

# **WFP Ukraine**

## **Food Security Update** (Extract from MSNA: NGO Forum Data)

March 2015



**World Food Programme**

# 1 Introduction

During March 2015, the NGO Forum in Ukraine (along with money from ECHO) conducted a Multi-Sector Needs Assessment (MSNA) in the 5 affected Oblasts of Eastern Ukraine (Dnipropetrovska, Kharkivska, Zaporizka, Donetsk, and Luhanska). The data was stratified by areas outside of the direct conflict (where the HH data was collected from only IDPs; “DKZ Oblasts”), government controlled areas by the contact line (Donetsk and Luhansk; “DL Gov Oblasts”), and non-government controlled areas (NGCA) of Donetsk and Luhansk oblasts (“DL NG Oblasts”).

Population estimates were based on a mix of pre-conflict data where access was not possible and key informants where access was possible. The full details of which are in the NGO Forum MSNA report.

The MSNA is a product of the NGO Forum, and ACAPS provided technical support. The assessment contained a food security component, for which WFP contributed technically and carried out the data analysis. This report provides an overview and narrative on key food security indicators, based on the extracts from the MSNA findings with additional information from WFP market price monitoring, as well as the findings from the WFP’s food security assessment that was conducted in October-November 2014. The figures presented in this report are the extract from the MSNA report, unless otherwise noted.

Form this report there have been 1.3million people identified as people in need of food assistance and around 670,000 of these requiring priority assistance.

# 2 Food Security Overview

The main components of data collected that helped to determine the food security were the following indicators:

1. Food Consumption Score (and Food Consumption Groups)
2. Reduced Coping Strategy Index
3. Main Food Sources
4. Livelihood Coping Strategies
5. Income Sources

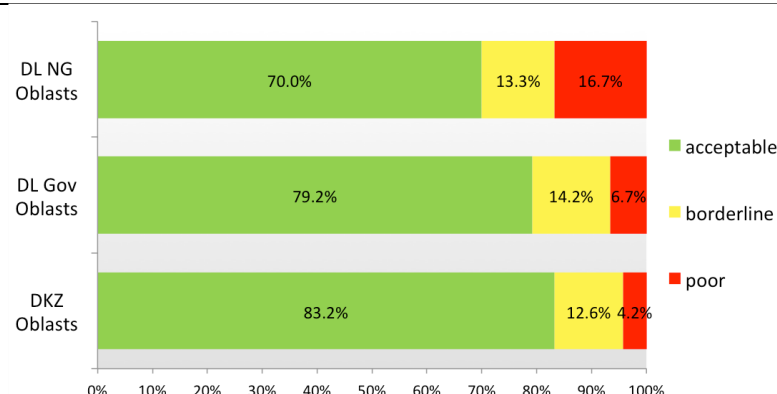
The data also contained other information useful in understanding vulnerability to food insecurity such as gender and age of household head, household size and demographic breakdown, number of displacements, and location (within areas of active conflict or not).

The indicator that was used to classify food insecurity was the food consumption group.

## 2.1 Food Consumption

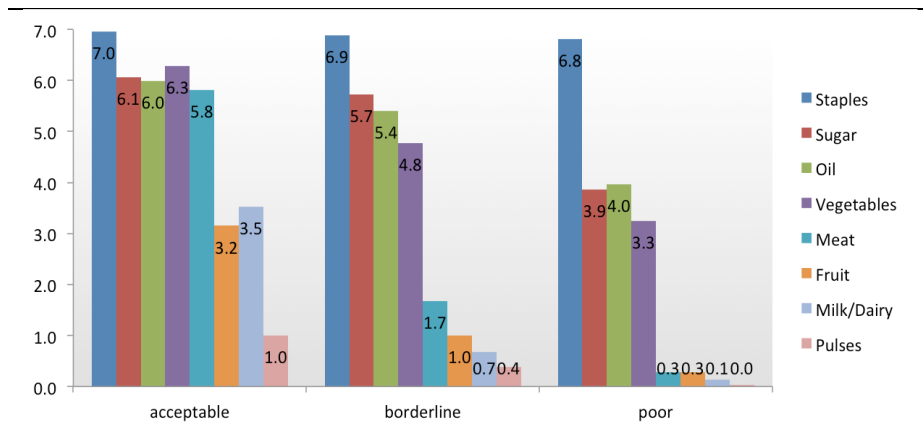
The food consumption score (FCS) is a measure by which food consumption (both diversity and frequency over a 7-day recall period, with more nutrient dense foods being given a higher weight in the analysis) is analyzed, and the score being used to categorize the consumption into three food consumption groups (FCG) – poor (FCS of  $\leq 28$ ), borderline (FCS of 28.5 - 42), and acceptable (FCS of  $>42$ ). This represents the household’s current status in terms of food security.

Figure 1: Proportion of Food Insecure by Area of Control



As can be seen in **Figure 1** those in DL NG Oblasts are significantly worse off compared to those in the other areas. There is also some indication that those households that are in areas experiencing frequent conflict are also more likely to have poorer diets, although the association is not clear. Other household types that indicated that they had more likelihood of poor consumption were IDPs that had moved more often (more than once).

**Figure 2: Food Consumption Patterns (number of days consumed per week) of Main Food Groups by Food Consumption Group**

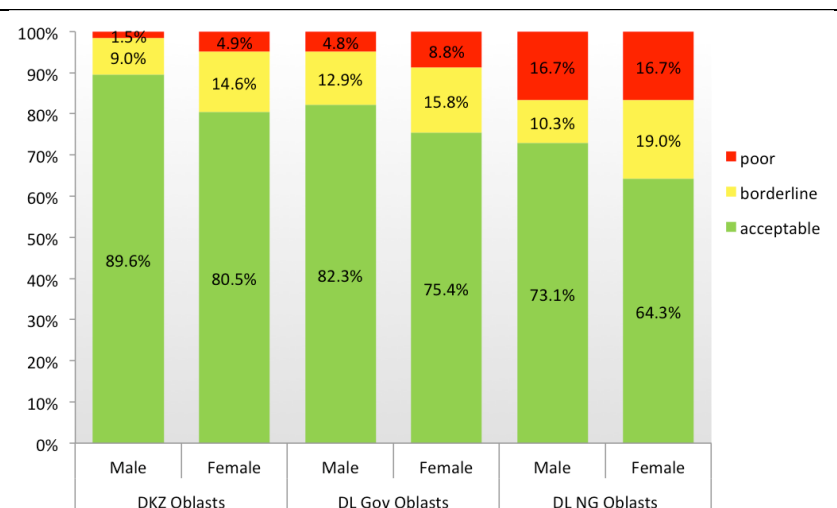


When considering the consumption patterns of the main food groups within the food consumption groups there was a common pattern (regardless of the area enumerated).

What is clear is that even the consumption of oils, and sugar is very low in the Poor consumption group (see **Figure 2**). The likelihood of reduced energy intake (combining the observations with the rCSI, see next section) is quite high.

Although female-headed households tended to report poorer consumption, this was not the case in the NGCA. The average food consumption score, however, was generally lower, indicating that diets were of poorer quality among the female-headed households (see **Figure 3**).

**Figure 3: Food Consumption Groups by Area and Gender of Household Head**



To compare this with the situation in October/November we can see that the situation has greatly declined. At that time there were virtually no cases of poor food consumption (except in some of the registered IDPs). What appears to have happened is that residents in the NGCA and IDPs have been impacted by rapidly increasing food prices that has stretched their savings (the main source of income) and resulted in a decrease in food consumption of quality food items.

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## 2.2 Reduced Coping Strategy Index

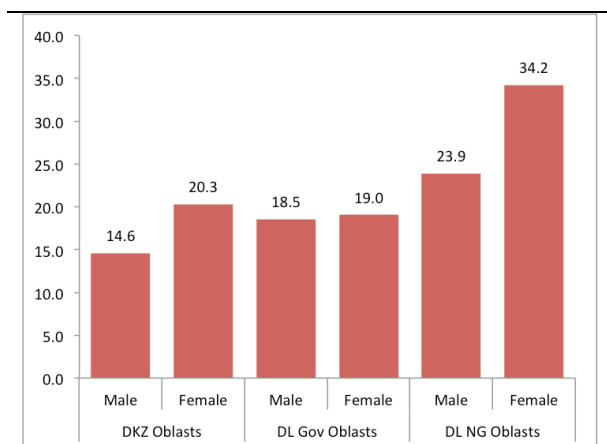
The reduced coping strategy index (rCSI)<sup>1</sup> is an indicator that describes consumption coping and provides insight into the household’s difficulties in accessing food. The outcome is a weighted score based on the severity of the coping mechanism used and the frequency (in the 7 days prior to interview). There is some research that supports the observation that higher rCSI scores are correlated with a reduction in caloric intake<sup>2</sup>.

What is important to note from the analysis in Ukraine is that the areas that have reportedly experienced active conflict, IDPs that had moved more than once, households greater than a total of 6, and female headed households (see **Figure 4**) all reported much higher rCSI. In NGCA households with 2 or more children also experienced much greater difficulty in accessing the adequate amounts and the quality of food.

<sup>1</sup> [http://documents.wfp.org/stellent/groups/public/documents/manual\\_guide\\_proced/wfp211058.pdf](http://documents.wfp.org/stellent/groups/public/documents/manual_guide_proced/wfp211058.pdf)

<sup>2</sup> Maxwell, Daniel, Clement Ahiadeke, Carol Levin, Margaret Armar-Klemesu, Sawudatu Zakariah, and Grace Mary Lamptey (1999). “Alternative Food Security Indicators: Revisiting the Frequency and Severity of ‘Coping Strategies.’” *Food Policy* 24(4): 411–429.

**Figure 4: Reduced Coping Strategy Index by Area and Gender**



The combined observation from **Figure 3** and **Figure 4** strongly indicate that female headed households in non-government controlled areas of Donetsk and Luhansk are facing significant difficulties in accessing food.

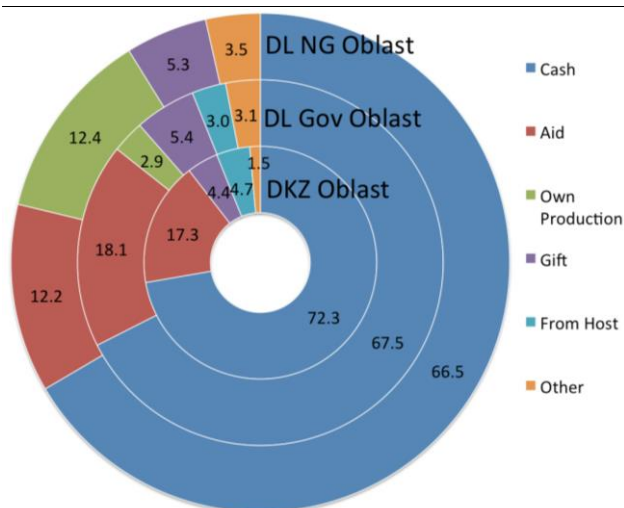
While in the government controlled areas the rCSI has stayed about the same as the October/November assessment, in NGCA households have increased their use of consumption coping mechanisms. This can be interpreted as an ever-increasing likelihood that these households are consuming a reduced caloric diet. If the security situation continues to deteriorate (along with increased market prices) this situation is likely to continue to worsen.

## 2.3 Main Sources of Food

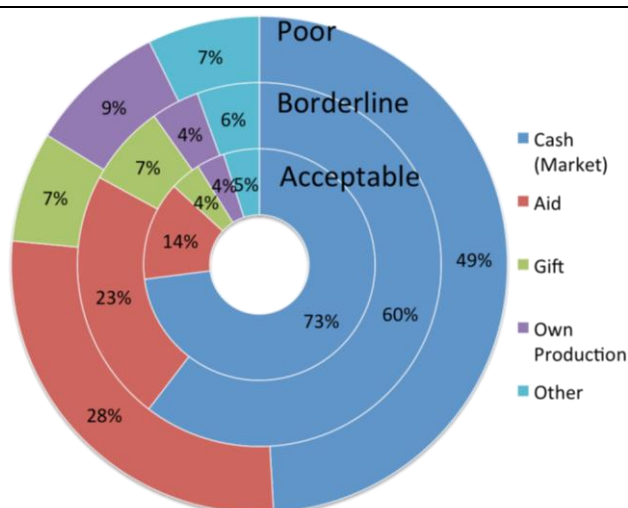
As part of the assessment households were asked to report on the main source of the food that they were consuming. This provides us with important information on potential sources of vulnerability. There are a number of important bits of information from this analysis.

1. For all households about two thirds of the food was sourced using cash (all areas)
2. In the NGCA households consumed food from their “own production” which appears to be slaughtered animals such as pigs or chickens.
3. Food assistance accounts for about 20% of food consumed but in NGCA this is about 12%. However, in the NGCA only 25% of HH noted having used some form of food in the form of food assistance (in-kind) in the previous 7days.
4. Those that have Poor Consumption Profiles reported much more frequently that food assistance was a main source of food. This could be because of
  - a. Poor quality rations being received
  - b. Not enough food being received and that they need to stretch the food that they receive to last longer
  - c. Sharing rations that are received with others due to chronic shortages and poor food access
5. In the DKZ Oblasts those that have poor consumption appeared to be less likely to be receiving food assistance (about 10% of their food).
6. In the DL Gov Oblasts about 50% of Poor Consumers food was coming from food assistance

**Figure 5: Food sources by Area**



**Figure 6: Food Sources by Food Consumption Group**



- Compared to the October/November assessment there has been a significant shift in sources of food with food assistance becoming more important to households. However cash is still an important means to acquire food. In the NGCA the importance of own Production is also more evident and it is likely that this is a coping mechanism. This source is unlikely to last for much longer as disruptions in agriculture and livestock rearing appear due to the conflict.

The general trend throughout is toward an increased reliance on food assistance, although as noted this may not be entirely satisfactory among those that are consuming poor diets. Cash plays an important role but clearly with increasing food prices less can be purchased.

## 2.4 Livelihood Coping Strategies

Livelihood-based coping strategies, representing asset depletion, were formulated into **3 groups**:

- 4 stress strategies:** spent savings; borrowed money or food from a formal lender or bank; purchased food on credit or borrowed food; sold household assets/goods.
- 3 crisis strategies:** reduced non-food expenses on health (including drugs) and education; withdrew children from school; sold productive assets or means of transport.
- 3 emergency strategies:** entire household migrated; sold house<sup>3</sup> or land; begging.

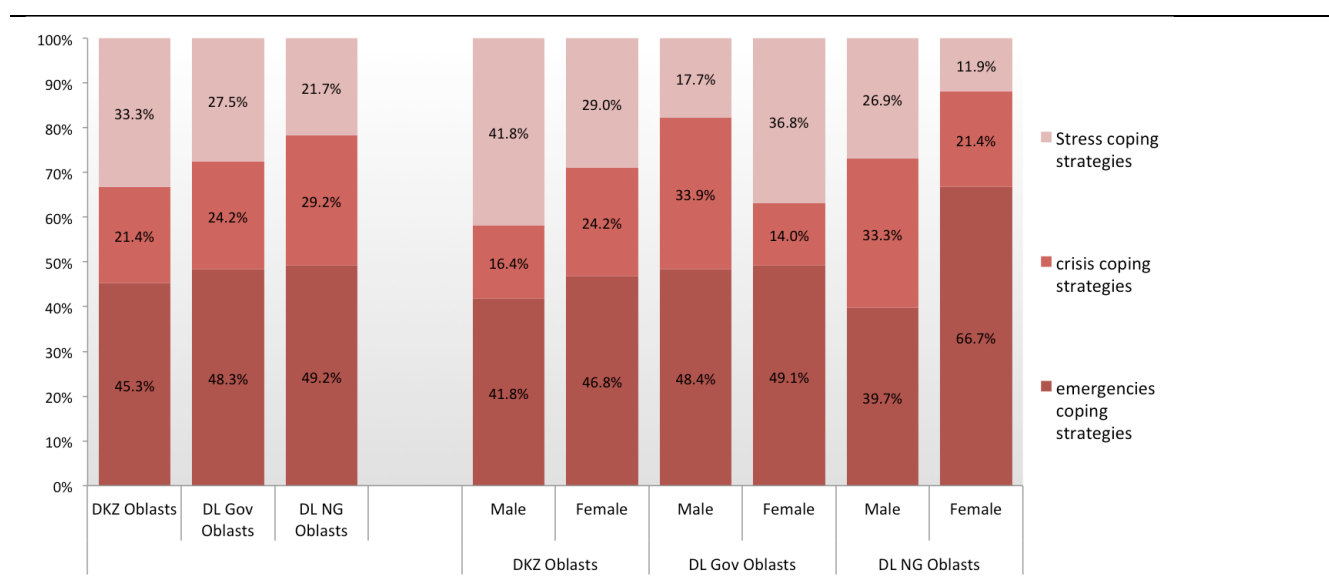
It should be noted that these coping strategies are in response to the need to access food.

None of the interviewed households reported not using some form of coping. The main coping strategies reported were:

- Stress:** spent savings
- Crisis:** reduced non-food expenditures
- Emergency:** begging (although this seems to have been interpreted as seeking humanitarian assistance)

Although there has not been so much of a shift in the crisis and emergency coping in terms of proportion of households utilizing them, the fact that all households have used some form of coping mechanism is important to note. This is translated into more households using stress coping (such as spending savings), which is clearly not sustainable and with increased food prices this will quickly result in more severe coping strategies being employed.

Figure 7: Livelihood Coping Mechanisms (% of HHs) by Area and by Gender & Area



<sup>3</sup> Legal sale of land or houses in accordance with Ukrainian law was not possible in conflict areas as the registrar's office was closed, precluding this as an option.

## 2.5 Sources of income

Figure 8: Importance of Main Sources of Income by Area



Households were asked about their main sources of income in the last year and the proportion they contribute to the overall income of the household. Many of the households in the NGCA reported that salaries were still an important source of income (about one third). This is different from what was reported in the October/November assessment. However, this may have been a difference in the interpretation of the question by the enumerators. What is important to note from **Figure 8** is the highest contribution of humanitarian assistance for those in the NGCA. In addition, important sources of income are not from steady or reliable sources such as salaried work. This shows that the assessed population is heavily dependent on an uncertain source of income. In the NGCA there was a large shift in households that claimed pensions currently compared to prior to the crisis (33% currently compared to 73% previously) and this is likely to reflect the closure of government offices and the restrictions on payment of benefits since December 2014. The same trend was observed in the government controlled areas but not as significant a

drop (generally by 10% points). With issues in accessing pension payments and other social benefits households will face difficulties in accessing sufficient funds for food, rent and other basic necessities.

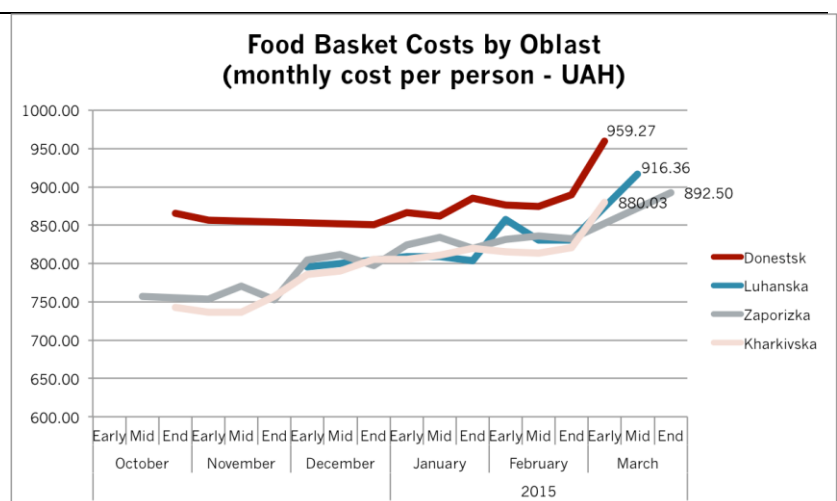
## 3 Market Prices Update

WFP has produced a market price surveillance bulletin for March 2015. In this report there are clear signs of rapidly increasing prices. This is likely to have been a key contributor to the decline in the food consumption patterns as well as the lack of quality (nutrient rich) food items in the diet. This can be seen in localized inflation for fresh produce (vegetables, fruit, and meat). However, all foods have been subjected to these price hikes and will have been steadily putting pressure on limited resources since the crisis began. There has been a 50% increase in the official minimum food basket costs (according to the Ministry of Agrarian Policy and Food) to 765UAH as of March 2015, compared to October 2014.

Local price monitoring has been taking place by the government in the affected oblasts, except in the NGCA. The **Figure 9** demonstrates how local costs of the standard food basket are approximately 30% higher than that of the national average. Note that the price data from the NGCA is being collected by WFP in order to monitor the situation and changes in prices and availability of products in the markets.

There are reports on the use of electronic payments in the NGCA for food in larger stores, though prices remain higher than local stores or open markets (where a wider variety of food is available).

Figure 9: Changes in Basic Food Basket prices in Government controlled areas

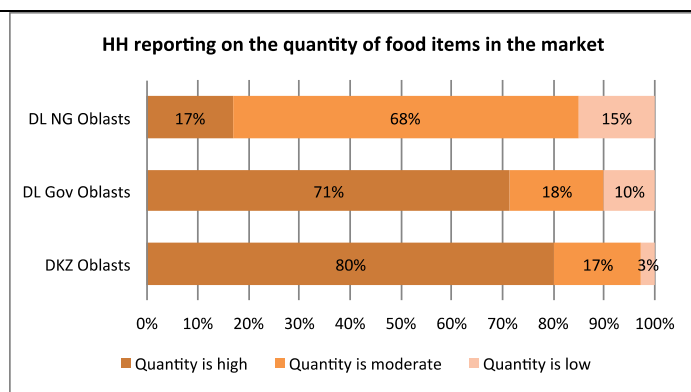


Source: the State Statistics Service, Ministry of Economic Development and Trade

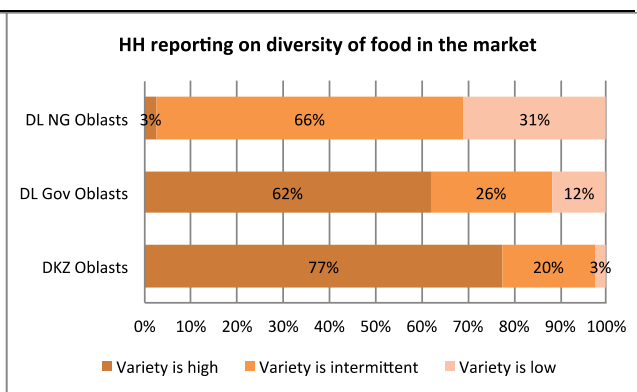
### 3.1 Market Access

The MSNA also asked about the quantity and the quality of foods available in the market. Despite the grave concerns raised by various stakeholders on the amount of food available in the NGCA, the majority of the interviewed households reported that the quantity and the quality issues were generally only a moderate problem (**Figure 10, Figure 11**). However, this issue does seem to have affected a number of households in terms of their food consumption, as discussed in the previous section.

**Figure 10: HH reporting on the quantity of food items in the market**



**Figure 11: HH reporting on the quality of food items in the market**



## 4 Conclusions and Recommendations

The situation has clearly deteriorated since October/November 2014. Over the past months, there has been significant periods of active conflict, in addition to the limitations applied to the NGCA in terms of accessing state payments, access to cash, and resupply of markets.

There is an urgent need to provide food assistance around 670,000 people across the affected area among the IDPs in the GCA and the affected population in the NGCA.

	Population affected	% Total Food Needs	Food Needs (total)	% Priority Needs	Priority Needs (of the total)
<b>DKZ Oblasts</b>	309,848	16.8%	51,912	4.2%	13,014
<b>DL Gov Oblasts</b>	953,982	20.9%	198,746	6.7%	63,917
<b>DL NG Oblasts</b>	3,580,286	30.0%	1,074,086	16.7%	597,908
<b>Total</b>	<b>4,844,116</b>		<b>1,324,744</b>		<b>674,838</b>

Based on the assessment findings, recommendations for WFP food assistance programming are the followings:

- Continue to target food assistance in the areas that have been directly affected by the conflict. Prioritize the assistance to the most vulnerable as per criteria defined by the food security cluster, including female-headed households;
- In the NGCA, provide monthly food assistance to the affected food insecure population. Given the limited availability of food in market, consider to provide in-kind food assistance. Opportunities for institutional feeding as well as soup kitchen are to be considered when/where feasible.
- In the GCA, WFP to provide a three-month food assistance to fill an immediate food gap among the food insecure population, primarily targeting IDPs. The beneficiaries are expected to be absorbed by the government safety-net programmes after the transitory period. Consider to provide the assistance in the form of cash or voucher, given the availability of food in markets.
- WFP will coordinate its food assistance with other stakeholders, including the government, Akhmatov Foundation, as well as the food security cluster members to achieve an effective implementation of the programme.
- Given the fluid situation, the food security situation is to be monitored closely to allow necessary adjustment to food assistance.





## Food Security Update

The following document is intended to provide an update on the food security situation based on key informant interviews and an analysis of the market situation for the eastern Ukraine conflict.

This update is intended to supplement the ACAPS multi-sector needs assessment (including household data), which will help to build on the information gathered by WFP in October / November 2014.

The update focuses on the main areas contributing to the increased vulnerability to food insecurity and based on the changes since the last assessment. Additionally the update intends to relate the current situation and how this is most likely to affect those in areas not able to be accessed for the ACAPS household data collection.

The situation in terms of food consumption in October/November 2014 indicated that about <5% of the households interviewed consumed poor or borderline diets. IDPs tended to be worse off but the level of food insecurity was estimated at less than 10% of the population. The SRP reports that there are 500,000 people in need of food assistance.

Given the following issues it is likely that the situation is worsening in terms of food access. The main drivers of this are:

- Immobility due to conflict or being institutionalised
- Changes in market conditions
- Income opportunities and access to cash



## Conflict Update

Since November 2014 the conflict has escalated significantly with the breakdown of the Minsk Protocol signed on the 5<sup>th</sup> September. The situation continued to worsen with a peak of violence occurring in January 2015. The Agreement was renegotiated during February 2015 and a relative peace has increased improved ability to move of the people as well as access whatever food was available.

The conflict, however, has resulted in destruction or closure of markets (many of which have not reopened).



## Financial Update

**November 2014:** The payment of *state salaries*, pensions and social benefits for those living in territories controlled by the armed groups stopped.

**OHCHR report:** *At the very least, 600,000 pensioners in Luhansk and Donetsk regions have been left without regular income due to the cessation of the allocations from the State budget. Often the only income, its termination makes these persons extremely vulnerable. As described below, many pensioners had to register as IDPs in order to receive pensions while still living in areas controlled by the armed groups.*

At the end of 2014 a Decree of the Cabinet of Ministers No. 505 was signed and provided IDPs, upon application to the Department of Social Protection, a small sum of money (442UAH / person, and up to 884 for disabled, invalids, children) to assist them during the period of unrest.

**These payments** however have to be applied for and collected in the government controlled part of Ukraine which means that many households either are not able to access this money or are simply not able to collect such payments due to having to cross frontlines or numerous check points. However, people are finding ways to access these benefits, pensions, as well as cash but crossing into the government controlled areas.

Furthermore banks are no longer operating inside the NGCA in Non-Government Controlled Areas. This significantly hinders access to salaries, payments, transfers and other means of accessing cash. However, there are indications that a cash economy still exists with food still being sold, as well as commodities being sold in Russian Rubles.



## Administrative Update

The Government of Ukraine took the decision to **terminate since 1 December 2014 the activities of all state institutions and organisations** in areas controlled by the illegal armed groups, and relocate them (whilst evacuating employees consensually) to Government-controlled areas. The relocation involves the withdrawal of social, medical and educational institutions, the judiciary, detention facilities, banking services, state enterprises and other entities<sup>1</sup>. The relocation of large institutions, such as medical and education facilities, nursing homes and penitentiary institutions that fall within the competence of regional and local authorities, remains particularly challenging, as no mechanisms for this transfer have been developed. It is unclear how this decision is being implemented other than will be implemented.

Penitentiary institutions, nursing homes, psycho-neurological and other facilities continue to function albeit without State financing and depend entirely on humanitarian aid. Some 7933 patients and 5053 employees still remain in nursing institutions in the non-Government controlled area as of mid February '15;

In January 2015, most hospitals in conflict affected territory remained open but reported severe shortages of various drugs, particularly painkillers, antibiotics and other essential medical supplies. Patients suffering from chronic conditions, including HIV/AIDS, TB and drug dependency are likely to run out of essential medicines upon which their lives depend.

De-facto authorities in the NGCA appear to have limited capacity to properly deal with the increased needs resulting from the on going conflict. Although reports indicate that assistance is being provided to some extent it is insufficient

<sup>1</sup> The Decision of the National Security and Defence Council of 4 November On Immediate Measures Aimed at the Stabilization of Socio-Economic Situation in Donetsk and Luhansk Regions, enacted by the Decree of the President of Ukraine

Nr. 875/2014 on 14 November 2014, as well as the consequent resolution of the Cabinet of Ministers of Ukraine Nr.595 as of 7 November 2014, On the Issues of Financing of State Institutions, Payment of Social Benefits to Citizens and Provision

of Financial Support for Some enterprises and Organizations of Donetsk and Luhansk regions.



and irregular in many cases and some reports indicate that in-kind assistance may be being redistributed through these authorities.



## Humanitarian Access Update

On 30 January, the Cabinet of Ministers issued Decree No. 2118, regulating the provision of humanitarian aid to residents of Donetsk and Luhansk regions. However, it does not provide clear guidance on how to deliver aid to conflict affected areas and does not facilitate the efforts of humanitarian actors, as was its intention.

Humanitarian actors have expressed their concern about their impeded access to the conflict area. Humanitarian actors reported that they have supplies in warehouses, while access to areas of need is hampered by roads being closed, due to shelling and restrictions imposed on the Government side of the line of contact.

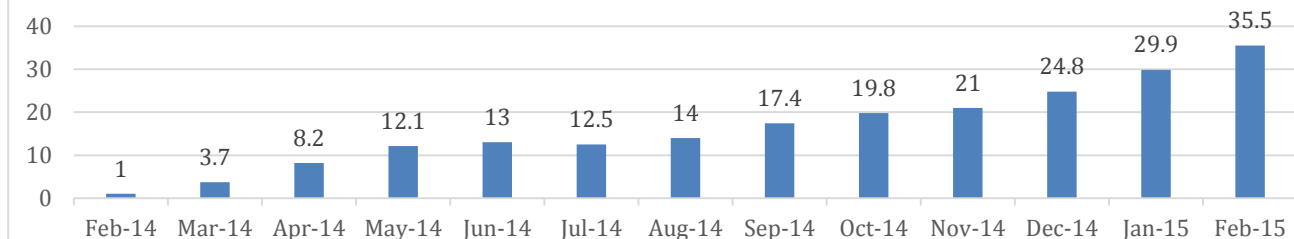
Furthermore there is only one logistics corridor into the NGCA (via a route just south of Donetsk). This means that food assistance (in-kind) has a significantly more difficult time accessing households in Luhansk.

On the government side this assumes that stock outs are not as much of an issue.

However, in the NGCA there are reported issues of meat and oil not being available, as well as other key commodities (based on observations by WFP partners).

It is also likely the increase in fuel costs are contributing to the inflation in food prices, as well as the national economy, with spikes in the foreign exchange value of the UAH.

Ukraine Food Inflation  
(percent, to corresponding month of previous year)  
Source: State Statistics Service of Ukraine



## Markets Update

Nationally there has been significant increases in food prices, with the Consumer Price Index (CPI) rising and unstable foreign exchange rates creating more difficulties in accessing food.

Government price data is collected reasonably regularly in the areas close to the contact line. From the market update (WFP) indicates that there has been a steady increase in most commodities. Staples food prices are increasing to a lesser degree than fresh produce, although more recently the percentage increases are more aligned.

What is clear is that the food basket in the affected oblasts has around a 30-40% difference in costs compared to the national average, putting additional pressure on the resources of households in the conflict affected region.

Food Basket Costs by Oblast  
(monthly cost per person)

