, such as pension payments.[3] Given 3.4 million people were already estimated to be in need of humanitarian assistance at the outset of 2020, close monitoring of the situation in the eastern conflict area throughout the outbreak was identified as a pressing need.[4]

To gather up-to-date information on the capacity of households (HHs) to cope with the dual shock of conflict and COVID-19, REACH Initiative (REACH) conducted a household economic resilience assessment in areas close to the contact line. The assessment was carried out by REACH, with support from the United States Agency for International Development (USAID) through the Bureau for Humanitarian Assistance (BHA) and in coordination with the Food Security and Livelihood Cluster (FSLC) partners in Ukraine. The assessment aimed to identify the type of households most likely to show signs of economic distress over the winter of 2020 - 2021, the status of their food consumption and the coping strategies used.

The components of the assessment were:

- A secondary data review (SDR) of the 2020 GCA Multi-Sector Needs Assessment which identified the socio-economic and demographic characteristics of households at risk of relative poverty. Factsheet available online.
- A pre-winter (November - December 2020) comprehensive survey covering six strata defined by the level of urbanisation and oblast. Report available online.
- A smaller, post-winter (March 2021) survey, measuring the area-level household socio-economic changes covering three strata defined by the level of urbanisation.

Table 1. Data collection period and actual sampling size, by rounds:

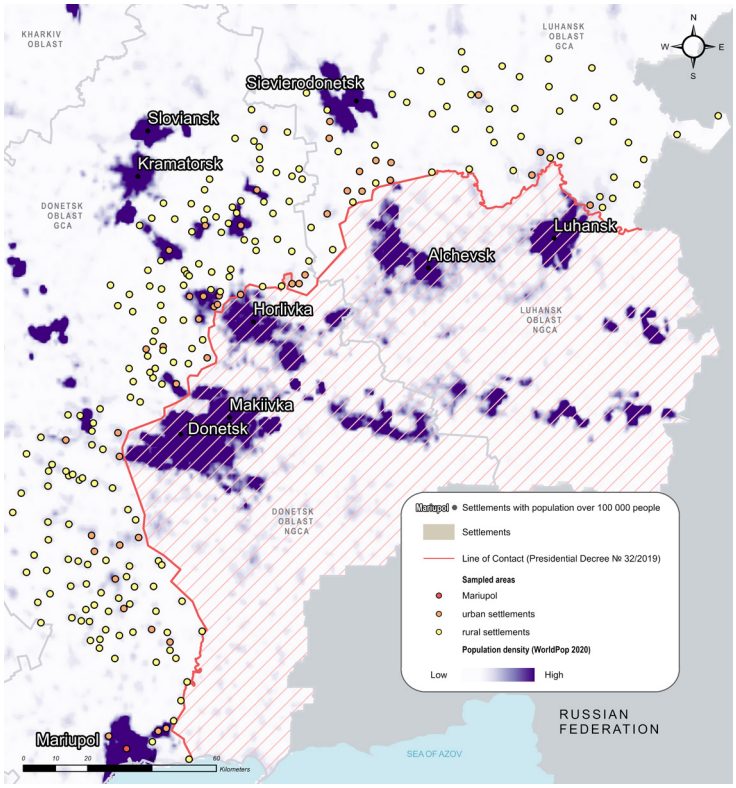
Components	Data collection period	Total HHs interviewed
SDR of 2020 GCA MSNA	30/07/2020 - 15/08/2020	1,617
Pre-winter survey	23/11/2020 - 11/12/2020	2,390
Post winter survey	01/03/2021 - 17/03/2021	1,262

Methodology

The assessment used a mixed methods approach comprising a secondary data analysis component, a pre-winter, and a post-winter survey. Due to the COVID-19 pandemic, data was collected through phone-based interviews with households randomly selected from a database of contacts of households who were part of previous REACH-led assessments - who agreed their contact details to be retained by REACH for follow-up calls, and contacts of households from local partners.

Households were randomly selected for the two quantitative surveys, without replacement, from a single sample frame via a two-stage stratified sampling process, first by settlement and then by population number for each settlement. To facilitate comparison, findings from the pre-winter survey were re-calculated based on the second round strata.[5] However, due to different methodologies being used in the two surveys, along with different socio-economic conditions at the time of interviews, observed differences between indicators could be influenced by external factors and comparisons between the two surveys should be considered as indicative only. Moreover, significance testing has not been conducted for strata not included in the original plan or between the rounds, therefore any changes +/- 10% are likely within the margin of error of the two assessments. As a result, findings are not generalizable to the status of all GCA residents in the area of interest and encourage further analysis of the economic situation of households living close to the contact line.

Map 1: HERA post-winter data collection coverage



[1] United Nations Office for the Coordination of Humanitarian Affairs (OCHA), Humanitarian Needs Overview Ukraine (2021).
[2] OCHA, Ukraine: COVID-19 Update (2021).
[3] Human Rights Watch (HRW), Ukraine: Covid-19 Rules Blocked Access to Pensions (2020).
[4] OCHA, Ukraine 2020 Humanitarian Response Plan (2020).
[5] Findings for the pre-winter survey strata are statistically significant at a 95% confidence level and 5% margin of error for each stratum. However, findings for Mariupol strata are representative at a 95% level of confidence and 6% margin of error. Findings for the post-winter survey strata are statistically significant at a 95% confidence level and 5% margin of error for each stratum.

Food consumption

Table 2: Proportion of households found to have acceptable, borderline, or poor food consumption scores (FCS) by round of data collection[6]

	Mariupol		Urban		Rural		Overall	
	Pre-winter	*Post-winter*	*Pre-winter*	*Post-winter*	*Pre-winter*	*Post-winter*	*Pre-winter*	*Post-winter*
Acceptable	94%	93%	85%	84%	87%	86%	89%	88%
Borderline	4%	6%	11%	12%	10%	12%	8%	10%
Poor	2%	1%	4%	4%	3%	2%	3%	2%

Figure 1: Proportion of households by poor or borderline FCS disaggregated by the gender of the head of household (HoH), location, and round of data collection

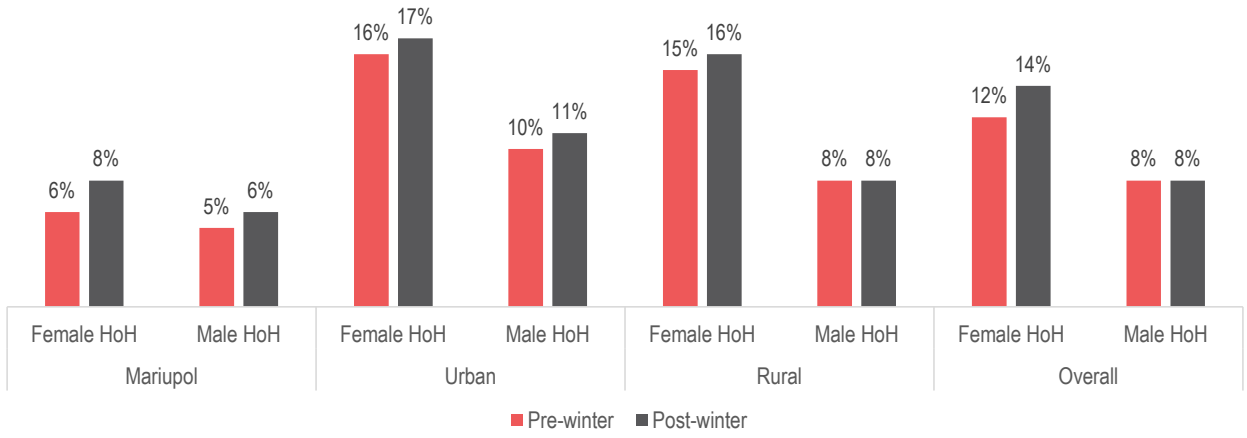


Figure 2: Proportion of households by poor or borderline FCS disaggregated by households reporting having at least one member with a vulnerability and round of data collection[7]

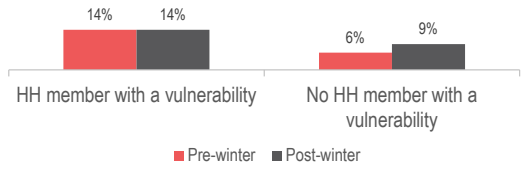
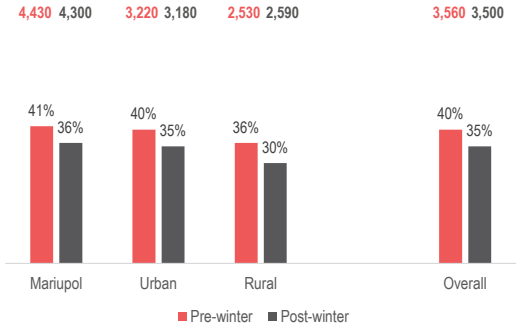


Figure 3: Reported food expenditure as % of total household spending, by location and round of data collection (average spent on food in UAH, rounded by the nearest 10 UAH, above the relevant column)



Income and employment

Figure 4: Proportion of households whose average income per capita fell bellow the actual subsistence minimum (UAH 3,968) by location and round of data collection[8]

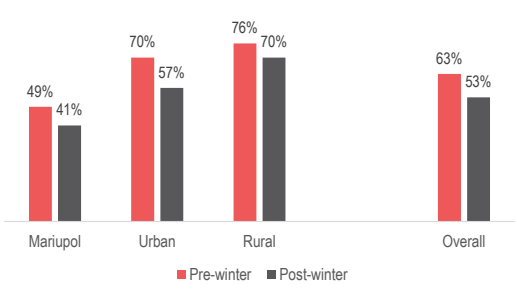
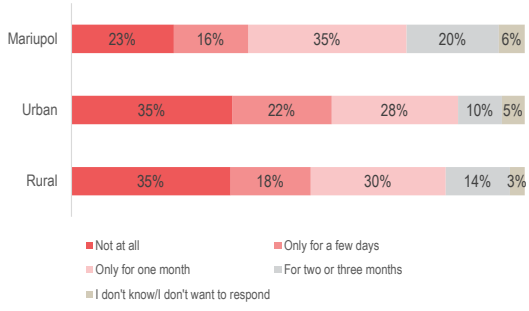


Figure 5: Proportion of households reporting on their capacity to sustain themselves in case of an existing loss of income, by the period being able to do so and location (post-winter only)



[6] FCS thresholds harmonized with the methodology used by Food Security partners dating back to 2015. The score is calculated and assigned into three food consumption quotas: poor FCS (<28), borderline FCS (28.5 – 42) and acceptable FCS (>42).
[7] Vulnerabilities listed were chronic disease, disability affecting the quality of life, or single parent status.
[8] Ministry of Social Affairs of Ukraine, Information on the actual subsistence level. Accessed on 09/03/2021.

Table 3: Average total household income (in UAH, rounded by the nearest 10 UAH), by source and round of data collection (results indicative only)[9] [10]

	Mariupol		Urban		Rural		Overall	
	Pre-winter	*Post-winter*	*Pre-winter*	*Post-winter*	*Pre-winter*	*Post-winter*	*Pre-winter*	*Post-winter*
Paid work	12,060	11,930	8,110	7,750	7.060	7,400	9,680	9,570
Self-employment	NA	10,290	NA	9,000	NA	9,880	NA	10,050
Pension	4,610	4,450	4,170	4,210	3,850	4,080	4,250	4,260
Government safety net	2,210	2,320	2,780	2,390	2,200	2,420	2,500	2,370
Loans	2,710	4,710	4,680	5,130	6,480	4,470	4,130	4,930
Selling own production	2,000	960	2,260	2,670	2,780	2,400	2,540	2,060
Humanitarian aid	750	0	3,220	2,850	4,660	2,170	3,320	2,340
Financial support from relatives	2,710	2,780	2,140	2,160	1,980	1,600	2,340	2,340
Average total household income	**11,560**	**12,410**	**7,740**	**8,470**	**7,130**	**7,510**	**9,050**	**9,770**

Figure 6: Proportion of households reporting an impact on their sources of income due to COVID-19 crisis by location and round of data collection[11]

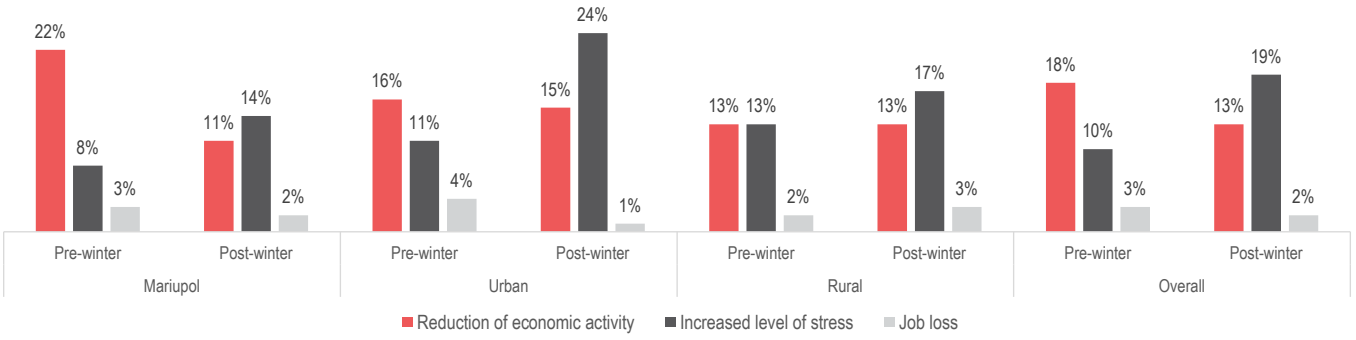


Figure 7: Proportion of households reporting having experienced a decrease in their income in the three months prior to the interview, by location (post-winter only)

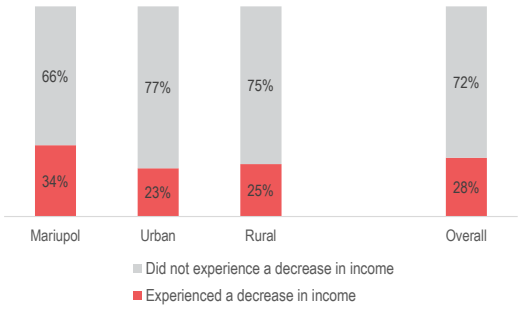


Figure 8: Proportion of households reporting being able to set aside and maintain savings in the six months prior to the interview, by location (post-winter only)

Table 4: Proportion of households reporting on asset ownership, by type of asset and location (post-winter only)[12]

Type of support	Mariupol	Urban	Rural	Overall
Dwelling	83%	90%	93%	87%
Agricultural plot of land	17%	38%	68%	35%
Personal car	24%	17%	28%	22%
Livestock	2%	12%	48%	14%
Motorcycle	0%	2%	4%	1%
No asset from the list	**14%**	**9%**	**4%**	**10%**

Table 5: Proportion of households reporting having debt, by reason for debt and location (post-winter only)[13]

Reason for debt	Mariupol	Urban	Rural	Overall
To pay for utilities	51%	49%	22%	45%
To purchase food	30%	40%	54%	39%
To cover for urgent medical expenses	14%	15%	14%	14%
% of HHs reporting debt	35%	40%	36%	38%

[9] "Self employment" indicator included as "paid work" in the first round of data collection. Income from "remittances, "scholarship", "alimony for children", removed due to very low observation numbers (n < 30).
[10] Averages from subsets of households reporting income from any of these sources. Subsets have a lower confidence level and a higher margin of error, therefore findings should be considered as indicative only.
[11] Reduction of economic activity includes either reduced work hours, wage cuts, reduced work activities, or delays in receiving wages or pensions. Multiple answers could be selected therefore findings may exceed 100%. Some COVID-19 related restrictions such as limitation of movement or closure of markets may have been in place at the moment of data collection, therefore certain indicators could be influenced by external factors.
[12] Multiple answers could be selected therefore findings may exceed 100%.
[13] Ibid.

Figure 9: Proportion of households reporting no member having worked in the past 30 days by location and round of data collection[14]

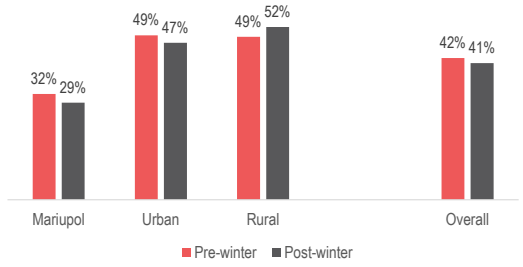
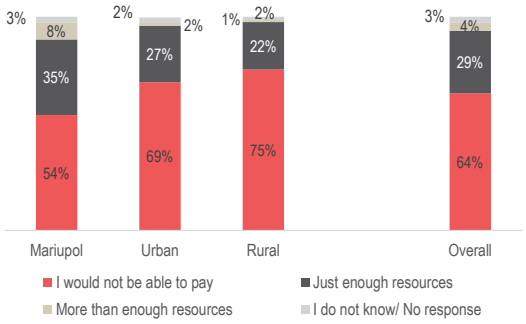


Figure 10: Proportion of households by reported ability to cover for unexpected healthcare costs, by location (post-winter only)



Seasonal dynamics

Figure 11: Proportion of households reporting being in the situation of not having enough money or fuel to heat their dwelling, by location and round of data collection

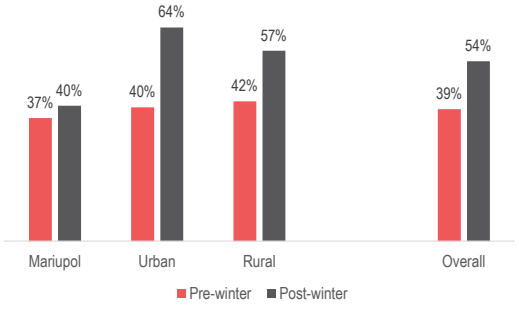


Figure 12: Proportion of household expenditure reportedly attributed to utilities (including heating) by location and round of data collection (with average spend on utilities in UAH, rounded to the nearest 10 UAH, above the relevant column)

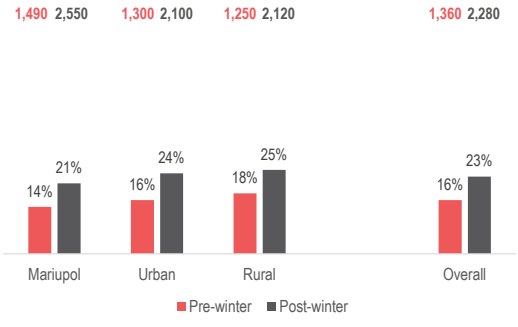


Table 6: Proportion of households reporting on their main sources of heating and the average monthly cost of household heating bill in 2020 - 2021 winter (in UAH, rounded to the nearest 10 UAH), by location (post-winter only)[15]

Type of support	Mariupol	Urban	Rural	Overall
Mains heating	66%	32%	1%	40%
Gas	25%	30%	38%	29%
Wood	4%	14%	32%	13%
Coal	2%	18%	23%	12%
Electricity	2%	4%	1%	3%
Briquettes (not coal ones)	0%	2%	5%	2%
Average reported monthly cost (in UAH) of household heating bill in 2020 – 2021	**1,740**	**1,660**	**2,120**	**1,750**

Table 7: Proportion of households reporting having received support for utilities for winter (2020 - 2021) expenses, by type of support and location (post-winter only)[16]

Type of support	Mariupol	Urban	Rural	Overall
State subsidies to the bill	89%	75%	62%	76%
In-kind support from state	3%	9%	9%	8%
In-kind support from humanitarian organisations	0%	6%	14%	6%
Direct financial support from state	10%	5%	4%	6%
Direct financial support from humanitarian org.	0%	6%	12%	6%
% of HHs reporting receiving support for winter	**20%**	**39%**	**39%**	**32%**

[14] Indicator includes only the working age members of the household (>14 years old).
[15] Multiple answers could be selected therefore findings may exceed 100%.
[16] Ibid.

Livelihood coping strategies

Table 8: Proportion of households reporting on use of livelihood coping strategies in the 30 days prior to data collection, by location and round of data collection[17]

Livelihood Coping Strategy	Mariupol		Urban		Rural		Overall	
Time of the interview	*Pre-winter*	*Post-winter*	*Pre-winter*	*Post-winter*	*Pre-winter*	*Post-winter*	*Pre-winter*	*Post-winter*
Spent savings	28%	22%	28%	26%	29%	32%	28%	25%
Purchased food on credit	14%	13%	26%	27%	27%	35%	21%	23%
Sold household assets/goods	3%	4%	4%	6%	2%	2%	3%	5%
Sent household members to eat elsewhere	0%	1%	1%	1%	0%	0%	1%	1%
Reduced essential healthcare spending	20%	25%	34%	30%	26%	27%	27%	27%
Reduced essential education spending	2%	2%	3%	1%	2%	1%	3%	1%
Sold productive assets	1%	1%	1%	0%	1%	2%	1%	1%
Household member(s) moved	4%	2%	3%	2%	3%	3%	3%	2%
Entire household migrated/ displaced	1%	1%	2%	0%	0%	0%	1%	0%
Sold house or land	0%	0%	0%	0%	0%	0%	0%	0%
Used degrading sources of income, or high risks jobs	5%	2%	3%	4%	2%	5%	4%	4%
No coping mechanism reported	**44%**	**33%**	**27%**	**25%**	**29%**	**20%**	**34%**	**27%**

Legend cell colours:
- Stress-level coping strategies
- Crisis-level coping strategies
- Emergency-level coping strategies

[17] Households were asked to choose from a presented list of coping strategies on which they possibly relied on in the 30 days prior to data collection in order to cope with the lack of resources and to cover for their basic needs. The specific coping strategies were selected based on recommended indicators from the World Food Programme (WFP). Consolidated Approach to Reporting Indicators (CARI) methodology which uses household coping capacity as a constituent part of assessing food security. More information available online. Multiple coping strategies could be selected therefore findings may exceed 100%. Due to different methodologies being used in the two surveys, along with different socio-economic conditions at the time of interviews, observed differences between indicators could be influenced by external factors and comparisons between the household-reported pre-winter and post-winter use of coping strategies should be considered as indicative only.