Setting the Scene

The crisis in Ukraine that began on 24 February 2022, has resulted in an unprecedented humanitarian crisis, leading to the greatest displacement within Europe since World War II (IOM, 2022). The timing of this briefing note marks nearly seven months since the war began, with 7 million people displaced within Ukraine, and more than 7 million refugees estimated in Europe (UNHCR, 2022). This crisis further compounds the dire impacts of the 2014 armed conflict in the Eastern areas of Ukraine, namely Donetska and Luhanska, affecting those displaced by the conflict, and their livelihoods (FAO, 2022b).

Humanitarian and social protection responses will continue to be of paramount importance to cushion the negative impact of these developments on the food security and nutritional status of people directly affected by the war inside or fleeing from Ukraine. Scaling social protection will likewise be required to shield nutritionally vulnerable groups in countries experiencing the ripple effects of the war, particularly in food-importing and remittance-dependent countries in North, East and West Africa as well as in West and Central Asia.

The Ukraine crisis and its repercussions

The war in Ukraine has not only triggered a massive humanitarian crisis but also a sharp deterioration of food insecurity, in countries both close to and far from the theater of war. This comes on the heels of a steep rise in hunger, food insecurity and malnutrition stemming from the COVID-19 pandemic. Even countries far removed from Ukraine are being seriously affected by the disruption in the export of cereals and fertilizers from Ukraine and Russia, and the rise in the international price of food, fuel and fertilizers.

Inside Ukraine, the conflict is not only upending people’s lives but is severely affecting rural labor markets, employment and working conditions, as well as basic infrastructure and the provision of public services. Ukrainian farms face labor shortages and problems accessing key agricultural inputs and selling produce. Food shortages and lack of access to water are acute, and disruptions to food value chains will further worsen food insecurity, which was already on the rise after COVID-19, especially for women.2

Trends show that women appear to be more food insecure than men prior to the onset of the crisis in Ukraine. In 2019-2021, food insecurity increased from 17.3 percent to 28.9 percent for women and from 13.3 percent to 24 percent for men (Sisto, 2022). Moreover, assessments of micro, small and medium-sized enterprises found that the majority of respondents in rural areas engaged in land cultivation are self-employed independent farmers, many of whom are women who work without the backing of a cooperative or association of organized producers (FAO, 2021).

Beyond the impacts felt in Ukraine and its neighboring countries, the protracted war is disrupting global food and energy markets, triggering a food crisis on top of a displacement crisis. International prices of key

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1 FAO released a first Briefing Note on the role of social protection in sustaining food security and nutrition in response to the war in Ukraine on 7 April 2022 (FAO, 2022b). This note builds on the previous one to further explore the role that social protection has in responding to the crisis and supporting the most vulnerable, both in Ukraine and beyond its borders.
2 A 2021 food security and livelihoods assessment in Ukraine’s eastern regions revealed that 28.3 percent of households experienced food insecurity at moderate or severe levels, with female-headed households significantly more food insecure than male-headed households. FAO. 2021. Food Security and Livelihoods Assessment in Eastern Ukraine. Rome, FAO. Available here.
3 While the differences are not statistically significant, the trends over time are consistent.
commodities had already been rising since before the war, due in large part to the supply chain disruptions caused by the COVID-19 pandemic. By August 2021, six months before the war began, the FAO Food Price Index (FPPI) had reached a 10-year high. This increase was largely driven by the rise in the price of energy and fertilizers, which soared between mid-2020 and mid-2021, pushing up the production and distribution costs of agricultural products (FAO, 2022a).

The outbreak of the war in Ukraine caused an additional surge in prices. Between March and May 2022, the FFPI reached record levels, surpassing the previous peaks recorded during the 2007–2008 and the 2011 food crises. This has triggered strong inflationary pressures across the world, further squeezing household budgets already depleted by two years of pandemic-induced job and income losses. And these price shocks are taking place at a time when countries are still reeling from the effects of COVID-19 (FAO, 2022a).

It is no wonder that, as recently as June 2022, the UN Global Crisis Response Group warned about a “global cost-of-living crisis”, driven by rising food and energy prices, along with tightening finances. Already, one in 10 people in the world lack enough food to eat – and the World Bank projects that every percentage point increase in global food prices will push 10 million more people into extreme poverty around the world (UN, 2022).

On top of rising food and fuel prices, what is now a great cause for concern is that increasing fertilizer costs, coupled with the proliferation of export restrictions since the outbreak of the war, could lead to lower farm yields around the world and transform the current global crisis of food access into a crisis of both food access and food availability (Ibid). If the conflict persists, the global number of undernourished people could increase by 8 to 13 million people in 2022/23, with the most pronounced increases taking place in Asia-Pacific, followed by sub-Saharan Africa, and the Near East and North Africa (FAO et al., 2022). This could have devastating effects on the nutritional status especially of those already vulnerable to malnutrition, including women and young children, elderly persons, and people with disabilities—as households tend to protect consumption of essential staple foods that mitigate hunger and decrease the purchase of nutrient rich foods when faced with increased food prices.

Social protection can provide a timely and effective response to the humanitarian and development challenges posed by the ongoing crisis of mass displacement and disruptions to global food systems. Social protection can lessen the burden of the livelihood shocks affecting Ukrainians who reside in conflict-torn areas or are internally displaced, as well as those fleeing the war to seek refuge outside the country. Social protection can also act as a buffer to help vulnerable groups in countries indirectly affected by the war to cope with, absorb and bounce back from the pervasive price shocks that the war has exacerbated.

**Responding to the war in Ukraine**

Given the multiple ramifications of the Ukraine war, FAO has identified three key pathways for how social protection can help address and respond to the current crisis (FAO, 2022a). The scope of this contribution is not limited to the affected population residing in Ukraine or fleeing to neighboring countries but also includes countries that rely on the stability of global markets for staple food, fuel, and fertilizer imports.

Considering that globally and in every region women face higher food insecurity than men, the response must be gender-sensitive, while reflecting adequate support to the elderly, people with disabilities and minority groups who face compounded vulnerabilities (SPIAC-B, 2022).

**Three pathways for mitigating the impact of the Ukraine crisis through social protection:**
→ Enhancing the capacity of Ukraine’s social protection system to respond to the crisis and help rebuild rural and agricultural livelihoods

→ Leveraging social protection systems in countries hosting refugees to meet their needs and facilitate their integration with vulnerable host communities affected by the crisis

→ Buffering households in countries affected by the ripple effects of the crisis in Ukraine.

Enhancing the capacity of Ukraine’s social protection system to respond to the crisis and help rebuild rural and agriculture livelihoods

Prior to the crisis, Ukraine’s social protection and labor programmes had a reported effective coverage of 73 percent of the population, which indicates the total population covered by at least one social protection benefit (ILO, 2022). The country’s social protection system implements a wide range of schemes, such as pensions, social assistance and unemployment benefits. Despite the difficulties created by the ongoing crisis, the Government of Ukraine (Ministry of Social Policy, 2022) announced that it would continue to deliver social assistance (cash payments, subsidies) to those whose beneficiary information is updated in the national Unified Social Information System (USIS) (Cabinet of the Ukraine Government, 2021).

The USIS is a centralized database managed by the Ministry of Social Policy and first piloted in 2020. It unifies over 15 existing beneficiary databases, allowing the government to track who is receiving or is eligible to receive one or more social benefits (unemployment, childcare, disability, pensions). This has been linked to the Diia App and the E-Dopomoga, which are two digital tools that the Ukraine government has established and strengthened with support from development and humanitarian partners (Cabinet of the Ukraine Government, 2021). The Diia App grants electronic access to all Ukrainian citizens to their personal documentation and to over seventy government services through their smartphones (Jones and Smith, 2022). The E-Dopomoga platform, in turn, is the newly launched tool for the identification of beneficiaries among the war-affected population, to match them with organizations that can provide cash-based assistance (UNDP, 2022b).

Despite these efforts, certain bottlenecks have been identified while attempting to ensure wide coverage of social protection. Notably, it is not clear how cash-based transfers in regions occupied by Russian forces are managed (Sojka, Harvey and Slater, 2022). However the crisis is resolved, it is anticipated that people relocating within or returning to Ukraine will continue to require social protection, as will farmers whose livelihoods have been disrupted. This will in turn call for a significant strengthening of Ukraine’s national social protection system to scale up the transfer of benefits to help cover basic needs and rebuild livelihoods and productive capacities to the level of productivity observed prior to the crisis.

Despite government digitalization efforts, social protection programmes have faced some operational constraints related to the transfer and delivery of benefits (Fenton, 2022). For example, not all banks have remained open, particularly in conflict areas. In areas where banks remain open, pensioners face constraints accessing the post office to receive payments. Social care and registration assistants who process transfers also face constraints to access their place of work. Despite ongoing bottlenecks, pension schemes are being implemented where possible, along with the delivery of emergency payments to war-affected families.

Moreover, while Ukraine has a well-established social protection system, it does not specifically target people living in war-affected areas (CALP Network, 2022). National and international partners must work in coordination with the agriculture sector to help restore rural livelihoods and ensure access to healthy, safe food in the war-torn areas. FAO is helping boost the capacities of the national social protection system
by coordinating humanitarian assistance within the agri-food sector and leveraging the social protection system to top up cash transfers to people whose livelihoods have been disrupted (FAO, 2022b).

Through its Rapid Response Plan (RRP) for Ukraine, FAO also seeks to help the most vulnerable small-scale food producers by providing unconditional, multipurpose cash transfers, as well as key emergency agricultural interventions as part of the government-led scale up of social assistance (FAO, 2022d). The plan includes the distribution of highly nutritious short-cycle vegetable and potato seeds, and animal fodder to increase food production and help sustain agricultural livelihoods and avoid harmful coping strategies as the crisis prolongs. While humanitarian actors are bent on working in coordination with the government of Ukraine (Lacerda, Petrov and Lesseni, 2022), government policies and legal frameworks require coherence to allow humanitarian actors to deliver support through the national system.

**Box 1. Social protection measures in Ukraine in response to the war**

With its well-established structure and wide coverage, the Ukrainian social protection system offers a great opportunity for scaling up and piggybacking humanitarian responses to the ongoing crises. Since the war started in February 2022, a total of 127 social protection measures were recorded in Ukraine as of June 10. Social assistance interventions are the most common, with 63 in-kind and 23 cash-based programmes, accounting for two thirds of the total. Cash transfers were implemented by both the Ukrainian government and international and non-governmental organisations, with the average benefit being higher for government-led interventions (USD 98.41 versus USD 75.56). More than a quarter of cash transfers were targeted at IDPs (Gentilini et al., 2022b).

Notably, the Ministry of Social Policy introduced two programmes to assist IDPs. The “Social assistance to cover living expenses” provides cash to registered IDPs and households whose houses have been destroyed. The amount is calculated based on the number of adults and children in the household. UAH 3 000 (USD 100) per month is paid for every child or person with disability, while UAH 2 000 (USD 67) per month is paid for every other household member. This assistance has also been extended to registered beneficiaries of a similar programme introduced in 2014 in conflict-affected areas. As of May 27, 2022, it reached about two million IDPs for a total budget of UAH 12 billion (USD 403 million). The “Shelter” programme, in turn, seeks to encourage Ukrainian households to host IDPs, by paying them UAH 14.77 (USD 0.5) per IDP per day. Such efforts are supported by the World Bank through the restructuring of two existing projects, which are reinforcing the Government’s cash-based assistance for IDPs as well as the extension of social assistance to war-affected areas through new or adapted payment delivery mechanisms (ibid.).

These extraordinary measures were accompanied by continuity in disbursements to 6.1 million beneficiaries enrolled in regular social protection programmes, such as minimum income subsidies or children benefits. From March 8, a new digital programme called ePidtrymka was launched to support employees and entrepreneurs who lost their income or livelihood due to the war and had been regularly paying their social insurance contributions. This was a one-off payment of UAH 6 500 that reached 5 million people by April 18. The Ukrainian government also decided to suspend conditionalities and restrictions from many social assistance and social insurance programmes, such as income support, child support, housing subsidies, etc. In those territories where Ukrainian local administration, and thus the offices managing social protection programmes locally, do not work or have been closed, the beneficiaries will be allowed to accrue their benefits on their personal accounts without having to physically claim them (ibid.).

In addition to government-led social protection measures, the Ukraine Cash Working Group distributed multi-purpose cash assistance to nearly 4 million people as of October 13, 2022, for a total of USD 810.1 million (UN OCHA, 2022). This includes support to vulnerable small-scale food producers provided by FAO in the form of multi-purpose cash (UAH 6600 – USD 180) to 1 052 households (2 776 people), in addition to cash-based and agricultural assistance targeted at over 4 000 households in Lvivska, Sumska, Mykolaivska and Odeska oblasts (FAO, 2022g).
Leveraging social protection systems in countries hosting refugees to meet their and facilitate their integration with vulnerable host communities affected by the crisis

The Ukraine conflict is not only disrupting the lives and livelihoods of people inside the country, but also straining the capacity of Ukraine’s neighboring countries to absorb and provide livelihood support to those fleeing the war. Many refugees were self-reliant but lost their livelihoods and/or closed their businesses after fleeing for refuge. An estimated 4.8 million jobs have been lost among Ukrainians, with further military escalation potentially increasing job losses among 7 million people (OECD, 2022).

As the crisis continues and Ukrainians are unable to return, socio-economic integration with European Union (EU) member states is offered. The EU Temporary Protection Directive (TPD), activated for the first time, is a directive that allows inclusion of millions of refugees in the European economy and access to social insurance and social assistance programmes, among other services (European Union, 2022). As of September 2022, nearly four million Ukrainian refugees are covered by the Directive (UNHCR, 2022).

While the Directive outlines the minimum level of support refugees are entitled to receive, states may also top up assistance in addition to the thresholds articulated in the TPD. Out of five countries receiving refugees from Ukraine (Hungary, Moldova, Poland, Romania and Slovakia), 202 measures of support were proposed targeting Ukrainian refugees (Gentilini et al., 2022b). In Poland, a temporary system of supplies and volunteers was established at local train stations. Poland and Moldova distributed in-kind assistance and medical supplies. Romania distributed non-perishable food and medicine.

Ukrainians make up a large portion of temporary migrant labor for a number of Eastern European markets. More than 90 percent of Poland’s 1 121 000 new temporary workers came from Ukraine, mostly to fill openings in agriculture, construction, and industry in 2017 (OECD, 2022). Similarly, Ukrainians were also among the top migrant groups in the Czech Republic, the Slovak Republic, Hungary, Estonia, Latvia and Lithuania (OECD, 2022). Considering this, refugees arriving since the onset of the crisis are well positioned for integration into the national labor markets of Ukraine’s neighboring host countries.

Box 2. Social protection measures in Moldova in response to the refugee crisis

The Republic of Moldova does not have a fully developed social protection system, which is still being built. At the same time, the country has arguably borne the brunt of the refugee crisis, with an IDP/population dependency ratio of 0.19 as of May 20, more than double that of Ukraine’s other neighbouring countries.

Although Moldova has bilateral agreements to extend the provisions of social protection, it does not have one with Ukraine. In March 2022, Moldova opened its labour market to Ukrainian citizens, allowing them to access fixed-term employment contracts and related social services based on the identity number given to them at border crossings. The Government has also granted them access to the education system and to basic healthcare services, but it has otherwise not extended social assistance coverage to refugees from Ukraine.

Although many of the refugees crossing the border from Ukraine do not stay in Moldova but progress further to other countries, the Government nonetheless sought assistance from UN agencies to manage the influx of refugees at the onset of the war. As part of the Ukraine Regional Refugee Response Plan, UNHCR is leading humanitarian partners in delivering cash-base assistance to refugees in coordination with the Ministry of Labour and Social Protection. Enrolment is conducted at enrolment centres based on demand or referrals. The payment is monthly, amounting to MDL 2200 (USD 120) per person, credited onto Maib bank (private) prepaid cards issued upon enrolment. This also gives direct access to social care and basic services. Additional in-kind support is provided at refugee accommodation centres. In parallel, UNHCR established a cash transfer programme implemented by WFP and other partners targeted at Moldovan households hosting at least two refugees for at least one week. The one-off transfer can be claimed online and amounts to MDL 3500 (USD 190). It can be collected through multiple mechanisms including Western Union, private bank accounts or national post offices.

Source: Blin and Cahill Billings, 2022; Gentilini et al., 2022b.
Responding to the crisis in countries affected by the food price hikes

The Ukraine crisis has led to disruptions in the access to and availability of staple foods, energy, and agricultural inputs throughout the world, with particular concern among low-income countries that rely on the import of food and fertilizers to secure the productivity of their agri-food sector. The resulting price shocks have exacerbated food insecurity and malnutrition, especially in countries that depend on global export markets for staple grains, cooking oils and fertilizers. The rise in the cost of the consumption and production of the local breadbasket is disproportionately affecting poor and vulnerable groups that rely on agriculture for their main source of livelihood (Lusigi, 2022; SPIAC-B, 2022; UN Press, 2022).

Children are particularly vulnerable to the impacts of higher food prices. Already 27 million children are living in severely food insecure contexts (Global Network Against Food Cries et al., 2022) and, since the start of 2022, the number of children suffering from severe wasting in the 15 worst affected countries has increased at an unprecedented speed – one additional child with severe wasting every single minute (UNICEF, 2022).

Increased food insecurity and malnutrition due to food price shocks also affect women disproportionately, as they are among the first in the household to cut back on their consumption to protect the food intake of other household members at the expense of their own. This has negative repercussions especially for women who are pregnant or lactating, who may suffer health and productivity consequences that will harm them and future generations (UNWOMEN, 2022). Price hikes on fuel and farm inputs also threaten progress on reducing the gender gap in agri-industry sectors and other economic prospects, further reducing women’s income and household food security (IFPRI, 2022).

In emerging and developing economies, the poorest 20 percent of households spend on average 53 percent of their income on food, compared to 20 percent among the richest quintile. Likewise, families in the Caucasus and Central Asia that depend on remittances from Russia may face severe shortfalls as a result of the decline in economic activity in the Russian Federation. In Tajikistan and Kyrgyzstan, for instance, remittances represent almost 30 percent of gross domestic product, while in Uzbekistan they accounted for an estimated 11 percent of household income among the poorest quintile (FAO, 2022e).

In the absence of effective support measures, poor and vulnerable households will be forced to engage in negative coping strategies that can undermine their food security, nutrition and livelihoods, jeopardizing their future earnings and potentially leading to the transmission of poverty across generations (SPIAC-B, 2022; UN, 2022). Social protection systems therefore have an important role to play in enabling these population groups to withstand the price shocks without compromising their nutritional status or endangering the longer-term sustainability of their livelihoods.

The COVID-19 pandemic proved that social protection programmes can be massively scaled up to mitigate the impacts of far-reaching shocks. They can do this by introducing emergency measures to deal with the crisis, by expanding coverage of existing programmes and/or by providing top-ups. There is evidence that social protection interventions helped to mitigate the income shock caused by the pandemic, and that increasing the value of monetary or in-kind transfers through existing programmes provided the timeliest response (Gentilini et al., 2020).

Already, many countries have been putting in place measures to soften the impact of rising prices on poor households. But like during the 2007/08 global financial crisis and unlike the response to COVID-19, the majority of policy responses to soaring food prices in 2022 have consisted of subsidies to consumers and producers (food, fuel, fertilizers, fees), which are perceived to be less effective in protecting poor households compared to social transfers (Gentilini et al., 2022a).
Building on the lessons from COVID-19, countries should expand their social protection programmes, making it a priority to reach the poor and most vulnerable who are least able to absorb, and so are most affected by, the increase in the cost of food and other basic consumption items. Social protection and humanitarian actors need to work together so as to leverage humanitarian responses to rapidly expand coverage and strengthen social protection systems. This implies, among other things, i) aligning the design and implementation of social protection and humanitarian interventions (transfer values, targeting criteria, registration processes, etc.); ii) coordinating social protection and humanitarian measures so that they complement each other to expand coverage and deliver more adequate and comprehensive responses; and iii) building on each other’s systems such that the humanitarian sector makes use of social or integrated beneficiary registries and/or payment modalities of social protection systems, while the latter can leverage the capacities and tools of the humanitarian sector to deliver assistance in a timely manner (Longhurst et al, 2020).
Over the longer term, it is imperative to shift from temporary emergency measures to substantially increase investments in social protection systems that will provide equitable access to all, especially to the poor and most vulnerable.

**Policy recommendations**

The humanitarian crisis unleashed by the war in Ukraine, and its lingering ripple effects that reverberate on commodity markets and domestic prices around the world, are compounding the severe food security and nutritional impacts of the COVID-19 pandemic and other recent, and increasingly more frequent, shocks to livelihoods. The social protection sector has demonstrated its capacity to scale up in response to far-reaching shocks and is again being called on to help mitigate the consequences of a looming threat to people’s livelihoods and achievement of Sustainable Development Goals 1 and 2.

It is imperative to step up and implement social protection responses as a matter of priority, along the three core constituent parts of social protection systems and their delivery chain: policy, programme design, and programme implementation (FAO, 2022f):

**Policy recommendations**

**Recommendations for Ukraine**

→ Ensure coordination between the national authority responsible for social protection and the local agricultural sector in the regions receiving internally displaced people. Effective coordination will help:
  1) enable local procurement of nutritious foods for day care or school feeding programs and 2) use local agricultural products in existing food bank efforts focusing on internally displaced people.

**Recommendations for countries with Ukrainian refugees**

→ Build policy links between the social protection system and the local agricultural sector in the countries receiving refugees and with relevant sectors mandated to work with socio-economic integration. Policy links can enable utilize agricultural labor to support continuity of the productivity.

**Recommendations for net-food importing countries with impacted agriculture sector**

→ Assess policy options to transition towards alternative programs of income support, including cash transfer/social protection schemes.

**Programme design**

**Recommendations for Ukraine**

→ In Ukraine, align social protection programmes with short-term jobs and skills development programmes to help develop and rehabilitate destroyed productive assets. Similarly, public works and cash place interventions can support household wages, while supporting the agriculture sector.

**Recommendations for countries with Ukrainian refugees**

→ Social protection programmes should be complemented with agriculture production initiatives to support rural areas and workers in the agricultural sector in need (productive assets, inputs that favor nutritious food commodities, technical training, extension services).
→ Supporting the early deployment of social protection interventions by providing technical support to analyze delivery options for multipurpose cash to households and assisting persons without bank accounts get cash payments.
Recommendations for net-food importing countries with impacted agriculture sector

→ Short-term jobs and skills development programmes can be created through national social protection systems (e.g., cash-for-work programs) that offer services and/or produce assets for affected populations and migrant workers.
→ Carry out analysis to identify options for reform of agricultural subsidies for influencing food production and nutrition.
→ Among all countries, to incorporate basic nutrition teaching materials in all cash transfer/social support systems, guided by local food availability data, to encourage dietary adjustment away from staple foods affected by price rises.

Programme implementation

Recommendations for Ukraine

→ Continuing price subsidies among input import countries on essential foods and alternative income support programs, including cash transfer/social protection schemes.
→ Piggybacking on social registries including Ukraine’s Unified Social Information System to route humanitarian aid to vulnerable population groups, while ensuring adequate vulnerability assessments, sensitive to the impact of the crisis on women.

Recommendations for countries with Ukrainian refugees

→ Identifying and promoting job opportunities, especially for refugee women, with national employment agencies, incentives to existing businesses, and developing and supporting the implementation of vocational training programmes, support for micro-business start-ups, and the establishment agro-cooperatives where feasible.
→ Integrate emergency responses, based on feasibility assessments, through national social protection systems by utilizing social or beneficiary registries to target recipients of humanitarian assistance, while aligning as much as possible transfers to those provided under the national social protection system.

Recommendations for net-food importing countries with impacted agriculture sector

→ Using registry systems to identify people at nutritional risk (e.g., pregnant, and breastfeeding women, small children, older persons) and sharing information on where to receive extra services.
→ Increasing the transfer value of the benefit packages that are existing as part of regular social assistance programmes and/or adjust the frequency of payments.
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