

UKRAINE











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Ukraine (World Bank, 2021) is at risk of hydrometeorological hazards and natural disasters, which primarily affect the agricultural and human health sectors, through seasonal flooding and periods of drought. Threats from riverine, urban floods and wildfires are considered high. Impacts from climate change make Ukraine increasingly vulnerable to: droughts, high temperatures, heat waves, heavy precipitation, mudflows, and floods. The most common natural disasters are associated with heavy rainstorms that may cause mudslides and flooding of large areas of agricultural land, houses and industrial buildings. Climate change is expected to increase risks and severity of natural disasters in Ukraine, through more intense temperatures as well as rainfall patterns, prolonged heat waves, and water scarcity. In recent years, the number of natural disasters has increased in the region and in many cases, they have been considered as catastrophic, causing fatalities and leading to significant economic losses.













The first confirmed COVID-19 case in Ukraine (IMF, 2021) was reported on March 3, 2020. Starting in mid-March 2020, day-care, schools and universities were closed, and domestic and international travel restrictions were imposed. Restrictions were expanded to cover virtually all establishments which had physical interactions with clients. People over 60 were required to self-isolate.

In total, about 11 million people were vaccinated in 2021. The Ministry of Health has proposed mandatory vaccination for educators and service sector professionals.

As of February 2022 (georank 2022), over 4,700,000 cases were confirmed (11,182/100k), with over 668,000 cases active (1,570/100k), over 3,900,000 recovered (9,365/100k) and over 104,000 deaths (247/100k).









Fiscal and social protection measures

Several measures (IMF, 2021) were introduced to support business: (i) penalties for certain tax legislation violations cancelled, (ii) moratorium on tax audits and inspections, (iii) deadline for filing annual income and asset declarations extended, and other penalties cancelled. Price regulation was introduced for the period of the quarantine for 10 socially important food products, 20 categories of protective equipment and medicines and antiseptics.

On social assistance, cash transfers with focus on vulnerable families with children and beneficiaries of Guaranteed Minimum Income were provided, and utility waivers, with provision of household utilities subsidies and aid to families with children.

On social insurance, all categories were supported: paid sick leave, health insurance, pensions, unemployment benefits, and social security contributions, while on labour markets the focus was on activation measures, labour market regulations, reduced time work and wage subsidies.









Structure of subnational governments

Ukraine (OECD/UCLG, 2019) has a three-tier subnational government structure, made of regional entities, further divided into districts (rayon) in urban and rural areas and cities of regional importance, while the last tier consists of small cities, townships and settlements.

Following a decentralisation reform in 2020, the following configuration emerged: tier 1: with 1 autonomous republic and 2 cities with special status, and 24 oblasts (regions), tier 2: with 136 raions (districts), and tier 3: with 1,469 hromadas (municipalities).

Documentation of how governments in Europe and Central Asia have responded to disasters and crises through subnational social protection systems

Case study: Ukraine

Towards a disaster response through subnational systems allowing for effective response to the economic and social needs of children and their families, including though social protection measures

Mihai MAGHERU, February 2022



1. Introduction

Within the overall documentation of how governments in Europe and Central Asia (ECA) have responded to disasters and crises through subnational social protection systems, several stakes of the case study of Ukraine have been identified:

- Confronted with hostilities, a humanitarian crisis, and recent natural disasters such as the floods and wildfires of 2020, **Ukraine**, and particularly its eastern side, is severely challenged, requiring a complex and articulated humanitarian response, including strategic disaster response and management,
- Recent reforms of the social safety net, and an ambition to make the Social Protection (SP) system more robust and efficient, such as restructuring the system¹, starting with 2018, by reducing broad subsidies and targeting resources to the poor, already indicates positive results: transfers going to the poorest one-fifth of the population are rising significantly—from just 37 percent in 2019 to 50 percent in 2021 and are projected to reach 55 percent in 2023,
- While Ukraine has been significantly affected by COVID-19, the vaccination rate means that Ukraine remains the country with the lowest vaccination coverage in Europe², while in terms of SP the Governmental response was tremendous, with a very large diversity of preventive and protective measures.

These specificities all have an important potential for knowledge generation and sharing of good practices and lessons learnt, in a context where the **structure of the subnational governments** has been recently changed within a broad decentralisation reform, all by keeping a complex three-tiers configuration, with a significant role of the municipalities in managing part of the social protection (SP) system and being quite articulated with disaster risk management/reduction (DRM/R) processes.

2. Provision of social protection by subnational governments within a heavy SP system under continuous reform, doubled by an ongoing decentralisation process

The social services delivery system is a constituent part of the general system of social protection and social security, which rests on constitutional rights of people. The social services system is comparatively new and moderate in size in comparison with other elements of the social protection and security system.

While the social insurance systems provide the social benefits based on a contributory scheme, the **social** assistance is not contributory and provides **social** benefits and privileges. 120 types of privileges and 60 types of benefits are provided in Ukraine, for 130 categories of beneficiaries, grouped in 70 categories by social attribute and 50 categories by professional attribute. The regulatory framework of various benefits, social payments and social services in Ukraine is cumbersome³ since these are provided directly in 58 laws and more than 120 regulatory legal acts.

In terms of institutional configuration, the **Ministry of Social Policy** (MoSP) is responsible for drafting and monitoring policies for social protection, including economic assistance, disability and social care services.

The new Law on Social Services⁴ entered into force on January 2020, and establishes the responsibilities for the executive bodies of city councils, councils of cities of regional significance, councils of united territorial communities. They include: 1) needs identification, 2) information 3) identification of vulnerable population, 4) provision of basic social services, 5) approval, financing and implementation of regional programs, 6) develop competence and qualification of the employees, 7) coordination of the activities of the actors of the social service delivery system at the local level; 8) ensuring interaction between social service providers and bodies, institutions, natural persons in other relevant areas; 9) collecting, analysing and disseminating information on the provision of social services, 10) maintenance of the Register of providers and recipients of social services at the local level; 11) monitoring of the provision of social services, evaluation of their quality, 12) control over the targeted use of budgetary funds aimed at financing social services; 13) exercising control over compliance with the requirements of this Law by the procedure established by the Cabinet of Ministries of Ukraine; 14) ensuring observance of the rights of recipients of social services; 15) the appointment of managers of social service providers 16) resolving other issues related to the provision of social services by the Law.

Whereas the new law is focused on social services, the new provisions also all seem relevant for social assistance, in the context where it is expected that part of the process of delivering social benefits should be managed by these services. While further legislative provisions are still pending, both in terms of institutional organisation of services and management of social benefits, the following aspects should be considered:

- The MoSP is currently preparing the necessary regulations regarding the organisation of the Social Services Delivery Units (SSDU) to effectively implement the above provisions. While not necessarily imposing a model of SSDU, it is expected to provide a basic structure to be available nationwide and which could be further adjusted by the subnational governments.
- Since the law establishes responsibilities for the
 executive bodies of city councils, councils of cities
 of regional significance, and councils of united
 territorial communities, the SSDU will have a
 similar structure regardless of the level of
 administration, with at the core the principle of
 close and easily accessible to all citizens. Hence,
 there is no envisioned difference of
 responsibilities by level of administration in the
 area of SP.
- While the new legislation regarding the social benefits is still under development, with in view the creation of a national agency for social benefits (NASB), the MoSP envisions a dual management process in this area:
 - In a large country with almost 1,500
 municipalities, it is critical for all the citizens to
 easily have access to a window of social service
 which in this case would be the SSDU. At this
 level are to be created the "front offices" with
 mainly an information and counselling role,
 basically fulfilling the tasks necessary to
 registration of beneficiaries.
 - All the other processes related to the assessment of eligibility, the enrolment for benefits, the payment of benefits, keeping the system up to date and ensuring appeal and complaints mechanisms, are to be managed at the level of "back-offices". The back-offices currently exist at the level of oblasts and cities of regional/oblast significance, but require substantial reshuffling and mainly to be vertically integrated into the NASB.

- The MoSP is also implementing a **e-payment programme** via a specific app, which will run in parallel with the front/back-offices.
- 3. An internally well-articulated DRM/R mechanism at all governance levels with no connection with the SP mechanism

The State Emergency Service of Ukraine (SESU) is a central body of executive power with activities directed and coordinated by the Cabinet of Ministers through the Minister of internal affairs. It implements state policies in the domain of civil protection, protection of population and territories from emergencies, prevention of emergencies, rectification of emergency consequences, rescue work, fire extinguishing, fire and technogenic safety, accident rescue service activities and hydrometeorological activities.

The principal tasks of the SESU are: (i) implementing state policies in the above mentioned domains, (ii) providing state supervision (control) over observing and satisfying legal requirements in the domain of civil protection, fire and technogenic safety, accident rescue service activities, (iii) introducing proposals on state policymaking in the aforesaid spheres for consideration by the Minister of internal affairs, and (iv) implementation, within its powers envisaged by the law, of state policies in volunteer activities.

At lower levels of the governance, the SES relies on 26 regional/oblast state emergency services with a regional coordination by regional governors, and municipal branches of the SES (civil defence and mobilisation unit), under the responsibility of the mayors. While the latter is part of the municipality services as the social services are too, there is no clear coordination or collaboration mechanism between them.

4. A sustained, complex and extended COVID-19 related social protection response by the Government of Ukraine

At national level, according to the World Bank "living paper⁵" Ukraine ranks high⁶ in the region in terms of number and diversity of SP measures, with a total of ten core groups of measures. The details of these measures are presented in the annex and can be consulted in the regularly updated version of the

living paper. The purpose of this section is to set out the framework of measures taken by the Government of Ukraine and further corroborate the information with the field findings.

Here below are listed the core measures by the three components of social protection:

Social assistance: (i) cash transfers, (ii) utility waivers.

Social insurance: (i) paid sick leave, (ii) health insurance, (iii) pensions, (iv) unemployment benefits, (v) social security contributions.

Labour market: (i) activation, (ii) labour market regulations, (iii) wage subsidies.

5. Implementation approaches and practical models of action during complex emergencies and crises, particularly at subnational level

While the qualitative analysis⁷ only considered a few interviews in each of the five countries⁸ selected for case studies, the richness of collected information and the triangulation with data and information emerging from the desk review allowed for summarising some interesting examples of action that might inspire other municipalities in developing similar approaches.

According to UN Ukraine⁹, Ukraine's social protection system needs reforms to remedy low coverage and access for the poorest and socially excluded, insufficient quality and gender-responsiveness of social services and growing funding deficits. Reform must utilize up-to-date and comprehensive disaggregated data to develop a human rights-based, inclusive and gender-sensitive approach based on accepted international standards, methodologies and best practices. Old-age pension reform must ensure maximum coverage, including residents of nongovernment controlled areas, must ensure gender equity, adequacy of payments, funding security and be accompanied by measures to enhance labour market participation rates and to reduce informality and undeclared work. Reform must be designed in a participatory manner and establish transparent, accessible and accountable social protection systems in amalgamated territorial communities using strengthened local budgets. COVID-19 severely adds to these challenges, affecting in particular the most vulnerable and marginalized, but also provides an opportunity for systemic reform. To address COVID-19 it is critical that immediate and

short-term social protection levels are maintained and expanded towards a comprehensive and equitable social protection system. People at risk of being left behind must be provided with sufficient social protection to ensure minimum levels of economic, social and cultural rights and access to development opportunities.

Moreover, according to the 2022 Humanitarian Needs Overview¹⁰ (HNO), 2.9 million people will continue to be in need in 2022 affected by the dual impact of the eight-year conflict and the COVID-19 pandemic. With over 1.4 million still living in displacement, according to the Ministry of Social Policy of Ukraine, there continues to be a high need for life-saving humanitarian assistance to both affected households as well as institutions that seek to support affected populations in accessing essential services and specialized care. Winterization continues to be a high priority need amongst households in the nongovernment-controlled area (NGCA). The Shelter/NFI Cluster estimates that at least 200,000 people will require winterization across the Eastern Conflict Area in 2022. With the ongoing conflict and additional risks posed by the COVID-19 pandemic, both medical and social facilities continue to request essential equipment to meet the health and social care needs of their populations.

The Health Cluster reported that a third of households within 20km of the "contact line" struggle with access to healthcare services for individuals with disabilities, the elderly, women, and families with young children most affected. Many health and social care facilities were destroyed during the armed conflict and contact line communities have become isolated from major health centres in urban areas in NGCAs. Mental health and psychosocial support (MHPSS) has been cited repeatedly by Protection and Health Clusters as severely needed in the Eastern Conflict Area to support communities in coping with the impact of the conflict and COVID-19. Recent National Monitoring System (NMS) reports have highlighted severe vulnerabilities amongst conflict-affected populations, with the latest reports stating that 50% of internally displaced persons (IDPs) indicated that their income afforded them just enough money to cover food costs and that they often had to reduce the amount spent on food. This food insecurity, which is indicative of broader livelihoods and general wellbeing insecurity, has a severe impact on people's mental and physical health as they are unable to secure access to their basic needs and are at higher risk of resorting to negative coping strategies. The

above needs are further exacerbated by natural disasters which are increasingly common in the Eastern Conflict Area.

A broad institutional reform

According to the Concept of Implementation of the State Policy on Social Protection of the Population and Protection of Children's Rights, a process¹¹ of reforming the institutions responsible for implementation of the state policy on social protection and protection of children's rights has begun:

- The National Social Service of Ukraine has been established as a central executive authority that implements the state policy on social protection of the population, including protection of children's rights. It envisages the creation of a new model of cooperation between executive authorities and local governments. The new service should ensure continuity in the implementation of state policy in the field of social protection and protection of children's rights, as well as state control over legal requirements for social protection provision and children's rights protection. This institutional setup should be articulated with the creation / adjustment of the SSDU, in close coordination with the provisioned creation of the NASB.
- The Ministry of Digital Transformation of Ukraine was established in September 2019 a central executive authority responsible for the formulation and implementation of the state policy on digitalization, in particular ensuring children's rights in the digital space;
- The Educational Ombudsman position has been introduced – an official on whom the Cabinet of Ministers of Ukraine imposes the tasks concerning the protection of rights in education;
- The Cyber-police Department has been established in the National Police of Ukraine – an interregional territorial body that ensures the implementation of state policy on combatting cybercrime, organizes and conducts, according to the legislation, operational search activities, in particular investigates crimes against/involving children in the digital space.

A mix of protective measures in a very complex institutional setting

Whereas most of the SP measures in response to COVID-19 were taken by the central government, as illustrated in the annex, the subnational governments, particularly the municipalities, also promoted local support to the most vulnerable and affected populations.

These measures are taken in a very complex institutional setting, determined by the administrative configuration of the country. For example, the **municipality of Bakhmut**, which is a city of regional significance in Donetsk Oblast, hosts three social protection related institutions under one roof:

- 1. The Department of Social Protection of the Bakhmut City Council, which is the SP unit that not only manages a regular heavy portfolio of social protection measures (about 70,000 inhabitants of the total of 80,000 in the city benefit from a form of social protection managed by a unit composed of 88 professionals), but also adopted locally based COVID-19 response measures.
- 2. The **Bakhmut City Council Territorial Centre for Social Services**, with a particular focus on providing social support services for people with disabilities, and has a territorial character.
- 3. The **Bakhmut City Centre for Social Services**, carrying out social and preventive work aimed at preventing difficult life circumstances of families (persons), children and youth in the territory of the Bakhmut city 'amalgamated hromadas' 12.

The Department of Social Protection (DSP) of the Bakhmut City Council took several measures:

including safety, mobile teams for outreach activities, and opening of a hotline to respond to disadvantaged persons, allowing to deploy a series of support actions, particularly in the form of in-kind support for the most affected (who lost jobs, are in precarious situation, are isolated, elderly, etc.). The material support was ensured by the municipality funding in complementarity with the aid coming from the central government level.

For example, the MoSP¹³ together with a renowned National Network of Grocery Stores (ATB), provided food kits to single persons and people living alone, aged over 80, elderly in need of care, and persons with disabilities. About 600,000 citizens were provided with food kits countrywide whereas in the case of Bakhmut the DSP supported provision for 11,000 beneficiaries.

In order to create conditions for involvement of NGOs, businesses, and volunteers to assist those in need due to the quarantine period, the information platform "Dopomoha Poruch" ("Help nearby") was introduced in April 2020. The need for assistance is formed at the request of citizens to hotlines that work for local authorities.

Towards a full digitalisation of SP

The Ministry of Digital Transformation of Ukraine is currently implementing ¹⁴ the largest digital project in modern Ukraine called "Action". The aim of the project is to unite all departments into a single convenient and effective online system and make communication between citizens and businesses with the state convenient and transparent. It is planned that by 2024, 100 percent of public services will be available online. At the same time, one of the goals is to abandon the use of paper documents.

Since June 2021, the MoSP is piloting the project "Social Community" in order to test the technology of forming the Unified Social Register of Ukrainian citizens on the basis of the register of insured persons. As part of the pilot project, the following electronic services are provided: (i) online application for state social assistance, (ii) online display of information contained in the certificate of compulsory state social insurance and in the pension certificate, (iii) display of information in electronic form about a person's disability (group, subgroup, reason for disability and the term for which it is assigned) according to the Unified Social Register, and (iv) generation in electronic form of certificates of salary, paid insurance premiums, the amount of pension;

In addition, Ukraine became the first country in the world in which digital passports in smartphones became complete legal analogues of ordinary paper documents. Ukraine is also the fourth country in Europe to have a digital driver's license.

6. Learning from experience and moving further towards an effective response to the economic and social needs of children and their families, including though social protection measures by subnational governments

The review of available documentation and the information shared by the key informants at central and local levels indicate that the current legal, policy and institutional configuration regarding DRM/R and

SP response by subnational governments in Ukraine is significantly complex, particularly in terms of social protection, while the two sectors seem to operate completely independently, with no formal institutional collaboration.

Considering the highly complex emergency and humanitarian context of Ukraine, doubled by several reform processes, particularly in the areas of decentralisation (administrative reform) and social protection (both social services and social benefits), it is important to give a proper place and role to the subnational governments in deploying a part of the SP actions on the ground, in close coordination with the MoSP and within the national strategic framework in the area.

Subnational governments in Ukraine, regardless of their administrative level of decentralisation, not only are best placed to respond to the needs of vulnerable families with children, on a regular basis and in crisis and emergency contexts, but have developed a strong capacity and practical knowledge, during years of adaptation to significant legislative and policy changes, to fulfil complex roles in the area of social services and social protection of the most vulnerable.

The envisioned "front-office" roles for the SSDU in the area of SP should thoroughly consider this wealth of capacity and knowledge, while the design of the basic structure of the SSDU would benefit from an assessment of the current status, with the aim to be an evidence-based model adapted and adaptive to the very complex configuration of the public administration in the country.

Subnational governments should be considered reliable allies within the national strategic efforts, mainly because of their thorough (and irreplaceable) knowledge of the needs on the ground, but also because of their rapidly adaptive capacity. However, financing of both DRM/R and SP actions at local level seems to be incomplete, there are no or very few special reserve funds for emergency response and the SP action by subnational governments is weak.

While local initiatives might indicate a certain mutual support, including better articulation, data sharing and management, financing, etc. between DRM/R and SP sectors, the regulatory frameworks are not propitious for this cooperation, hence, the elaboration of standard procedures and nationwide implementation of a collaborative model might be

considered in the current and future legislative revisions in the country.

The Cabinet of Ministers of Ukraine resolution of 2020 on the approval of the <u>Concept implementation</u> of the state policy on social protection of the population and protection of children's rights, is the <u>regulatory framework to advance the reform by acting at four levels</u>:

- (i) establishment of the institution of state executive power as a social service for the implementation of the state policy of social protection of the population and protection of children's rights, as well as the implementation of state control over compliance with the requirements of the legislation in the provision of social support and on the protection of children's rights.
- (ii) identifying ways of cooperation between the institution of the state executive power, its territorial bodies with local executive authorities, local self-government bodies on the provision of administrative and basic social services to the population, implementation of social work, monitoring and evaluation of the quality of services, ensuring the rights of children.
- (iii) determining the optimal distribution of powers:

 a) between local self-government bodies and

executive authorities, taking into account the principles of service approach and maximum availability of services for consumers during the implementation of the state policy of social protection of the population and protection of children's rights; **b)** between the institution of the state executive power and its territorial bodies, taking into account the need to ensure their fulfilment of functions related to state control over compliance with the requirements of the legislation in the provision of social support and on the protection of children's rights.

(iv) determining the optimal list of functions necessary to ensure the provision of social services to the population at the basic level, social work and the realization of children's rights.

All the above mentioned levels of reform constitute opportunities for making the SP system in Ukraine more shock responsive and further articulate it with the DRM/R system.

This also contributes to more effective and efficient planning at the level of each stakeholder individually but also in terms of joint response to crisis and emergency situations.

Annex: summary of COVID-19 related SP measures

In terms of social assistance:

- 1. Cash transfers: The Government introduced child benefits to support children of individual entrepreneurs, which is one of the most affected groups in terms of income loss, for the duration of quarantine plus one month after the day when it is officially lifted. About 337,000 families (414,000 children) are expected to benefit from this assistance. The state announced a one-off payment to the current beneficiaries of child disability payments. Relaxed eligibility rules of the Guaranteed Minimum Income (GMI) Program allowing to: extend duration of payments; scale up activities aimed at increasing coverage of the poor; make individuals who have lost their jobs during quarantine, informal sector workers and returning migrants eligible for the GMI benefit. E-platforms allowing remote enrolment in social assistance programs: E-Service online platform, operated by the Ministry of Social Policy, allows remote registration and enrolment to: Housing and Utilities Subsidy program, birth grants and child benefits to children of individual entrepreneurs under 10 years old; Social Community integrated information system allows remote enrolment in 23 social assistance programs for the citizens of amalgamated territorial communities. The authorities have extended existing social entitlements for the period of the quarantine without the need to reapply.
- Utility waivers: Simplified administrative requirements to enrol in the Housing Utilities Subsidy (HUS) program (energy social assistance). Removed restrictions preventing enrolment for those who have lost their jobs as a result of quarantine. Non-residential real estate owned by individuals or legal persons was not subject to real estate tax for the month of March 2020. To support households, parliament has adopted legislation that allows households to deduct the expense of COVID-19 medicine from the calculation of personal income tax. The government has introduced a moratorium on penalties and disconnection of consumers who are late on utility payments. The authorities have softened access to a number of social support programs, such as household utilities subsidies and aid to families with children. The changes include (a) increasing norms (by 50 percent) for energy consumption used to determine the amount of subsidy; (b) stopping the disqualification from the household utilities subsidies program of a person that breaches qualification criteria; (c) automatic re-enrolment into the program for the heating season 2020-2021; (d) extending existing social entitlements for the period of the guarantine without the need to reapply; and (e) making private entrepreneurs eligible for the state support for children younger than 10. At the beginning of the quarantine in March 2020, the Cabinet of Ministers introduced price regulation for the period of the quarantine for 10 socially important food products, 20 categories of personal protective equipment and medicines and more than 10 types of antiseptics. Subsequently, there have been no reports of transgressions of this regulation.

In terms of social insurance:

- 3. Paid sick leave: The Government allocated UAH 2.28 billion (US\$ 84.44 million) to the Social Insurance Fund to finance paid sick leaves and one-off assistance for the families of doctors and medical workers, who died from COVID-19. The Government introduced temporary out-off work support though the Social Insurance Fund to those who are sick with COVID-19 or are self-isolating under medical supervision (50% of average salary; 100% for medical personnel).
- 4. **Health insurance**: Parliament has introduced a state insurance for medical professionals who become disabled as a result of COVID-19-related sickness. This insurance also covers the families of doctors and nurses who die as a result of COVID-19. Overall, more than 300 health care professionals have fallen victim to Covid-19 while some 26,000 have been infected.
- 5. **Pensions**: The Government introduced one-off cash assistance (UAH 1000 = US\$35) for vulnerable pensioners (whose pension is up to UAH 5000 = US\$185), current beneficiaries of the disability programs (children with disabilities and persons with disabilities since childhood) and beneficiaries of social assistance who are not eligible for pension. The total amount of funds received as of 18 May 2020 was UAH 9.88 billion (US\$365 million). There was a slight increase in pensions for pensioners with incomes below the threshold UAH 5000, or US\$180; it is also being considered to extend this measure to children with disabilities.

- 6. Unemployment benefits: Minimum unemployment benefit was increased from UAH 650 to UAH 1000 (from US\$24 to US\$37, respectively). The maximum unemployment benefit under this measure is equal to four-times subsistence minimum for individuals able to work UAH 8,408 (US\$311) as of March 31, 2020. Unemployed people are eligible for the program regardless of the number of years worked and the level of social insurance contributions. Graduates of the educational institution, informal workers and those who were fired because of work absence also qualify for this type of assistance. The cost of the measure US\$ 47.3 million. Partial unemployment benefit introduced for the period of quarantine (through 22 May 2020 with a possibility for extension) for workers employed by those enterprises that have reduced or completely stopped activities, with some UAH 4.72 billion (US\$ 177.2 million) allocated to this end, and financing through the State Employment Service.
- 7. Social security contributions: A holiday was introduced for small and medium sized companies for the payment of social security contributions until May 31, 2020 (which does not impact the accrual of their pensionable service). Entrepreneurs, farmers and self-employed (scientists, artists, teachers, attorneys, notary, etc.) shall be exempted from paying the single social contribution.

In terms of labour market:

- 8. Activation measures: State Employment Service moved the key employment service operations, such as outreach to and registration of newly unemployed cohorts, job search assistance, counselling, case management of vulnerable jobseekers, training, skilling, re-skilling activities to e-platforms (admin adaptation).
- 9. Labour market regulations: Quarantine related changes were introduced to the Labour Code of Ukraine to regulate remote work, flexible schedule and salaries for business interruption period. State Employment Service simplified administrative procedures by introducing deferred formal registration (online registration of unemployed, which is subject to verification within 10 working days after the quarantine restrictions are officially lifted) and online enrolment in unemployment and part-time employment benefit programs. Parliament has also approved a top-up of 300 per cent of the salary for medical personnel working with COVID-19 patients. Health workers treating the COVID-19 infected patients shall be paid 300% in addition to their basic salary, workers of the territorial health centres shall be paid 100% in addition to their basic salary. Additional bonuses shall be established for social protection workers that provide social services at the residence place of their clients at the level of 100% in addition to their basic salary.
- 10. Wage subsidies: Social Insurance Fund introduced temporary compensation for the income losses for COVID-19 patients. All insured employees are eligible to receive 50% of their average wage, regardless of seniority, starting from the 6th day of the confirmed temporary incapacity to work (the first 5 days are financed by employers). Part-time employment status was introduced for employees of SMEs for the duration of the quarantine. In order to maintain jobs, the SMEs will receive support at the amount of 1 minimal wage per employee. The cost of this measure is UAH 4.723 billion (US\$ 175 million), the funds have been allocated from the state anti-COVID-19 fund.

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- ⁶ During the inception phase the SP measures were mapped for all the 22 countries in the region. Three categories/groups of countries were identified, by the number of measures taken: seven countries with 3 to 5 measures, eight countries with 6 to 8 measures and another seven countries with 9 to 11 measures (none were take all the 12 possible measures). Hence, Ukraine is part of this last group of countries.
- ⁷ A full methodological approach including an annex regarding the field research are available in a separate Inception Report.
- ⁸ During the inception phase, a set of criteria was set in order to select a group of maximum five countries to carry out the case studies. These criteria were agreed upon with UNICEF ECA Regional Office and the Country Offices of selected countries and can be found in the Inception Report. The countries are: Albania, Bosnia and Herzegovina, Montenegro, Ukraine, and Tajikistan.
- ⁹ UN Ukraine, 2021, UN Policy options, Social protection, April 2021
- ¹⁰ IOM, 2021, Ukraine Crisis Response Plan 2021 2023, December 2021
- ¹¹ MoSP of Ukraine, 2021, Update on the combined fifth and sixth reports on Ukraine's implementation of the Convention on the Rights of the Child, November 2021.
- ¹² An amalgamated hromadas or amalgamated territorial community also known as a united territorial community, was a special unit of administrative division in Ukraine from 2015 to 2020. First created in 2015, amalgamated hromadas were formed as third-level administrative unit including cities, villages, urban-type settlements, and rural settlements, to form a new enlarged administrative unit. In 2020 they become hromadas or territorial communities.
- ¹³ According to Eastern European Social Policy Network (centre.org)
- ¹⁴ Ibid.

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Disclaimer

Any views, opinions and recommendations presented in this case study are solely those of the author and do not necessarily represent those of the Government of Ukraine or UNICEF in Ukraine.

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