FACTSHEET

Joint market monitoring initiative (JMMI)

June, 2023

Ukraine

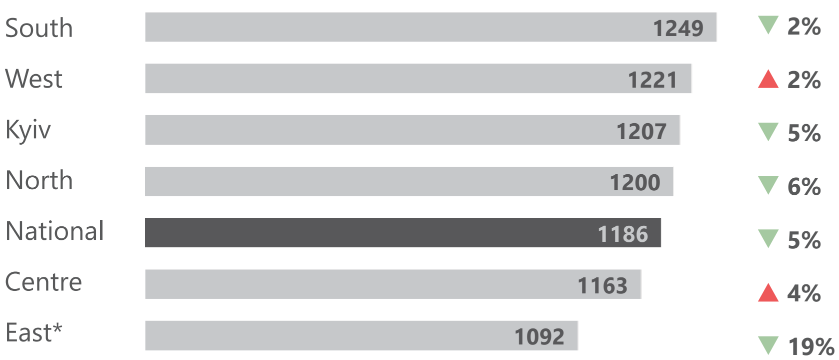
KEY MESSAGES

- **Affordability remained a key issue, as 53% of customer Key Informants (KIs) reported price increase as their main financial barrier to accessing goods**, **with the highest percentage reported in the North** (72%). In addition, the North accounts for the largest share of retailer KIs expecting a rise in supplier prices and a decline in customers' purchasing power (76% and 75%, respectively) as major challenges in the coming months.
- **Security-related factors limited retailers' activity in the South, especially in areas closer to the front line, such as Zaporizka and Khersonska oblasts.** While air attacks affected mostly the northern region, customers in the southern region reported more frequently active fighting or shelling and damages to buildings or infrastructure.
- **The median value of the full JMMI basket decreased nationally and in most macroregions,** especially in the East* (by 19%). Market prices' decrease is expected to slow down due to the re-instatement of pre-war levels of fuel taxes by the government, the increase of electricity price for businesses and households, as well as the long-term negative impact of the destruction of the Kakhovka Hydroelectric Power Plant (HPP). The National Bank of Ukraine is forecasting losses of up to USD 0.4 billion in 2023 and USD 0.7 billion in 2024 due to the widening of the trade deficit for goods as a result of the destruction of the Kakhovka HPP.
- According to the Humanitarian Situation Monitoring calibration assessment, **households in Donetska, Kharkivska and Khersonska oblasts** had the lowest total monthly income (6000 - 6500 UAH) and **were most in need of humanitarian aid of any kind. Cash assistance was the most preferred modality of assistance, and bank transfer was the preferred delivery mechanism for receiving cash aid.**
- **Access to banks and ATMs remained an issue for a high share of customer KIs in the southern areas** closer to the hostilities (37% and 31%, respectively), especially in Mykolaivska, Khersonska and Zaporizka oblasts.

1186 UAH **Cost of JMMI basket**

31.89 USD (▼ 4%) 29.36 EUR (▼ 4%)

Median values of the full JMMI baskets in June 2023, UAH



JMMI in June 2023:

- **11** participating partners
- **1293** interviews conducted
  - **580** retailers surveyed
  - **713** customers surveyed (**40%** men and **60%** women)
- **24** *oblasts* monitored
- **140** *hromadas* monitored

CONTEXT & RATIONALE

Since 24 February 2022, the full-scale war across Ukraine has prompted mass displacement and humanitarian crisis. Given the prominence of multi-purpose cash as a modality for assistance, market monitoring is a key initiative to ensure humanitarian intervention is effective, sustainable and does not harm local markets. Due to the widening of areas beyond the control of the Government of Ukraine, humanitarian market data from conflict-affected areas is limited and incomplete. The Joint Market Monitoring Initiative seeks to fill this information gap by providing useful and timely data on price trends and market functionality indicators.

ASSESSMENT OVERVIEW

- Track prices and availability of basic commodities in Ukraine markets on a monthly basis.
- Assess the impact of the current humanitarian crisis on market systems in Ukraine.
- Contribute to a broader understanding of the market environment in Ukraine for the benefit of humanitarian actors across all sectors.

METHODOLOGY:
Marketplaces across Ukraine are assessed on a monthly basis. In each location, field teams record prices and other market indicators through retailer and customer key informants (KIs) interviews that characterize monthly changes in the local markets.**

* East includes Kharkivska, Luhanska, and Donetska oblasts.

** Please find the methodology overview on page 16.

REACH Informing more effective humanitarian action

AVAILABILITY OF GOODS

Food items

In June, as in the previous months, food items have been reported to be widely available, as only 1% of customers surveyed across the country indicated their limited availability (Figure 1). These were mainly residents of the southern (4%) and eastern (2%) regions.

According to the JMMI retailer KIs survey, complementary cereal for babies was the least available item in the JMMI food basket. Countrywide, only 93% of retailers surveyed reported its full availability, with the lowest percentage in the South (80%), particularity in Zaporizka oblast (82%).

Hygiene items

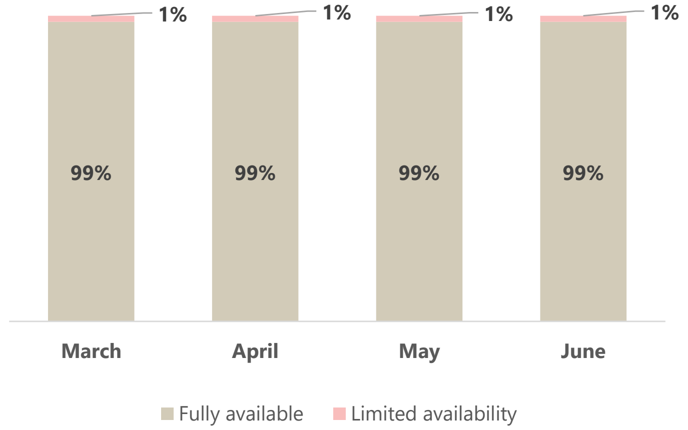
In June, 99% of customer KIs noted a full availability of hygiene items, whereas only 97% did so in May (Figure 2). Limited availability of hygiene items remained an issue in the South, with 19% of customers surveyed in Odeska oblast reporting insufficient quantity of these goods in their local shops and marketplaces.

According to retailer KIs, diapers for infants were the least available item in the JMMI's hygiene basket. Nationwide, 94% of surveyed retailers reported their full availability. The lowest level of availability was observed in the South and East (83% in each of these regions), with 83% of respondents in Kharkivska and 35% in Zaporizka oblasts reporting their full availability.

Medications

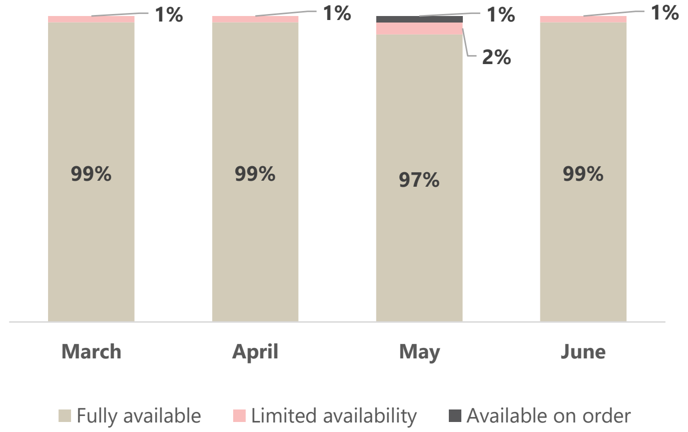
The availability of over-the-counter medication slightly improved comparing to last month. In May 89% of customer KIs reported a full availability of medication, in June this proportion increased to 92% (Figure 3). The lowest percentages were reported in the East (81%) and South (87%). More specifically, for 20% of customer KIs in Khersonska and 15% in Odeska oblasts, availability of over-the counter medications was reported to be limited. In Kharkivska oblast, 16% of customer KIs reported an insufficient availability of medication (shortage) in their place of residence or the possibility to purchase them only via ordering.

Figure 1: % of customer KIs reporting availability of food items, national



Source: JMMI

Figure 2: % of customer KIs reporting availability of hygiene items, national



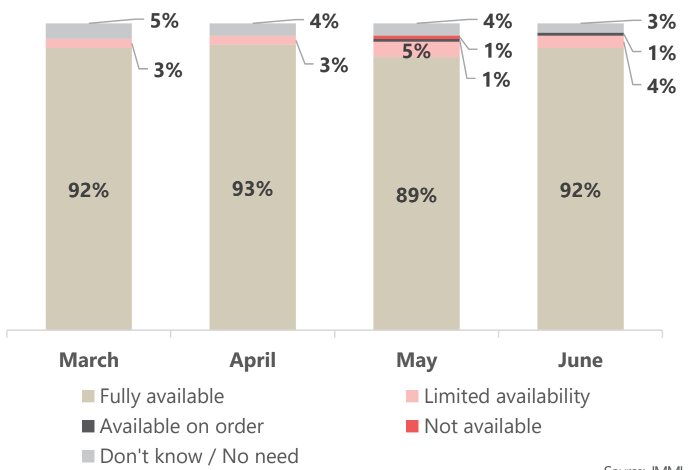
Source: JMMI

Warm clothes

The proportion of respondents who were not concerned about having warm clothes during the warm season remained almost the same as in the previous month (Figure 4).

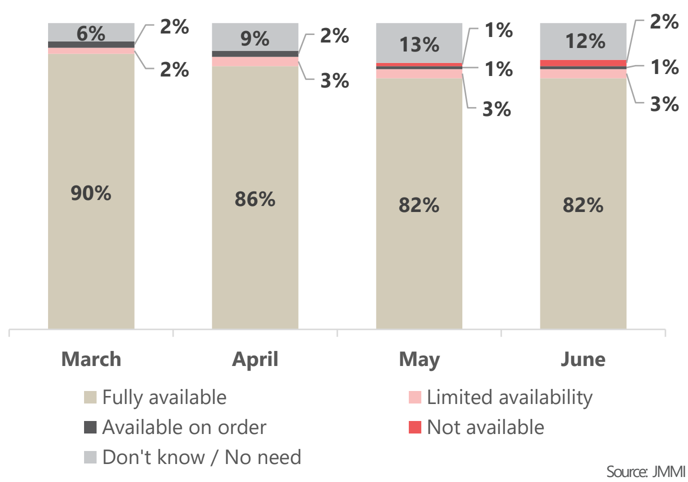
Issues with the availability of warm clothes were mostly reported in the East, where 14% of customer KIs reported that warm clothes were either unavailable or in limited availability. In the South, 6% of customers KIs reported that warm clothes were insufficiently available.

Figure 3: % of customer KIs reporting availability of over-the-counter medications, national



Source: JMMI

Figure 4: % of customer KIs reporting availability of warm clothes, national



Source: JMMI

AVAILABILITY OF ENERGY RESOURCES AND MARKET PRICES

Availability

Less than half of the surveyed customer KIs (49%) regularly purchased vehicle fuel for personal or professional use. It mostly consisted of petrol, diesel and natural gas. Only a very limited number of respondents reported that they use electrically-powered cars.

Due to sufficient market supply, for the majority of customer KIs (79%) vehicle fuel was fully available in June (Figure 5). However, some issues were observed concerning vehicle fuel availability in Zaporizka and Vinnytska oblasts, where 31% and 15% of respondents respectively indicated its unavailablity.

The percentage of respondents reporting full availability of heating fuel increased from 84% in May to 86% in June (Figure 6). Nevertheless, some issues with the availability of this type of fuel were observed in the South, with 19% of customer KIs in Odeska oblast reporting limited availability, and in the North region, with 12% of customer KIs in Chernihivska oblast being able to purchase heating fuel only through ordering.

Market prices

In June compared to May, the average consumer prices for vehicle fuels such as petrol A-92 decreased by 2%, and by 3% for petrol A-95, as well as diesel. Meanwhile, the price of liquefied petroleum gas (LPG) remained stable (Figure 7)[1].

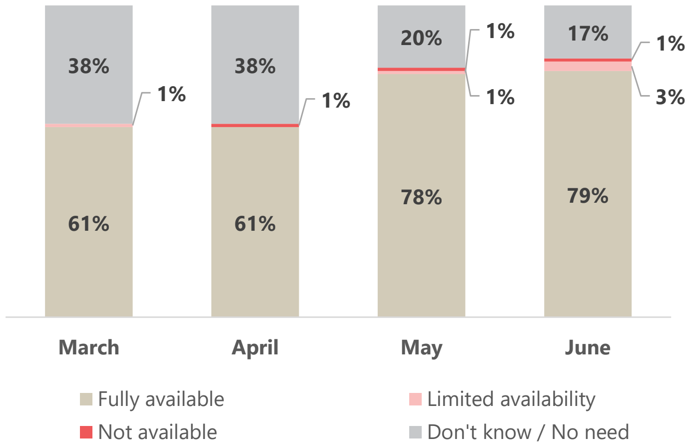
Fuel prices continued to decrease due to substantial stocks, lower global oil prices, increased competition, and a high comparison base[2].

Although the market saw a downward trend in fuel prices in June, the situation has already changed in July, as in the 1st July fuel taxes were reinstated to pre-war levels. Thus, the VAT rate on petroleum products was increased from 7% to 20%, the excise tax on petrol was set at 213€ per 1,000 liters, and on diesel fuel at 140€ per 1,000 liters. Due to this, the Ministry of Economy predicts an increase in petrol and diesel prices by 5 to 8 UAH per liter in July[3].

It is also worth noting that all current vehicle fuel prices were significantly above pre-war levels. For instance, in June 2023, the price of diesel was 43% higher than in January 2022, the price of petrol A-95 was 42% higher.

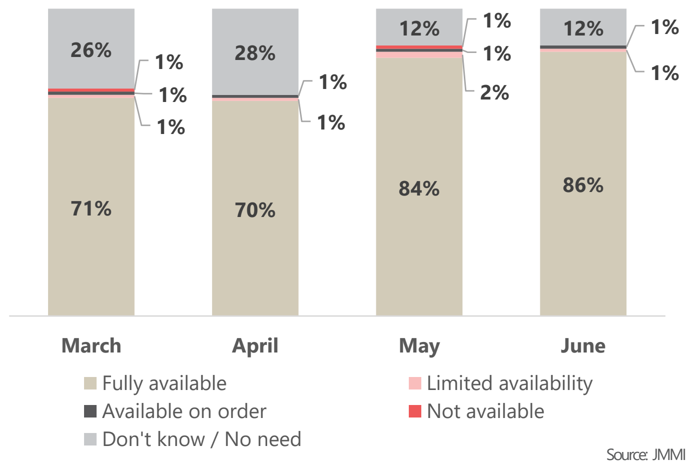
According to the JMMI customer KIs survey, the estimated price of petrol and diesel purchased through unofficial sources was lower than the estimated price of those purchased through official sources. Thus, respondents could buy petrol and diesel through official sources for 45 UAH and 44 UAH per liter, respectively, and through unofficial sources for 42 UAH and 37 UAH per liter, respectively.

Figure 5: % of customer KIs reporting availability of vehicle fuel, national



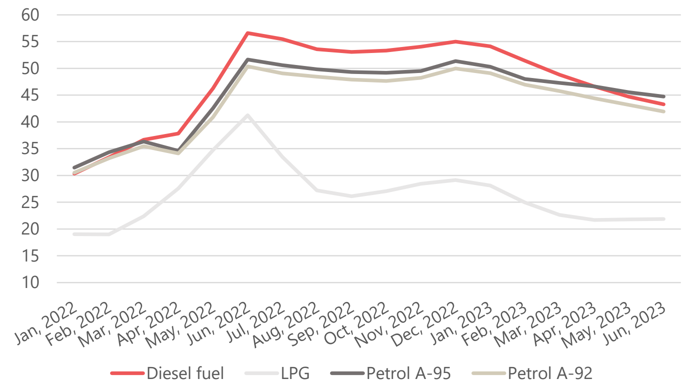
Source: JMMI

Figure 6: % of customer KIs reporting availability of heating fuel, national



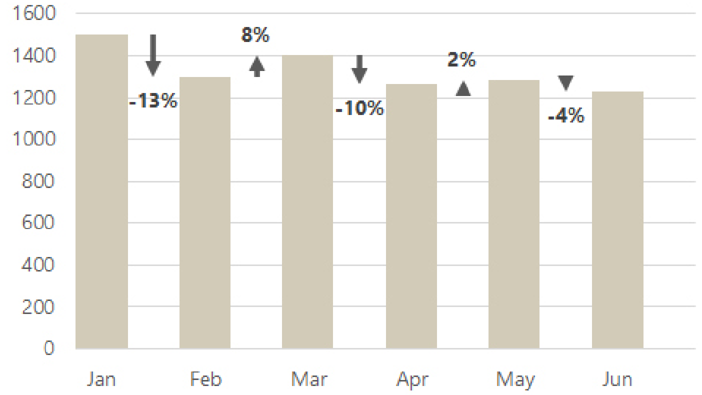
Source: JMMI

Figure 7: Average consumer price for vehicle fuel, national, UAH per liter



Source: SSSU

Figure 8: Estimated firewood price, national, UAH per cubic metre



Source: JMMI

Prices for natural gas used by customers to heat their houses and cook remained unchanged since the beginning of the full-scale war - at 8 UAH per cubic metre across the country. On the other hand, due to the government's decision to increase electricity tariffs for households, the price of electricity rose to 2.64 UAH per kWh in June, which is more than 1.5 times higher than in May.

The price of firewood decreased slightly. Customer KIs could reportedly buy firewood in June for an average of 1,230 UAH per cubic metre, which is 4% less than in May. The highest prices were reported in the East (1,500 UAH) and South (1,600 UAH).

THE BASKET

Median value of the full JMMI basket

JMMI BASKET

Food

Bread	500 g
Buckwheat	1 kg
Cabbage	1 kg
Carrots	1 kg
Chicken (legs)	1 kg
Complementary cereal for babies	200 g
Drinking water	1 bottle (1.5 L)
Eggs (chicken)	10 pcs
Milk (2.5%)	900 ml
Oil (sunflower)	900 ml
Onion	1 kg
Potato	1 kg
Rice (round)	1 kg
Wheat flour (white)	1 kg

Non-food items (NFIs)

Body soap	1 bar (75 g)
Diapers (infant size 3)	1 pack (40-60 pcs)
Hygiene/sanitary pads	1 pack (10 pcs)
Laundry soap	1 bar (200 g)
Toothpaste	1 tube (75 ml)
Washing powder (machine)	1 box (500 g)

The JMMI Basket is a subset of the 335-item consumer set of representative goods (and services) maintained by the State Statistics Service of Ukraine (SSSU), focusing on core food and hygiene items that an average household must purchase on a regular basis. The JMMI Basket was defined in consultation with the Ukraine Cash Working Group. Trends in the price of the basket are indicative of consumer price inflation.

In June, the cost of the full JMMI basket decreased by 5% comparing to May and amounted to 1186 UAH at the national level (Figure 9).
The most significant decrease of price was reported in the East (19%).
Over the same period of time, the cost of the JMMI basket in the Centre and West increased by 4% and 2%, respectively.

The most expensive JMMI basket was calculated for prices reported in the South (1249 UAH), whereas JMMI basket prices were reported to be the lowest in the eastern (1092 UAH) and central (1163 UAH) regions.

In terms of regional price differences, higher prices were reported in regions affected by ground shelling due to security risks and more complex logistics, whereas in some western oblasts the reported higher prices were due to relatively higher demand.

At oblast level, the highest cost of the JMMI basket was reported in Volynska (1384 UAH), Kyivska (1375 UAH) and Khersonska (1355 UAH) oblasts.

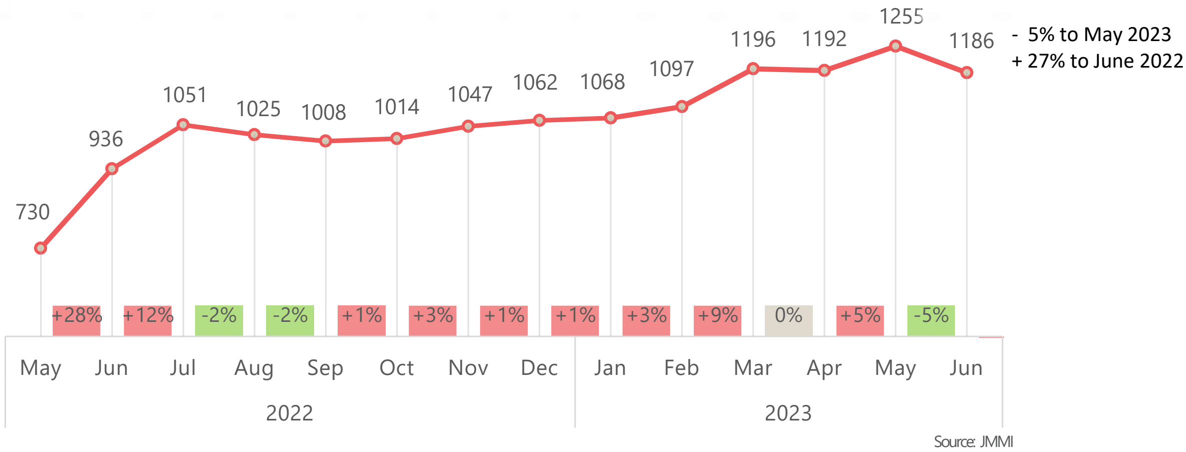
Prices

In June, the cost of the JMMI food basket dropped in most regions, with the largest decrease in the East (by 14%). In the West and Centre the price of the food basket remained unchanged. Meanwhile, 17% of retailer KIs in Zaporizka oblast, as well as 12% in Ivano-Frankivska and Chernivetska reported an increase of price for each item of the food basket.

The most expensive food baskets were registered in Kyiv (703 UAH) and in the North (657 UAH), particularly in Kyivska (714 UAH) and Chernihivska (709 UAH) oblasts, which represents an increase of 9 to 10% compared to the previous month.

The cheapest food basket prices were reported in the Centre (635 UAH) and East (603 UAH).

Figure 9: Dynamics of the JMMI basket value, UAH



Due to sufficient supply and a stable foreign exchange market, vegetable prices' increase slowed down. Thus, the price of carrots remained at the level of the previous month, while the price of cabbage and onions decreased by 11% and 5%, respectively. However, vegetable prices were significantly higher compared to the previous year (Figure 10).

It is worth noting that according to recently published data from the State Statistics Service[4], in 2022, the volume of harvested vegetables decreased by 24%, including onions by 21%, carrots by 13% and cabbage by 11%. The military occupation of the southern oblasts, which were traditionally involved in vegetable production, and the presence of large areas of mined agricultural land in the East have affected market supply and pushed prices up. The destruction of the Kakhovka HPP in June addedd to these difficulties[5]. The increase in prices for potatoes from 114% in the East to 9% in the North could be driven by the supply on the market of a variety of potatoes that became available in June - before that month, only last year's crop were sold.

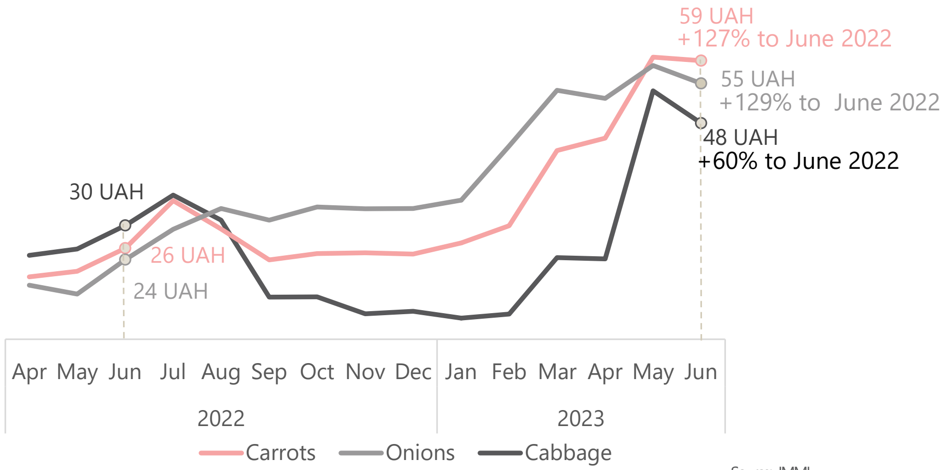
The price of buckwheat continued to decline by 10% in June, compared to May. This year's buckwheat cultivation area is expected to be at around the same levels as last year*, which means that buckwheat domestic consumption needs are expected to be met with ease, and no price increase is forecasted[6].

Egg prices decreased by 8% due to an increasing supply from private suppliers.

Chicken prices rose at a slower pace due to lower demand, meanwhile the Association "Union of Poultry Breeders of Ukraine" is expecting a rise of prices for poultry products in August[7] given the

** Last year, due to reduced production in the steppe zone and lower imports (before the war, Ukraine produced only half of the buckwheat it consumed, the rest was imported from Russia through Kazakhstan[8]), buckwheat prices rose to record levels (in July 2022 - 100 UAH per 1 kg). Agriculturists dealt with this issue by expanding their planting areas: the harvested area increased by 32% and gross collection by 39%).*

Figure 10: Dynamics of median vegetable prices, UAH



Source: JMMI

Map 1: Median values of food and non-food items in June 2023, by oblast

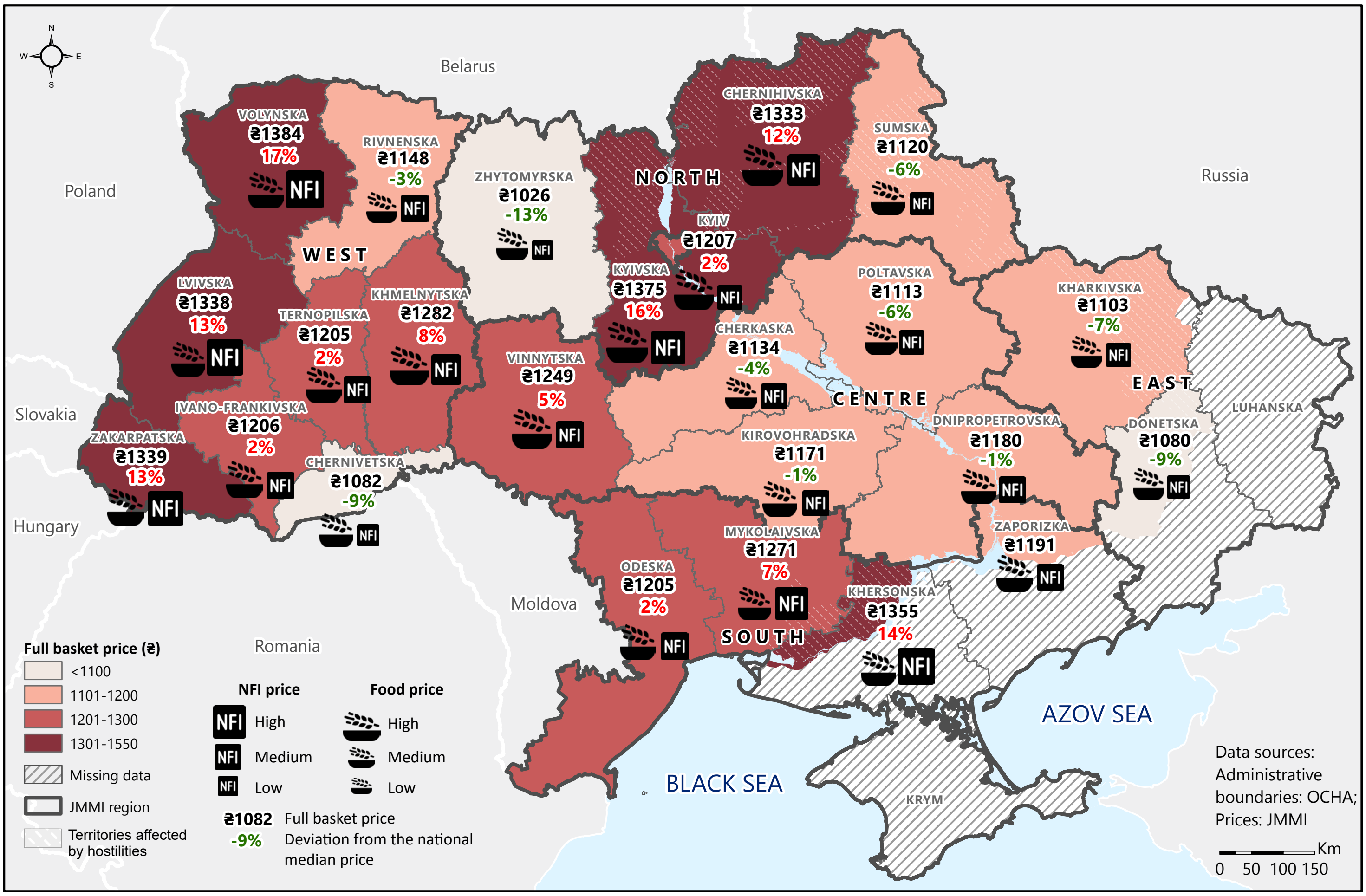


Table 1: Median prices of food items in June 2023 by region, UAH

		West		Centre		South		North		Kyiv		East		National	
Item	**Unit**	Median price	1 month change	Median price	1 month change	Median price	1 month change	Median price	1 month change	Median price	1 month change	Median price	1 month change	Median price	1 month change
Bread	500 g	18	-9%	18	15%	18	0%	18	-1%	23	4%	18	-12%	18	-5%
Buckwheat	1 kg	51	-7%	48	-8%	64	-3%	52	-8%	50	-5%	46	-20%	50	-10%
Cabbage	1 kg	47	11%	49	11%	44	-14%	49	-14%	51	-17%	45	-20%	48	-11%
Carrots	1 kg	61	8%	60	0%	59	7%	58	-3%	64	-2%	58	-5%	59	0%
Chicken (legs, fresh)	1 kg	104	0%	111	6%	92	0%	96	-8%	125	8%	99	-2%	102	-2%
Complementary cereal	200 g	87	8%	82	0%	70	15%	96	13%	91	1%	59	-46%	85	1%
Eggs (chicken)	10 pcs	40	-10%	36	-7%	46	-10%	41	-11%	44	2%	38	-8%	40	-8%
Milk (2.5%, fresh)	900 mL	30	-2%	31	1%	33	-2%	33	3%	30	-14%	31	-10%	31	-5%
Oil (sunflower, refined)	900 mL	50	-10%	51	-8%	62	-3%	56	1%	56	3%	56	-9%	56	1%
Onions	1 kg	57	1%	53	-4%	53	-9%	55	-4%	58	-6%	55	-7%	55	-5%
Potatoes	1 kg	11	27%	13	39%	14	14%	11	9%	16	57%	20	114%	14	41%
Rice (round)	1 kg	55	0%	53	-7%	57	0%	54	-6%	60	1%	47	-18%	55	-5%
Water	1.5 L	14	-2%	15	10%	16	-6%	17	2%	15	-11%	15	6%	15	-4%
Wheat flour (white)	1 kg	18	-4%	16	-2%	20	0%	20	1%	20	1%	14	-15%	19	-1%
Total		644	0%	635	0%	651	-1%	657	-3%	703	-1%	603	-14%	647	-3%

Source: JMMI

Table 2: Median prices of non-food (hygiene) items in June 2023 by region, UAH

		West		Centre		South		North		Kyiv		East		National	
Item	**Unit**	Median price	1 month change	Median price	1 month change	Median price	1 month change	Median price	1 month change	Median price	1 month change	Median price	1 month change	Median price	1 month change
Body soap	1 bar (75 g)	15	0%	11	-9%	15	1%	13	-5%	13	7%	13	3%	13	1%
Diapers (infant, 5-9 kg)	1 pack (40-60 pcs)	414	9%	383	11%	434	-5%	379	-13%	351	-15%	338	-28%	381	-10%
Hygiene/sanitary pads	1 pack (10 pcs)	42	-3%	37	3%	37	2%	38	4%	43	-2%	34	-25%	38	-6%
Laundry soap	1 bar (200 g)	20	1%	19	1%	22	6%	23	4%	22	1%	22	0%	22	3%
Toothpaste	1 tube (75 ml)	36	-9%	31	2%	38	3%	39	-11%	33	3%	45	3%	37	-3%
Washing powder	1 box (500 g)	50	-4%	47	0%	52	3%	52	15%	43	-2%	37	-35%	49	0%
Total		577	5%	529	8%	599	-3%	543	-9%	505	-11%	489	-25%	539	-8%

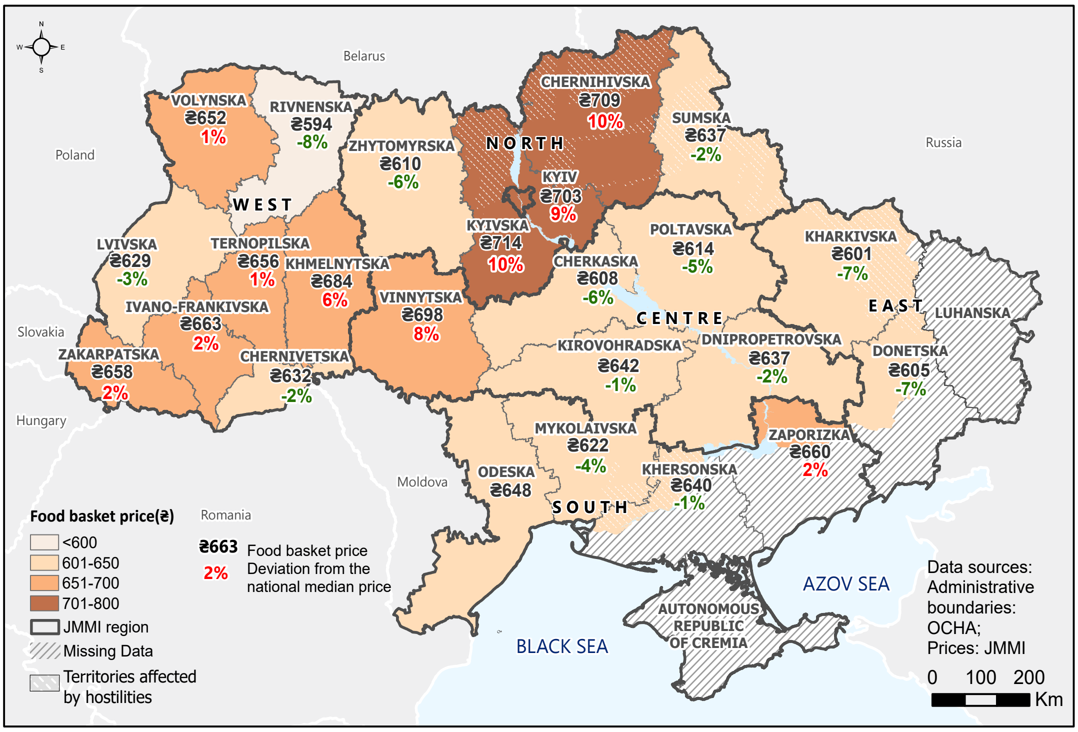
Source: JMMI

increase in marginal electricity prices for businesses from 30 June.

The variation in **the cost of the non-food** (hygiene) basket across different regions exhibited heterogeneity, that can be partially explained by the decrease of price for infants diapers (table 2).

The most expensive non-food JMMI baskets were reported in the South (599 UAH) and West (577 UAH), while the cheapest was reported in the East (489 UAH).

Map 2: Median values of food items in June 2023, by oblast



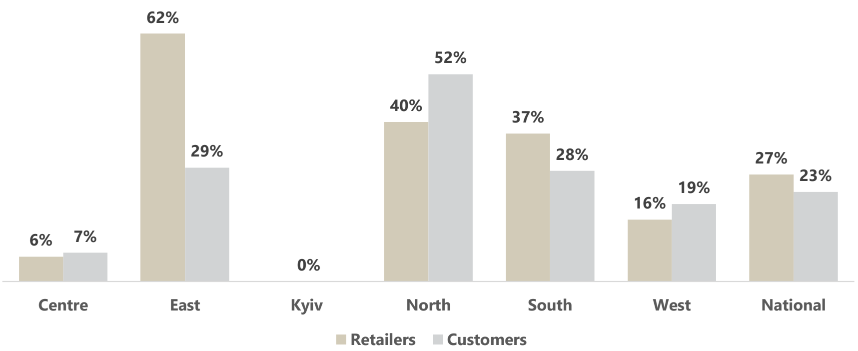
ACCESS TO STORES

Physical access to stores

In June at the national level, 23% of customer KIs indicated that the full-scale war was affecting their ability to physically access stores or marketplaces (among retailer KIs the figure was slightly higher, at 27%). The highest percentages were observed in the North, East and South, where respectively 52%, 29% and 28% of customer KIs reported difficulties in accessing shops (Figure 11).

Across the country, the main reported reason for the difficulty in accessing markets were air attacks - reported by 15% of surveyed customer KIs. These affected the North the most (reported by 47% of customer KIs), followed by the West (17%) and the East (12%).

Figure 11: % of customer and retailer KIs reporting that the full-scale war has affected the ability to access shops, by regions



Source: JMMI

Another factor that had a negative impact on customers' ability to access shops and marketplaces was the restrictions on movement related to martial law, as noted by 14% of respondents in the East, 7% in the North and 6% in the South.

Customer KIs in the South also indicated active fighting or shelling in their areas (11%) and damage to buildings or infrastructure in their stores or marketplaces (11%). These factors reportedly had the greatest impact on the residents of Khersonska and Mykolaivska oblasts.

The lack of electricity in stores continued to affect access for customers in the North, as noted by 36% of surveyed customer KIs in Zhytomyrska oblast.

The lack of transportation was mentioned as a barrier to access markets by 8% of consumer KIs in Chernihivska oblast. Additionally, 7% of respondents in Khersonska oblast felt unsafe while being in or approaching shops for fear of being targeted.

Financial factors

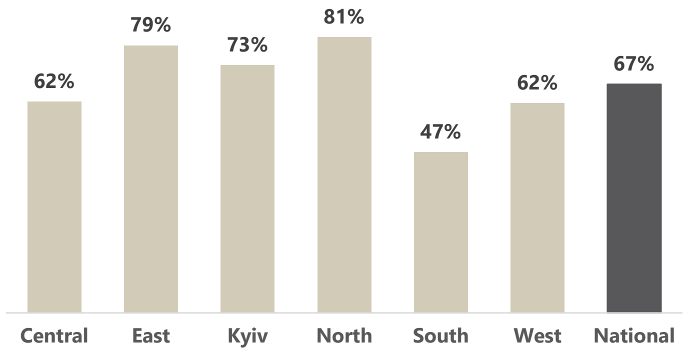
Financial factors continued to negatively affect customer KIs' access to stores and marketplaces across Ukraine, as reported by 67% of respondents in June (against 69% in May). Considerably higher percentages were observed in the North (81%) and East (79%), where the vast majority of customer KIs reported that financial factors had affected their access to stores or marketplaces (Figure 12).

At the national level, the main reported reasons were price increases (53%) and the inability to afford items (21%). These two factors represented a barrier to market access most notably in the northern part of the country, where 72% of respondents reported price increases and 31% (primarily residents of Sumska and Chernihivska oblasts) indicated that they could not afford goods in stores or marketplaces.

Reportedly excessive fuel prices for personal vehicles and the high cost of public transport have also been financial constraints in June, as mentioned by 17% and 5% of customer KIs nationwide, respectively.

Additionally, 10% of customer KIs in the East did not have enough physical cash, and vendors were reluctant to accept other options.

Figure 12: % of customer KIs reporting that financial factors have affected their access to stores or marketplaces, by regions



Source: JMMI

As a consequence, **the issue of affordability remains crucial, especially in the North** (as in previous months), where it represents a critical barrier to access markets.

MARKET FUNCTIONALITY

In June, 27% of retailer KIs reported **difficulties in keeping their stores operational and well-stocked** (against 37% in May). Retailer KIs from the East, North and South faced difficulties more frequently than those in other regions of Ukraine (44%, 43% and 38%, respectively), as shown in Figure 13.

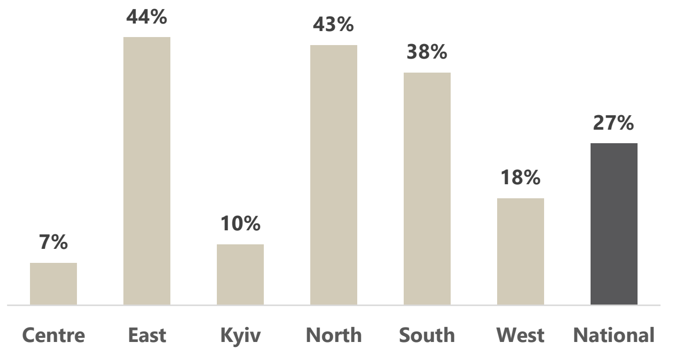
The main difficulty was related to high supplier prices (reported by 17% of retailer KIs nationwide), movement restrictions (6%) and challenges in maintaining full staffing (5%).

Another difficulty was related to rising prices charged by suppliers mainly impacted the activity of retailer KIs in the East (38%) and North (33%). Across the oblasts, the highest share of retailer KIs facing such issues was found in Volynska (62%), Chernihivska (53%), Zhytomyrska (42%) and Kharkivska (40%) oblasts.

Physical hazards mainly affected retailers in the South, especially in areas throughout the frontline. Indeed, difficulties related to physically dangerous conditions in the area were reported by 19% of retailers in this region, with the majority in Zaporizka (38%) and Khersonska (32%) oblasts. Difficulties related to the restrictions of movement limited activities for 52% of retailer KIs in Zaporizka oblast, 26% in both Khersonska and Zhytomyrska oblasts.

Retailers KIs in the North and South were impacted by difficulties related to the storing of goods during power

Figure 13: % of retailer KIs reporting difficulties in keeping their store operational and well-stocked, by region



Source: JMMI

outages (11% and 8%, respectively), maintaining full staffing (13% and 8%), and accessing money or cash to pay suppliers (7% and 11%). Moreover, 15% of retailers KIs in the North reported difficulties with the availability of core goods.

In June, retailer KIs were asked to estimate the percentage of retailers operating in their marketplace compared to pre-war levels. As anticipated, in areas previously occupied by Russian forces and now close to the frontline, the percentage of working retailers was reported to be slightly lower than in regions not previously directly impacted by ground military activities, as seen in Map 3.

Map 3: Approximated percentage of working retailers in June 2023 from the pre-war level, reported by retailer KIs, by hromada

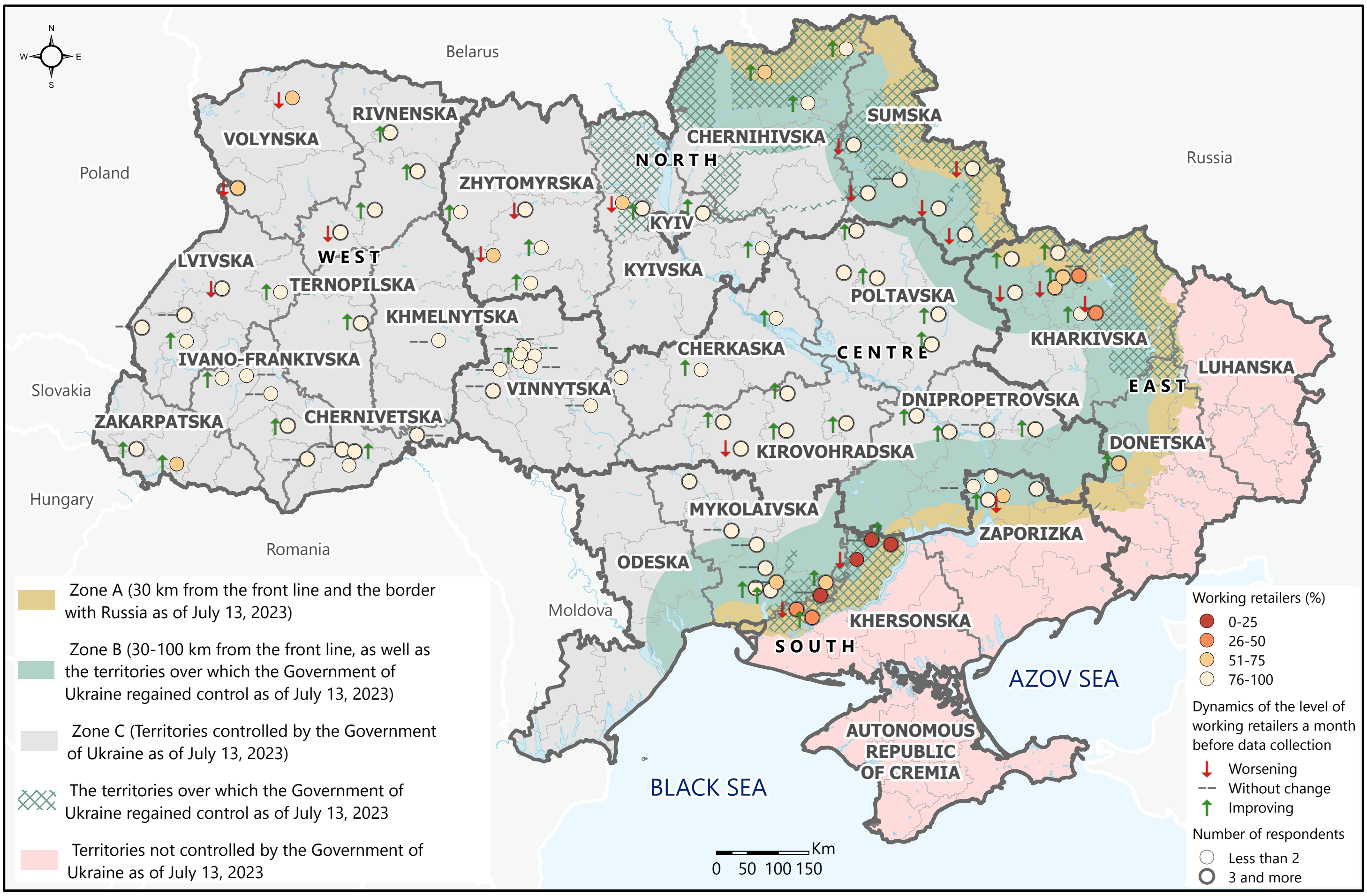
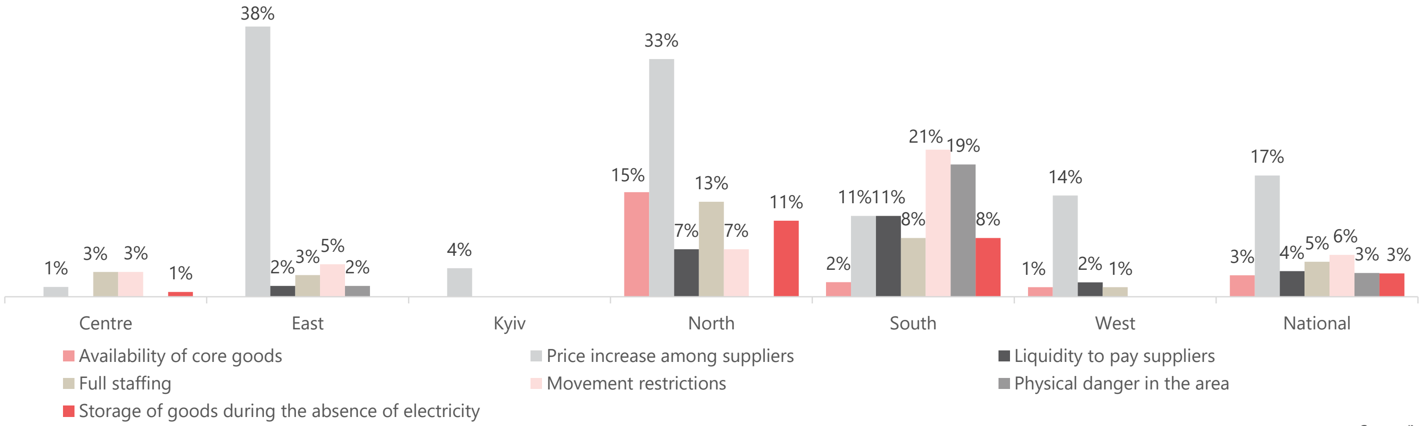


Figure 14: % of retailer KIs reporting on new challenges faced since the start of the full-scale war in February 2022, by type of challenge and region

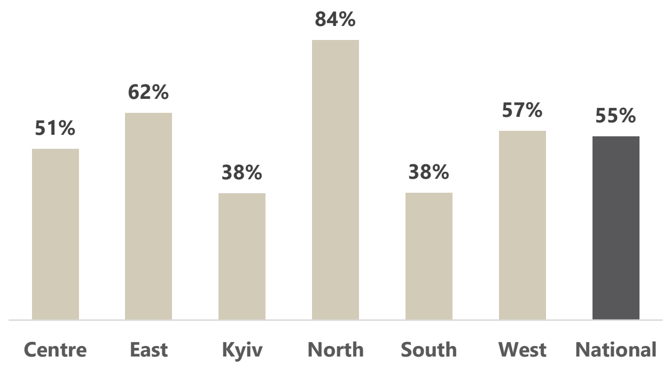


Source: JMMI

It should be noted that the percentage of retailer KIs **expecting new difficulties in the near future due to the full-scale war** was 55% nationwide (against 53% in May).

Among the most often anticipated challenges reported nationally were rising prices (46%), as well as declining customer purchasing power (31%). For these two challenges, at the level of regions, they were mostly reported in the North - 76% for rising prices and 75% for customer purchasing power. Survey findings showed a worrying situation in Chernihivska oblast, where each retailer interviewed expects both higher prices from suppliers and a decline in the purchasing power of customers. Moreover, 24% of retailer KIs in the North anticipated a reduced availability of cash.

Figure 15: % of retailer KIs reporting anticipating new challenges due to the war, by region



Source: JMMI

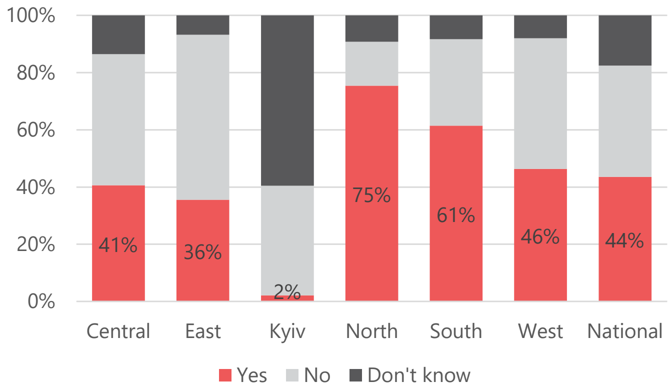
SUPPLY

In June, 44% of retailer KIs noted that their business depended on a single food supplier. The proportion of retailer KIs whose businesses mostly relied on a single supplier for core hygiene items was slightly higher (49% countrywide). This represents a potential source of vulnerability for the stores, as it could compromise their ability of maintaining adequate stock.

The greatest challenges in this regard were observed in the northern and southern regions (Figure 16 and Figure 17).

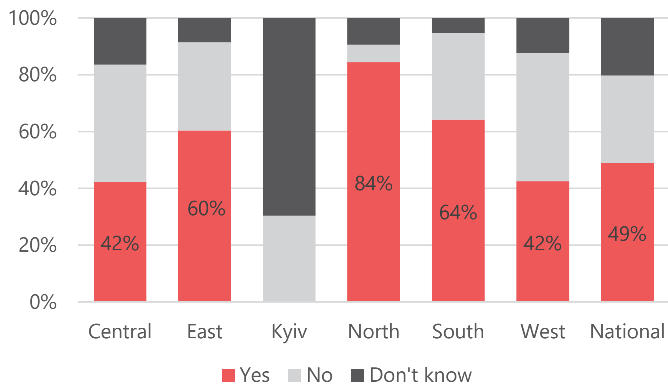
Moreover, retailers in Kyivska oblast were most at risk, as 100% of retailer KIs had only one food or non-food supplier.

Figure 16: % of retailer KIs reporting that they mostly rely on a single supplier for food items, by region



Source: JMMI

Figure 17: % of retailer KIs reporting that they mostly rely on a single supplier for hygiene items, by region



Source: JMMI

FINANCIAL SERVICES

Banks

In June, only 66% of customer KIs reported the full availability of bank branches offering the entirety of their services (Figure 19).

Air attacks continued to restrict opening hours of bank branches across the country. Twenty two percent of customer KIs indicated that bank branches were unable to provide their usual services during air alerts, with the highest proportion reported in the Centre (45%) and North (26%).

As in the previous months, the greatest difficulties in accessing the full spectrum of banking services were experienced by respondents in the South, where 26% of customers surveyed indicated the absence of functioning banks in their communities and a further 11% noted that existing branches were not operating due to military activities. These were mainly residents of Mykolaivska, Khersonska and Zaporizka oblasts.

ATMs

The percentage of customer KIs reporting the full availability of functioning ATMs increased from 87% in May to 90% in June. The greatest access issues were observed in the South, where only 68% of respondents reported full availability of working ATMs, while the lowest figure was found in Zaporizka oblast (38%).

Across the country, 5% of customer KIs reported the absence of ATMs in their hromadas, of which the highest percentage was in Zaporizka (38%) and Mykolaivska (24%) oblasts.

According to 2% of customer KIs across the country, the number of functional ATMs was highly limited. This was an issue especially in the East, North and South, with 40% of customers surveyed in Donetska, 23% in Zaporizka and 12% in Zhytomyrskka oblasts reporting a limited number of ATMs.

It is worth noting that in the South, 15% of customer KIs reported that ATMs were not working due to military activities. Almost all of them were in Khersonska (33%) oblast.

Ukrposhta*

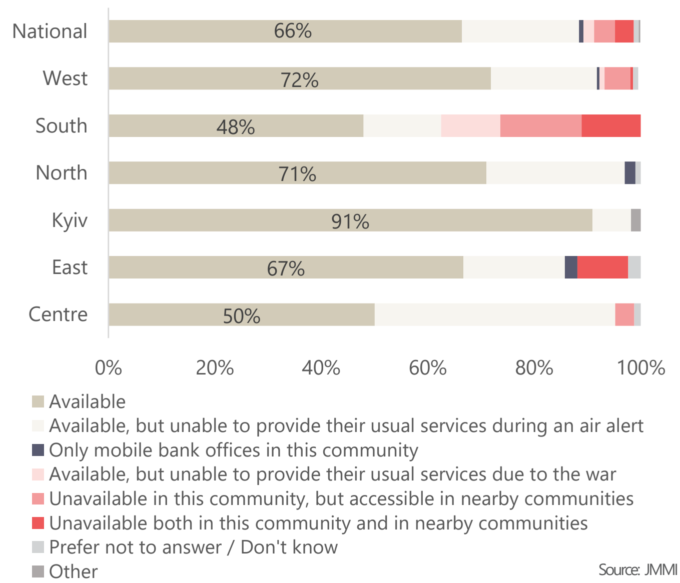
Nationwide, 72% of customer KIs reported that Ukrposhta offices worked daily and provided all of their usual financial services regularly. At the same time, 17% of customer KIs noted that Ukrposhta offices were unavailable during air alerts.

Considerable accessibility problems were found in Khersonska oblast, where for 33% of customer KIs only mobile post offices were available in their communities.

Payment modalities

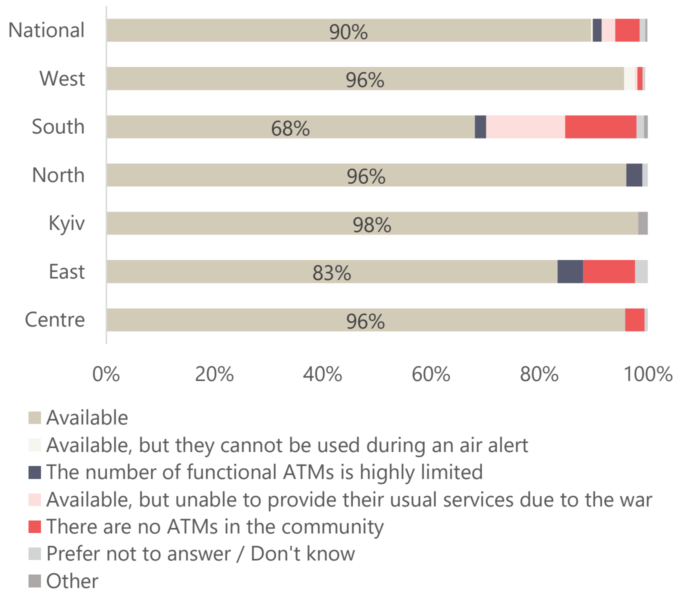
The main payment modalities accepted by retailer KIs in June were cash (100%), credit cards (91%), debit cards (78%), mobile apps (60%), and vouchers from the UN or NGOs (4%).**

Figure 19: % of customer KIs reporting availability of functioning bank branches, by region



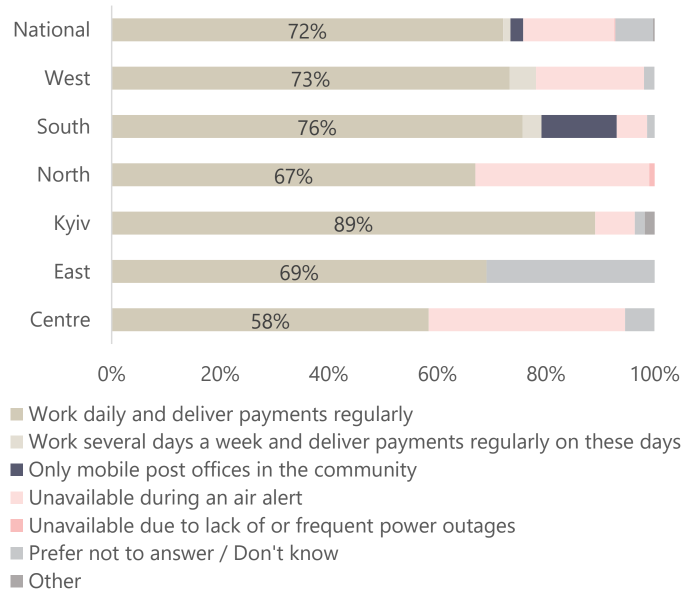
Source: JMMI

Figure 18: % of customer KIs reporting availability of functioning ATM, by region



Source: JMMI

Figure 20: % of customer KIs reporting availability of functioning Ukrposhta offices, by region



Source: JMMI

* Ukrposhta is Ukraine's national post.
** The percentages were obtained from multiple-choice question.

CASH ASSISTANCE

*In this section, data from the REACH Humanitarian Situation Monitoring (HSM) Calibration Assessment is used**

Cash assistance delivery mechanism

According to the HSM Calibration Assessment[9], 57% of households (HHs) across the country reported to be in need of **humanitarian assistance of any kind.**

Humanitarian assistance was reporteldy most needed in areas close to the frontline such as Donetska, Khersonska and Kharkivska oblasts (as reported by 72%, 70% and 69% of surveyed HHs, respectively), as well as in Chernihivska oblast (69%), bordering Russia and undergoing frequent shelling.

Cash assistance (multi-purpose cash for basic needs, including food) was indicated as the preferred modality of receiving aid in the future, as noted by 57% of HHs across the country, followed by in-kind assistance (23%) and services (21%), as shown in Figure 21.

Cash assistance was the most reported preferred modality in Donetska (82%), Khersonska (76%), Sumska (69%), Chernihivska (68%) and Zaporizka (67%) oblasts, along with in-kind assistance - in Donetska (43%), Chernihivska (36%), Zaporizka (31%), Kharkivska (30%), Sumska (29%) and Kyivska (29%) oblasts.

Bank transfer was the preferred delivery mechanism for cash assistance, as reported by 74% of HHs surveyed across the country (Figure 22), with the vast majority of them in Kyivska (85%), followed by Zaporizka (83%), Kharkivska (82%), Odeska (82%), Dnipropetrovska (80%) , Mykolaivska (79%) and Chernihivska (79%) oblasts.

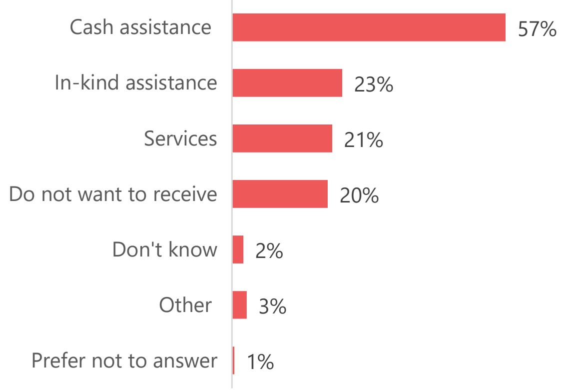
At the same time, one in five HHs indicated that they would like to receive cash in hand and only 1% reported preferring electronic voucher, mobile money or paper voucher. In Khersonska oblast, the proportion of HHs who wanted to receive cash assistance via bank transfer and cash in hand was 68% and 21% respectively, and in Donetska oblast, 65% and 32% respectively.

Forty two percent of HHs reported having **received humanitarian assistance over 12 months** prior to April 2023. The largest share of such HHs was in Khersonska and Donetska oblasts.

Among the HHs that had received humanitarian assistance in the past 12 months, every second (51%) received cash assistance (multi-purpose cash for basic needs, including food). The highest percentage was observed in Khersonska oblast (76%), followed by the western regions such as Lvivska (69%), Ivano-Frankivska (66%), Rivnenska (64%) and Volynska (63%) oblasts. The lowest persentages were observed in Cherkaska (26%), Vinnytska (33%) and Donetska (38%) oblasts. In Sumska and Chernihivska oblasts bordering Russia, which continue to be subjected to daily shelling, this proportion was below average (43% and 46% respectively).

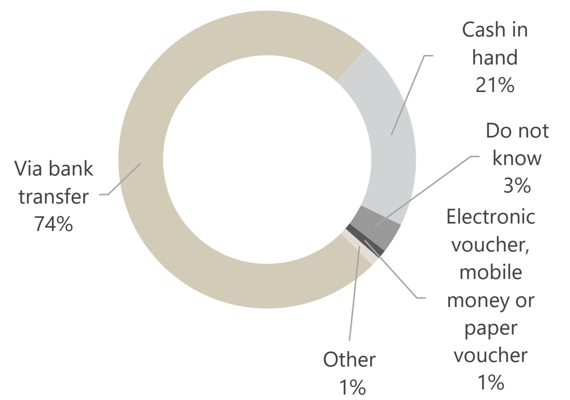
Overall, HHs that received humanitarian assistance reported a relatively high level of satisfaction with the aid provided: 86% were **satisfied or very satisfied with the assistance** received, and only a small fraction (3%) were dissatisfied.

Figure 21: % of HHs by the most commonly reported modalities of assistance they would prefer to receive in the future



Source: HSM Calibration Assessment

Figure 22: % of HHs preferring cash assistance, by preferred delivery mechanism



Source: HSM Calibration Assessment

Top 5 HH self-reported priority needs, nationally:

- *food (16%)*
- *provision of medicines (12%)*
- *repair of inadequate/ damaged accommodation (11%)*
- *livelihoods support/ employment (10%)*
- *healthcare (9%).*

It should be noted that Donetska oblast had the largest share of households who reported to be the most in need of the following items and services: food (31%), provision of medicines (20%), fuel for heating (19%), hygiene items (19%), bedding/blankets (11%).

The following needs were reported as top priority need in the following oblast: drinking water was reported to be the most needed in Mykolaivska oblast (9%), repair of inadequate/damaged accommodation - in Chernihivska (17%), financial assistance to repay debt - in Khersonska (17%), clothing (including winter clothes, coats, boots) - in Odeska (16%).

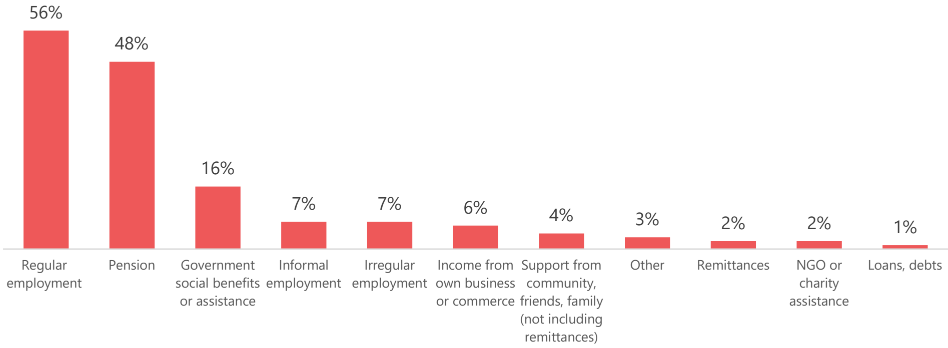
Source: HSM Calibration Assessment

** In line with HSM's primary objective of providing up-to-date multi-sectoral data on the evolution of humanitarian needs in Ukraine to enable the monitoring of changes in needs and the targeting of response plans, the Calibration Assessment also intends to provide mid-term updates on crucial MSNA baseline data from October-December 2022. The data was collected at household (HH) level through randomised Computer Assisted Telephone Interviews (CATI) surveys from 19 April to 15 May 2023. A representative HH-level sample was taken at the oblast level.*
Overall, through its data collection partners, REACH collected 4,889 HH-level interviews in 23 oblasts and Kyiv city yielding findings that are representative at a 95% level of confidence with 7% margin of error. The results were weighted at oblast level and above based on Oxford population estimates for April 2023. The findings were aggregated at national and macro-region level.

Household income and expenditures

The estimated median monthly income reported per household in Ukraine was 9,500 UAH (Table 3). The lowest figure was reported in areas close to the front line, such as Donetska (6,000 UAH), Kharkivska (6,500 UAH), Khersonska (6,500 UAH) oblasts, and the highest one was in Kyiv city (15,000 UAH).

Figure 23: % of HHs by primary income sources in the 30 days prior to date collection*



Source: HSM Calibration Assessment

Table 3: Estimated median HH total income by oblast, over the past 30 days prior to data collection, in UAH

	Total HH income, UAH	Total HH expenditures, UAH
Donetska	6000	11173
Kharkivska	6500	11700
Khersonska	6500	11400
Vinnytska	7000	14383
Chernihivska	7800	11133
Mykolaivska	8000	12897
Rivnenska	8000	14867
Sumska	8000	11250
Cherkaska	8300	12867
Kirovohradska	8800	12017
Ivano-Frankivska	9000	16070
Poltavska	9000	13050
Ternopilska	9000	13518
Volynska	9000	15367
Overall	**9500**	**14625**
Lvivska	9700	17497
Chernivetska	10000	16300
Dnipropetrovska	10000	14450
Khmelnytska	10000	15250
Odeska	10000	16450
Zaporizka	10000	14830
Zhytomyrska	10000	14133
Zakarpatska	10100	17450
Kyivska oblast	12000	13967
Kyiv city	15000	19370

Source: HSM Calibration Assessment

The main reported primary income sources over the 30 days prior to data collection were regular employment in private or public sector (reported by 56% of HHs) and pension (48%). Government social benefits or assistance were a primary income source for 16% of HHs (Figure 23). The percentage of HHs reporting NGO or charity assistance as a main income source was less then 2% across the country, with the highest share in Khersonska (14%) and Mykolaivska (9%) oblasts.

It is worth noting that the oblasts most impacted by the war, namely Donetska and Khersonska oblasts, reported the lowest percentage of households (HHs) with income from regular employment (31% and 37%, respectively); conversely, the highest percentage of income from irregular employment (12%) was found in these areas. The share of pension in the total income structure in the two above-mentioned oblasts was one of the highest in the country - 54% and 57% respectively.

Moreover, in Donetska and Khersonska oblasts the percentage of HHs reporting **no other income source apart from humanitarian assistance** was the highest in Ukraine, amounting to 11% and 10%, respectively. As a comparison, the national percentage was reported amounting to be 3%.

* The percentages were obtained from multiple-choice question.

MACROECONOMICS

Inflation

In June, consumer price index increased by 0.8% compared to May (Figure 24)[10]. The deceleration of inflation was driven by a larger supply of food and fuel, lower global commodity prices, and improved inflation and exchange rate expectations amid a stable situation on the cash foreign exchange market[11].

Prices for food and non-alcoholic beverages increased by 0.1%. Amongst these products, the most important rise in price for June was reported for meat (1.9%), and the most important decrease - for eggs (4.1%).

Prices (tariffs) for housing, water, electricity, gas and other fuels increased by 11.9% mainly due to a 69.7% increase in electricity prices. Clothing and footwear prices fell by 3%. Transport prices decreased by 0.8% due to a 2% decrease in the cost of fuels and lubricants. At the same time, railway passenger fares rose by 3.1%.

In June 2023, prices were 12.8% higher compared to June 2022 according to the 12-month percentage of change in the consumer price index. Prices for food and non-alcoholic beverages increased by16.5%[12] (Figure 25).

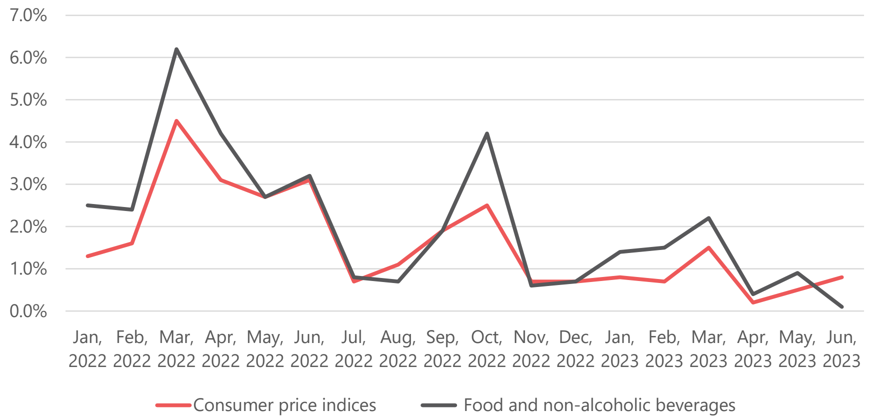
The consequences of the destruction of the Kakhovka Hydroelectric Power Plant (HPP) have not yet influenced consumer inflation, but may have negative effects over time. Pressure on consumer prices may also increase as a result of changes in electricity pricing for non-household consumers[2].

Economic activity

The economy continues to be negatively impacted by the war and remains vulnerable to security risks, as demonstrated by the destruction of the Kakhovka HPP by Russian troops.

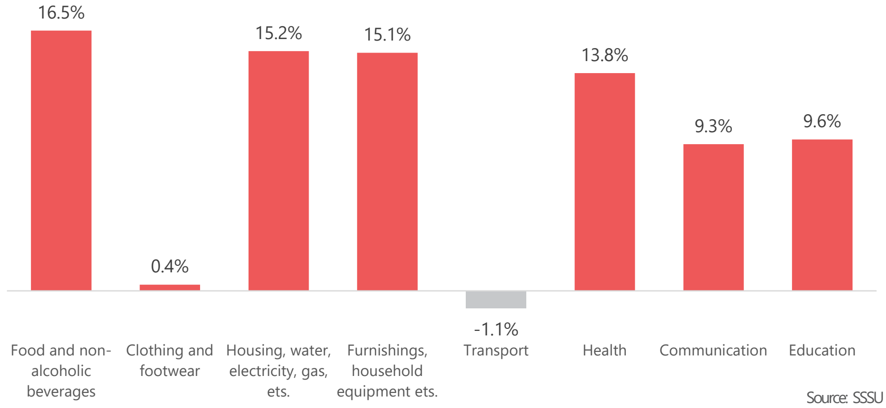
There is still uncertainty about the continued operation on the grain corridor and the prospects for increasing the capacity of land export routes. Another issue is the prolonged effect of restrictions on imports of Ukrainian food to Ukraine's neighboring EU countries. Security risks are also holding back investment activity.

Figure 24: Monthly inflation rate, %



Source: SSSU

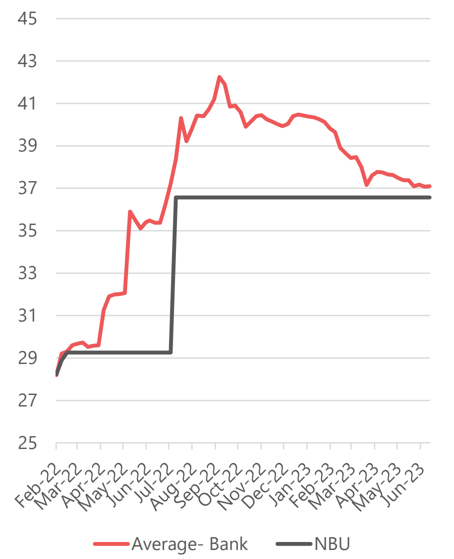
Figure 25: Consumer price evolutions for selected groups of food and services, from June 2022 to June 2023, %



Source: SSSU

Small and medium-sized businesses (SMEs) continue to feel the negative impact of the economic consequences of Russian aggression. According to the survey by Advanter Group[13], 49% of SMEs have stopped or almost stopped their activities since 23 February 2022, while 15% of those surveyed have not changed or increased their scope of work. Almost every fourth enterprise relocated its business. These enterprises were usually from the IT sector, financial and insurance activities, as well as professional services such as marketing, consulting and design. Overall, since the beginning of the year, SMEs have fulfilled their workload plan by 72%. The main reasons that impede business recovery and development were the lack of a sufficient number of solvent customers in the domestic market, unpredictable developments in Ukraine and the domestic market, lack of sufficient capital and disrupted supply chains.

Figure 26: Mid-market exchange rate for the US Dollar (USD)



Source: MINFIN

The consequences of the destruction of the Kakhovka HPP

According to initial estimates[14], the destruction of the Kakhovka HPP has resulted in at least 2 billion USD of direct damages. It will also have a negative impact on global food security, leading to a rise in food prices, and could lead to shortage of drinking water for hundreds of thousands of individuals[15].

The damage to the Kakhovka HPP will affect the food situation in Ukraine over the long term.

First, the two largest irrigation systems in the country - which provided 94% of irrigation in Khersonska, 74% in Zaporizka, and 30% in Dnipropetrovska oblasts[16] - will not be able to operate for at least 5 years according to experts[17]. However, the government has already approved a project to rebuild Kakhovka HPP with an experimental period of 2 years[18]. Vegetable production will be especially vulnerable without irrigation.

This is particularly worrying, as most vegetables in Ukraine were traditionally grown in Khersonska oblast (12% in 2021[19]). The occupation of southern Ukraine by Russian troops last year already had an impact on the food market and the availability of food items for economically vulnerable social groups. Indeed, currently a large share of vegetables are imported from Eastern Europe and Turkey, which has led to extremely high prices for carrots, onions, and cabbage, common ingredients of the Ukrainian diet. Moreover, Khersonska oblast also supplied 40% of the eggplants, 33% of edible watermelons, 28% of tomatoes, 25% of sweet peppers to the national market (table 4). Therefore, the damage to the Kakhovka HPP could massively disrupt vegetable production in the South.

Additionally, Khersonska and Zaporizka oblasts accounted for 15% of the wheat and 16% to 18% of barley harvest in Ukraine. Rice was only grown in two regions - Khersonska and Odeska oblasts. The agricultural sector supplies products not only to the domestic market, but is also the largest export industry in Ukraine (in 2022, 21% of total exports were cereals[20]). As such, the National Bank of Ukraine estimates that the destruction of the Kakhovka HPP could lead to a widening of the trade deficit in goods in the next two years, with maximum losses estimated at 0.4 billion USD in 2023 and 0.7 billion USD in 2024[21].

Exports and imports

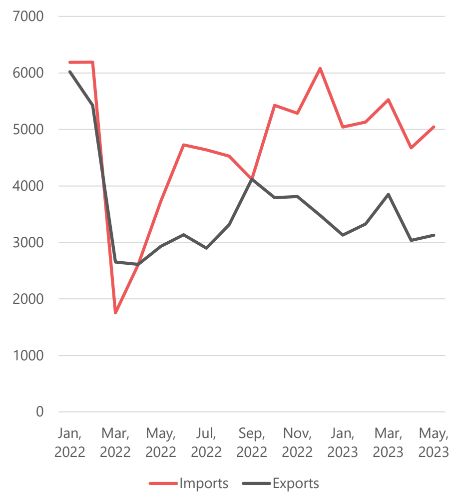
According to the State Statistics Service of Ukraine[22], from January to May 2023, the export of goods was 84% of that registered in the same period in 2022; on the other hand, imports amounted to 124%. Thus, the deficit amounted to 8,975 million USD, which is 9 times more than in the same period in 2022.

Every fifth enterprise did not register exports in the past year[23], although it exported before, and 80% of exporting companies had a limited recovery of exports. The main reasons were queues at the borders of Ukraine (68%), the sea blockade (44%), lack of railway wagons, trucks, drivers (33%), and customs formalities (33%).

Table 4: Production of some roots, vegetable, edible watermelon in Khersonska oblast before the war (in 2021)

	Percentage of total production (gross collection) in Ukraine	Oblast rank among other oblasts in Ukraine
Eggplants	40%	1
Edible melons	33%	1
Tomatoes	28%	1
Sweet pepper	25%	1
Cucumbers and gherkins	11%	1
Onion bulb	9%	2
Edible carrot	7%	4
Cabbage	5%	5

Figure 27: Changes in gross value of exports and imports of Ukraine, by million USD



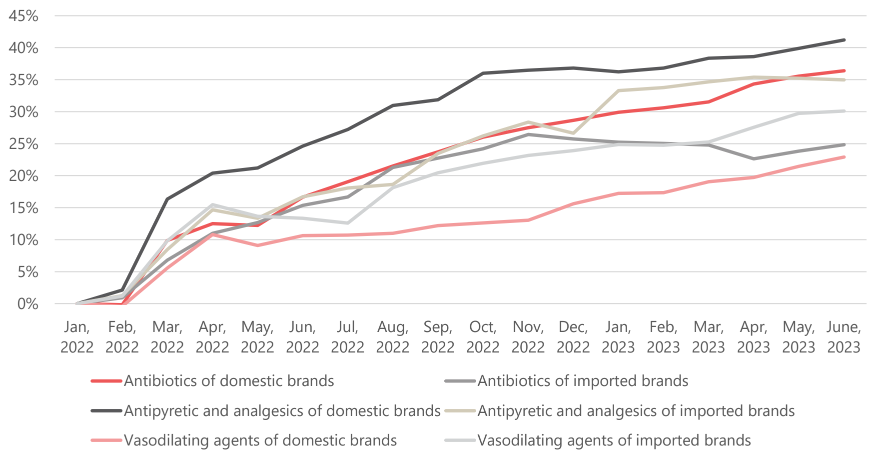
Source: SSSU

MEDICINE

The price of basic medicine items, such as antibiotics, analgesics, and vasodilators continued to increase in June with antipyretic and analgesics of imported brands being an exception.

Medicine prices remain much higher compared to pre-war levels. Relative to January 2022, the average prices of antipyretic and analgesics of domestic brands were 41% higher, for antipyretic and analgesics of imported brands - by 35%. For antibiotics of domestic brands, an increase of 35% was reported, against 25% for those from imported brands. For vasodilating agents of imported brands, an increase of 30% was reported, against 23% for vasodilating agents of domestic brands[1] (Figure 28).

Figure 28: Cumulative price increase of selected medicines, national average, in % from January 2022



Source: SSSU

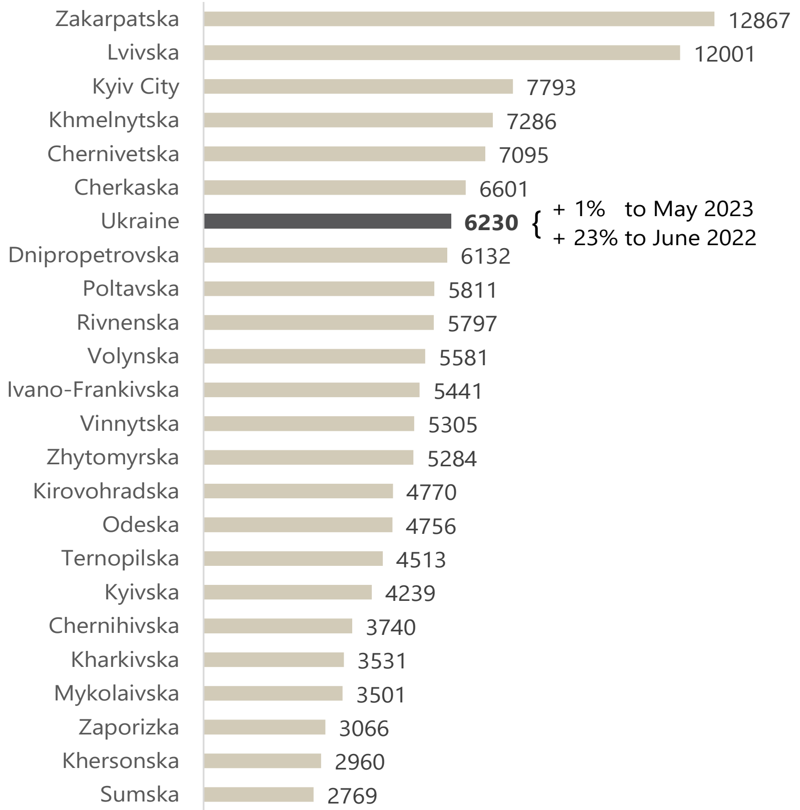
RENT

Rental prices for one-bedroom apartments in Ukraine continued to rise in June 2023.

The average rent for a one-room apartment was 43% higher than in January 2022 (pre-war level). The top 3 largest increases in renting prices as compared with January 2022 were recorded in Zakarpatska (by 198%), Lvivska (by 120%) and Ivano-Frankivska (by 108%), oblasts.

The highest rental prices were observed in western oblasts which received the highest numbers of internally displaced persons, such as Zakarpatska (12867 UAH) and Lvivska (12001 UAH), whereas the lowest were in areas close to the front line or affected by ground shelling, such as Sumska (2769 UAH), Khersonska (2960 UAH) and Zaporizka (3066 UAH)[1] , where high rates of out-migration were registered instead.

Figure 29: Average monthly rent for a one-bedroom apartment, by oblast



Source: SSSU

METHODOLOGY OVERVIEW

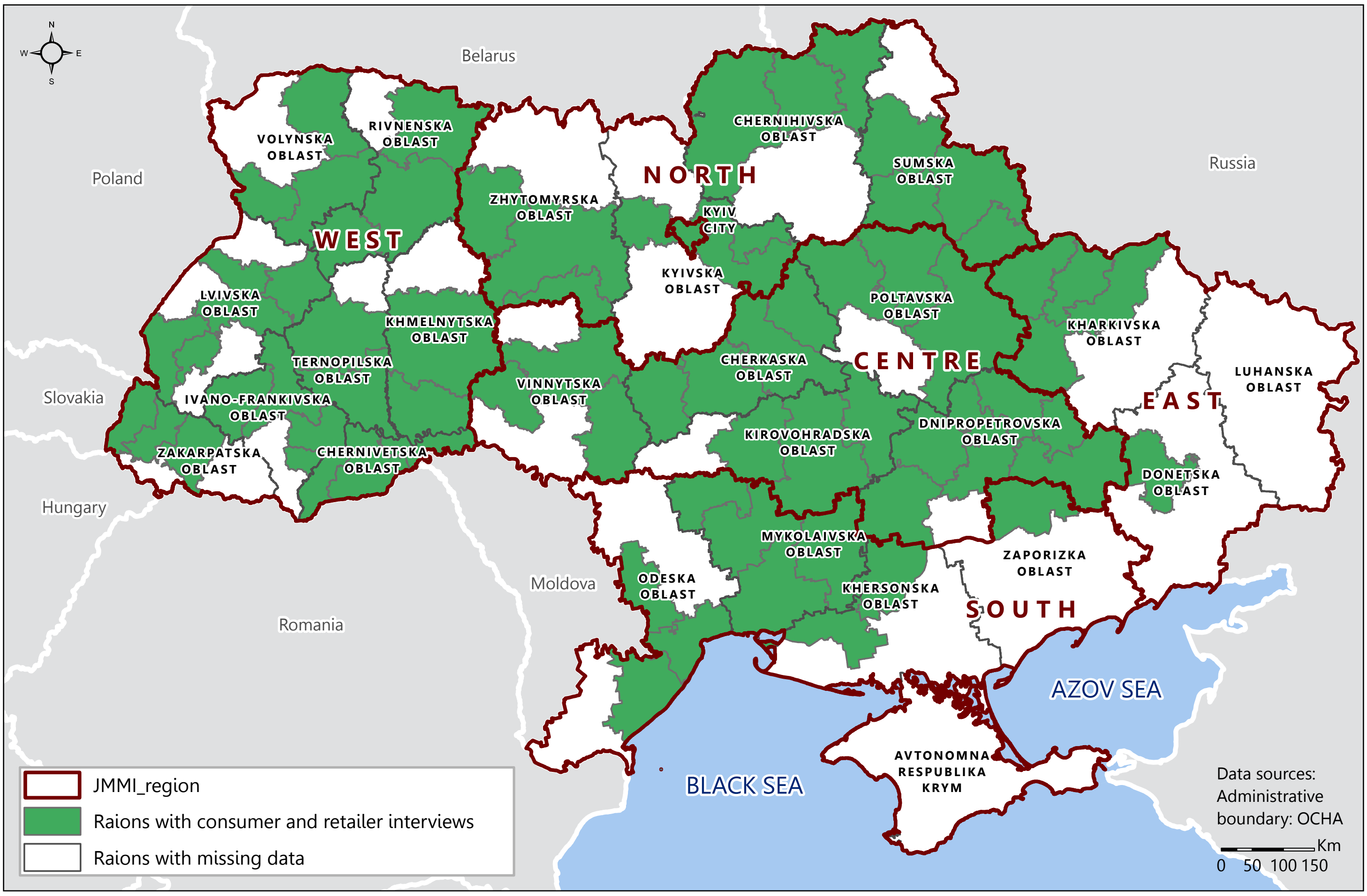
Data collection is a joint, partner-led exercise carried out once per month by participating CWG members across the country. The methodology for collecting primary data focuses on quantitative, structured interviews with purposively sampled interviewees. Two harmonized questionnaires are used: one targeting retail market traders who act as key informants (KIs) for their respective markets, and another targeting customers in monitored stores and marketplaces for individual interviews.

Field teams must aim to collect a minimum of three prices per item per assessed *hromada*, interviewing retailer KIs until this threshold is met, and must also submit a minimum of five customer KI interviews per assessed *hromada*. Only the price of the least expensive commonly purchased brand or variety is recorded for each item. All data is collected by field staff trained on the common JMMI methodology and tools; it is then submitted to a common CWG KoBo server and is cleaned and analyzed by REACH on behalf of the CWG.

Secondary data, in particular data from the State Statistics Service of Ukraine, are also integrated into the JMMI and used for triangulation where possible.

The prices reported in this factsheet are 'location medians', designed to minimize the effects of outliers and unequal numbers of prices submitted from diverse locations. First, the median prices of each assessed item is calculated within each assessed *hromada*; then, for each item, REACH calculates the median of this list of *hromada*-level medians across larger geographical areas (*raions*, *oblasts*, regions, and the whole of Ukraine).

ASSESSMENT COVERAGE



CHALLENGES AND LIMITATIONS

As the JMMI relies on purposive sampling methodologies, the results must be regarded as indicative and not representative. Furthermore, results are indicative only of market conditions during the time frame in which they were collected.

The JMMI methodology records the price of the least expensive commonly purchased brand or variety available in the store for each item. As brand availability may vary from area to area, price comparisons across areas may sometimes be based on slightly varying products.

In some cases, partners were unable to collect the minimum number of retailer KI or customer KI interviews required by the JMMI methodology. Where necessary, imputation from raion-level or oblast-level medians was used to compensate for missing prices and enable the cost of the JMMI basket to be calculated.

While the JMMI's remote monitoring methodology produces reliable data on prices and availability, further data on market functionality cannot be collected using this methodology.

As the JMMI continues to expand into new hromadas, some changes in the overall median prices may be driven by shifts in coverage rather than by true price.

ENDNOTES

[1] State Statistics Service of Ukraine "Average consumer prices for goods (services) in Ukraine in 2023", 13 July 2023, available **here**

[2] National Bank of Ukraine "Monthly Macroeconomic and Monetary Review, July 2023", 6 July 2023, available **here**

[3] Interfax - Ukraine "Ministry of Economy predicts increase in price of diesel fuel by UAH 5 per liter, gasoline by UAH 7-8 per liter in July", 4 July 2023, available **here**

[4] State Statistics Service of Ukraine "Production of roots, tubers, vegetable, food melons in 2022, by region", 16 June 2023, available **here**

[5] The Guardian "A visual guide to the collapse of Ukraine's Nova Kakhovka dam, 9 June 2023, available **here**

[6] Suspilne "Will Ukraine have enough buckwheat in 2023 - farmers explain", 4 June 2023, available **here**

[7] Association "Union of Poultry Breeders of Ukraine" informs about the impact of future changes in pricing in the energy market on the cost of poultry products", 22 June 2023, available **here**

[8] Glavkom "Buckwheat is an indicator of the crisis. What is happening on the market of the most expensive cereal", 31 January 2022, available **here**

[9] REACH, Humanitarian situation monitoring calibration assessment, May 2023, available **here**

[10] State Statistics Service of Ukraine "Consumer price indices for goods and services in 2023", 12 July 2023, available **here**

[11] National Bank of Ukraine "NBU commentary on the inflation rate in June 2023", 11 July 2023, available **here**

[12] State Statistics Service of Ukraine "Consumer price indices for goods and services in 2023", 12 July 2023, available **here**

[13] Advanter Group "Survey of small and medium-sized businesses", May 2023, available **here**

[14] Ministry of Economy of Ukraine "At least $2 billion in direct losses caused to Ukraine by the explosion of the Kakhovka Hydroelectric Power Plant", 30 June 2023, available **here**

[15] Reuters "Ukraine dam breach will sow huge problems for food security, UN aid chief says", 13 June 2023, available **here**

[16] Ministry of Agrarian policy and food of Ukraine "Russian destruction of Kakhovka hydroelectric power station caused significant damage to Ukrainian agriculture", 6 June 2023, available **here**

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ABOUT REACH

REACH Initiative facilitates the development of information tools and products that enhance the capacity of aid actors to make evidence-based decisions in emergency, recovery and development contexts. The methodologies used by REACH include primary data collection and in-depth analysis, and all activities are conducted through inter-agency aid coordination mechanisms. REACH is a joint initiative of IMPACT Initiatives, ACTED and the United Nations Institute for Training and Research - Operational Satellite Applications Programme (UNITAR-UNOSAT).

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[19] State Statistics Service of Ukraine "Production of roots, tubers, vegetable, food melons in 2021, by region", available **here**

[20] State Statistics Service of Ukraine "Foreign Trade of Ukraine", 14 February 2023, available **here**

[21] MinFin "GDP will lose 0.2%: NBU calculates economic consequences of Kakhovka HPP destruction for the Ministry of Finance", 21 June 2023, available **here**

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