

# UKRAINE

## Human Development Update

May 2023

This **Ukraine Human Development Update** synthesizes findings from the second round of the Rapid Damage and Needs Assessment ([RDNA2](#), March 2023) on damage and losses during the year following the full-scale invasion and estimated needs for reconstruction and recovery in the health, social protection, and education sectors. The RDNA2 was conducted jointly by the World Bank, the Government of Ukraine, the European Commission, and the United Nations, and supported by other partners.

The RDNA2 reveals that as of February 24, 2023, **damage** (direct costs of destroyed or damaged physical assets and infrastructure) in the human development sectors had reached over **US\$7 billion**. Disruptions to essential health, education, and social protection services, as well as additional expenses associated with the war, collectively measured as **losses**, amounted to **US\$83 billion**. Reconstruction and recovery **needs** in the three sectors were estimated at almost **US\$69 billion**.

This Human Development Update also summarizes other adverse impacts of the ongoing invasion and highlights recent government responses.

## HEALTH

From February 24, 2022, which marked the start of the full-scale invasion, to May 14, 2023, the Office of the UN High Commissioner for Human Rights recorded 23,821 civilian casualties in Ukraine, of which 8,836 were deaths, and 14,985 were injuries ([OHCHR](#), May 15, 2023). Ukrainian authorities record 1,472 child casualties, including 483 killed, and report that at least 402 children have gone missing ([Children of War](#), May 31, 2023). During the first year of the war, the number of persons with disability increased by at least 132,000 persons and reached 2.86 million (MoSP data).



Photo: Ukrinform

The ability to attend to these casualties is hampered by attacks on health care infrastructure. Since February 24, 2022, 896 attacks, or 84% of the attacks on health facilities recorded worldwide, occurred in Ukraine ([SSA](#), May 31, 2023).

The RDNA2 suggests that the war has caused approximately US\$2.5 billion in **damage** to publicly-owned health facilities in 17 regions of Ukraine with the largest share of damaged facilities in Donetsk, Kharkiv, and Chernihiv oblasts. As of February 2023, damage or destruction was reported in 1,574 facilities,

accounting for 15.9% of all health facilities in the public sector. The total **loss** is conservatively estimated at US\$16.48 billion, including the removal of debris and demolition of the destroyed facilities, loss of income of private providers, and additional losses to population health due to forgone care and increased public health threats.

The total reconstruction and recovery **needs** of the health sector are estimated at US\$16.38 billion for the next 10 years. Of this, US\$3.6 billion reflects short-term needs (2023–2026). Of the short-term needs, an estimated US\$543.6 million is needed in 2023 to strengthen primary health care (PHC) and support small-scale repairs and



upgrading to restore health facilities' functionality. To address medium- to long-term needs, an additional US\$12.7 billion is required to rebuild and modernize health facilities of different types, strengthen and scale up rehabilitation and mental health services, as well as further strengthen PHC and improve access to essential medicines ([RDNA2](#), March 2023).

At the same time as the war has compromised the system's ability to provide health services, it has also increased the need for healthcare, particularly in areas of active conflict. The number of people reporting a deterioration in their health status increased from 25% in February 2022 to 33% in February 2023 ([Rating Group](#), February 2023). According to a recent multisectoral needs assessment, 24% of 13,449 surveyed households across Ukraine reported "severe" (19%) or "extreme" (5%) levels of need related to healthcare. Households with persons with disability were more likely to experience gaps in "health living standard gaps" (20%) compared to the national population (5%) ([REACH](#), April 20, 2023).

The main barriers that people face when seeking healthcare are a lack of affordability (due to the cost of medicines and treatment), the time needed to get to/from health facilities, and transport constraints. Of those who sought PHC services (2.3%), 66% reported that they faced at least one challenge (for almost a half of those, the challenge was the cost of medicines), and 8% could not receive the PHC they needed ([WHO](#), March 10, 2023). Internally displaced People (IDPs) face even greater challenges: 80% of them needed medical help after being displaced, 35% lacked information on how to arrange a visit to a family doctor, and 50% required some form of psychological support ([USAID](#), April 21, 2023).

At the same time, many essential services like immunization continue to be delivered. The National Health Service of Ukraine (NHSU) reports that between January-March 2023, 600,000 patients received routine vaccination, including 341,000 children under 9 years old and 125,000 children and youth aged 10-19 ([NHSU](#), April 24, 2023). According to the WHO's Assessment, 88% of respondents who attempted to obtain routine vaccinations for their children reported that they could successfully do so ([WHO](#), March 10, 2023).

The government introduced several measures to enhance and strengthen service delivery:

- Recently, the Coordination Center for Mental Health was established to support joint efforts of the central and local executive bodies to develop and implement the All-Ukrainian Mental Health Program ([Government Portal](#), March 31, 2023). Currently, 433 PHC facilities provide mental health services to adults and children within a new service package of the Program of Medical Guarantees. Over 10,000 PHC doctors have taken training to provide psychological support ([MOH](#), May 3, 2023).
- New legislation allows data exchange between the eHealth system and other digital registries, including the Unified Demographic Registry, Civil Registry, and State Registry of Taxpayers, which will help to reduce errors in health records, speed up the flow of Information, and thus improve the quality of services ([Government Portal](#), May 5, 2023).
- Starting April 1, 2023, e-prescription was expanded to cover all prescription medicines ([MOH](#), March 31, 2023). Within two weeks, over 100,000 patients received digital prescriptions ([MOH](#), April 15, 2023).
- Legislation has also been adopted to integrate individual rehabilitation plans into the eHealth system. This allows plans to be reviewed and revised by multidisciplinary team members and interventions coordinated across providers ([Government Portal](#), March 31, 2023).

Central government agencies are developing sectoral action plans to support the national strategy for a barrier-free environment in Ukraine. The Ministry of Health has developed a new two-year action plan focused on enhancing rehabilitation services, along with an associated flagship project on the Development of Rehabilitation System to build an efficient system for providing patient-centric, multidisciplinary, and evidence-based services ([Government Portal](#), April 26, 2023).



# SOCIAL PROTECTION

Since February 24, 2022, more than 33% of Ukrainians have been forced to leave their homes in search of safety. As of May 2, out of 41.1 million Ukrainians ([Ukrstat](#), February 1, 2022), 13% were internally displaced, and around 20% had fled the country.



Photo: Ukrinform

After a peak of 8 million IDPs in May 2022, over 5.3 million remain displaced within the country ([IOM](#), January 23, 2023). An estimated 8.26 million Ukrainians have fled to Europe, where around 5.1 million Ukrainian refugees have been registered in temporary protection or national protection schemes ([UNHCR](#), May 23, 2023). Over 78% of refugees are separated from some of their immediate family members ([UNHCR](#), April 2023). The government has recently approved the Strategy of State Policy on Internal Displacement through 2025 to effectively respond to the challenges faced by IDPs, ensure adaptation to their host communities, and support a safe return to their homes and reintegration ([Council of Europe](#), April 8, 2023).

The economy will remain a key source of vulnerability for the Ukrainian people, but the situation is slightly improved. GDP is projected to grow by 0.5% in 2023 after contracting about 30% in 2022 ([World Bank](#), May 2023). In April 2023, year-on-year consumer inflation declined, reaching 17.9% (improved from 26% in January) (NBU, [February 10](#) and [May 11, 2023](#)). Poverty has increased since the full-scale invasion: 7.1 million additional Ukrainians are estimated to now live in poverty ([World Bank](#), May 2023). 41% of households across Ukraine have “severe” or “extreme” levels of livelihood needs; 16% of respondents report that social benefits are their primary source of income ([REACH](#), March 2023). The share of previously employed people reporting that they currently have jobs increased from 46% in March 2022 to 61% in February 2023 ([Rating Group](#), February 21, 2023).

The impact of war on social protection and livelihoods is very large. The RDNA2 showed that **damage** to social protection infrastructure is estimated at US\$0.24 billion, and total **losses** are estimated at as much as US\$65.7 billion, stemming from the loss of jobs and household wage income, higher poverty, and increased expenditures on social assistance programs. The estimated reconstruction and recovery **needs** amount to US\$42.4 billion over 10 years, including US\$42 billion to restore lost jobs, address increased needs for social assistance for the newly poor and vulnerable, and develop social services for war-affected groups, such as orphans, IDPs, persons with disabilities, surviving spouses and children of fallen soldiers, and war veterans ([RDNA2](#), March 2023).

Recent measures to enhance the social protection system, create jobs, and reduce population vulnerability include:

- Adjustment to the administration of pensions to allow the provision of pensions to eligible persons in temporarily occupied areas and areas of active conflict without the need for them to actively enroll. For the period of martial law plus three months, pensions will be automatically provided to those who become eligible to receive them (e.g., upon reaching retirement age) ([Government Portal](#), April 15, 2023).
- Launch of a digital registry of social service providers and beneficiaries as a sub-system of the Unified Information System of Social Sphere in order to develop a transparent social service market, address supply gaps, and enhance the role of non-public providers ([Government Portal](#), March 30, 2023).
- Expansion of the “Army of Recovery” public works program, launched in autumn 2022, through which 15,700 unemployed people from 17 regions have been employed ([MoE](#), April 25, 2023).
- Growth of the “eRobota” program which, since June 2022, provides grants through the Diia portal to start business; almost 23,000 Ukrainians have applied ([Government Portal](#), April 6, 2023) and over 4,500 program participants have received around UAH1 billion (US\$27 million) in grants ([MoE](#), May 4, 2023).



# EDUCATION

The RDNA2 has revealed substantial damage and losses in Ukraine's education and science sectors, including losses in learning and scientific outcomes and in the psychosocial well-being of students, educators, and researchers.



Photo: Ukrinform

As of February 24, 2023, the war has caused at least US\$4.4 billion in **damage** to education institutions, with around 10% of institutions across all levels of education partially damaged or destroyed ([RDNA2](#), March 2023). As of May, the number of damaged and destroyed institutions increased to 3,259 (MoES, [SaveSchools](#), May 22, 2023).

Ukraine's education sector has sustained at least US\$0.8 billion in **losses**, including decreased tuition collection for professional pre-higher and higher education institutions, additional costs for education institutions used as IDP shelters or community centers, and additional expenses related to debris removal and demining of damaged education facilities.

Reconstruction and recovery **needs** amount to US\$10.7 billion for 10 years. Reconstruction is expected to cost US\$7.8 billion, with the largest portion required for secondary schools (US\$4 billion). These needs include equipping all institutions with bomb shelters, alternative power, internet connectivity, and modern educational equipment. Over the short term (2023-2026), the cost of restoring education service delivery is estimated at US\$1.4 billion. The estimated cost for ensuring safe access to education in 2023 is US\$466.8 million. Key 2023 activities for ensuring quality in the education process, including psychosocial support to children and education personnel, provision of digital devices and learning materials, and targeted interventions to compensate for learning losses, will require an estimated US\$130.8 million ([RDNA2](#), March 2023). To strengthen safety, protection, and inclusivity, the government has endorsed the Concept of Security of Education Institutions, which envisages equipping all institutions with bomb shelters and developing algorithmic approaches to respond to emergency situations ([Government Portal](#), April 7, 2023).

In the first half of the 2022/23 academic year, 33% of schools provided their services exclusively online, 15% provided education face-to-face, and 51% used a blended format. Over 30% of students did not have sustained access to education (40% of students in southern regions). Vulnerable children are even less likely to access essential services: 39% of children from low-income families, 30% from large families, and 17% of IDP students experienced barriers to accessing education ([SSEQ](#)).

Recent measures by the government to improve better access to safe and quality education include:

- Transfers from the state budget to local budgets (through a recently-approved subvention) to purchase school buses, equip shelters, renovate partially damaged assets, and reconstruct hub schools, thus improving access to face-to-face learning ([MoES](#), May 3, 2023).
- Development of a new "Concept of the Psycho-Social Support and Psychological Assistance at all Levels of Education" to be implemented under the All-Ukrainian Mental Health Program to support the modernization of psychological services in the education system ([MoES](#), May 11, 2023).
- Launch of nationwide piloting of the "EvaluEd" Management Information System to digitize institutional audits (external evaluation), engage teachers in the evaluation of education quality through self-assessment of institutions, and improve certification of teachers and management of education processes ([MoES](#), April 28, 2023).
- Adoption of new legislation to align the functions and operation of the National Agency for Higher Education Quality Assurance to bring it in line with the standards and recommendations of the European Higher Education Area ([Government Portal](#), May 3, 2023), thus improving the quality of higher education.



# WORLD BANK IN ACTION IN HUMAN DEVELOPMENT

The events since the full-scale invasion of 24<sup>th</sup> February 2022 have taken a grave toll on Ukraine's human capital gains. At the same time, the Government of Ukraine have shown remarkable resilience in keeping essential health, education, and social protection services functioning, and adapting policy to the emergency context. This has been supported by financing and technical assistance from the World Bank.

In the months immediately following the invasion, the Bank provided substantial surge financing, through both new and repurposed lending, for human development. This included:

- **US\$90 million** Additional Financing to the Ukraine Emergency COVID-19 Response and Vaccination project to finance the purchase of vaccines
- Restructuring **US\$100 million** of the Ukraine Improving Higher Education for Results project to provide academic and social scholarships to more than 220,000 students.
- Reallocating **US\$45 million** under the Ukraine Serving People Improving Health project for emergency medical equipment
- Restructuring **US\$55 million** of the Ukraine Social Safety Nets Modernization project to direct funds to the government's main anti-poverty program and make benefits more accessible for 3.9 million people in war-torn areas.
- Restructuring of the Eastern Ukraine: Reconnect, Recover, Revitalize (3R) project to provide **US\$99 million** to support cash transfers to Internally Displaced Persons
- A **FREE** Ukraine Development Policy Operation (DPO), which eventually exceeded **US\$1.6 billion** and provided budget support to essential services, including in human development.



УКРАЇНФОРМ  
Photo: Ukrinform

In June 2022, the Public Expenditures for Administrative Capacity Endurance (PEACE) in Ukraine project was approved. It helps to meet financing needs for the salaries of civil servants, teachers, health workers, and first responders as well as finance social assistance programs. Overall, the number of the project beneficiaries is estimated to be over 13 million people, including 10 million pensioners, 500,000 employees of educational institutions, 145,000 government employees, 56,000 first responders, and over 3 million social assistance beneficiaries. The PEACE project combines loans and grants, currently totaling **US\$ \$19.2 billion**, from the World Bank and other development partners. As of May 2023, disbursement had reached US\$16.5 billion.

In December 2022, the Health Enhancement and Life-Saving (HEAL Ukraine) project, which is the first project to focus on recovery, was approved. It funds essential primary care services, addresses new mental health and rehabilitation needs, provides affordable medicines, and repairs damaged clinics and hospitals. The project is designed and appraised for US\$500 million, with initial funding of **US\$110 million**. To date, the project has provided a course of rehabilitation treatment to almost 40,000 people, delivered more than 2.1 million vaccine doses to children, and provided 3.9 million Ukrainians with free or lost-cost medicines.

**Since February 2022, working with development partners, the World Bank has mobilized more than [\\$34 billion](#) in financial support to Ukraine, of which over \$21 billion has been disbursed to date.**

