

# UKRAINE

## Human Development Update

February 2023

*The full-scale invasion of Ukraine on February 24 2022 has resulted in tens of thousands of civilian casualties, internal displacement of millions of people, widespread destruction of infrastructure, and disruption of services that are essential to human capital formation and protection. This **Ukraine Human Development Update** summarizes the cumulative effects of the war, highlights recent government responses, and provides an overview of World Bank support.*

## HEALTH

As of February 13, 2023, the Office of the UN High Commissioner for Human Rights recorded 18,955 civilian casualties in Ukraine, of which 7,199 were civilian deaths and 11,756 civilian injuries ([OHCHR](#), February 13, 2023). This includes 433 children killed and 827 injured. On average, four children are killed or injured every day of the war. Ukrainian authorities record 1,384 child casualties, including 461 killed, and also report that at least 343 children have gone missing ([Children of War](#), February 16, 2023). The actual numbers may be significantly higher.




Prosthetic facility in Lviv (Ukrinform)

Use of health services fell sharply in the first months of the war, including a 90% decrease in referrals for diagnostic procedures and a 40% decrease in overall service utilization. Compared to a year earlier, the number of childhood vaccinations in March 2022 was down 60% and the number of people accessing medicines through the Affordable Medicines Program (AMP) had fallen by 53%. By September 2022, though, the utilization of many health services was again nearing pre-war levels – including prescriptions, primary care curative visits, and hospital visits.

Still, there are many critical services, especially preventive services, where utilization has not recovered. For example, in a September 2022 survey, while respondents reported a similar overall use of primary care as in previous years, the share of those who received heart monitoring or preventive screening was half of what it was in 2019 and 2020 (Kyiv School International Institute of Sociology and World Bank, unpublished). Immunization rates remain low: in November 2022 immunization rates among children under 1 were 20 percentage points lower, on average, than in November 2021 (according to data from the National Health Service of Ukraine [NHSU]).





The war is also taking its toll on the mental health of Ukrainians. Currently, around 10 million people are estimated to be at risk of mental disorders such as acute stress, anxiety, depression, substance use, and post-traumatic stress disorder ([WHO](#), November 21, 2022).

Missile attacks have caused widespread damage to healthcare infrastructure, impeding access to care. Between February 24, 2022 and February 16, 2023, there were 769 attacks, affecting 683 hospitals and other facilities ([WHO](#), February 16, 2023). Data from the Ministry of Health show that, in total, around 6% of health facilities have been damaged. In the most affected regions in the east and south, 15% of facilities are reportedly either partially or completely non-functional, and up to 50% in Donetsk, Zaporizhzhia, Mykolaiv and Kharkiv ([UN Under-Secretary-General](#), January 13, 2023). Already by June, the Rapid Damage and Needs Assessment ([RDNA](#)), undertaken jointly by the World Bank, Government of Ukraine, and European Commission, showed damage to health infrastructure worth US\$1.4 billion, which amounts to US\$6.4 billion once losses related to debris removal and demolition, provider income, and population health are factored in. The number of recorded attacks on healthcare facilities in Ukraine in 2022 was higher than in any other country ([UN Under-Secretary-General](#), January 13, 2023).

Ukrainian households are adopting various coping strategies to deal with the physical and financial challenges to accessing healthcare. These include self-medication without doctor's advice (82%), using traditional medicine (67%), reducing the dosage or frequency of prescribed medicine (40%), and purchasing medicines perceived as low-quality (14%). 43% of households with internally displaced persons (IDPs) report having cut their healthcare expenditures ([IOM](#), December 5, 2022). At the same time, 5% of IDPs identify medicine and health services as their most pressing need ([IOM](#), January 23, 2023).

Soon after the full-scale invasion, the Government introduced several emergency policies to protect access to care. These included simplifying payments to providers, using estimates rather than actuals; increasing salary payments to primary healthcare providers to a minimum of UAH 13,500 (US\$370) for mid-level health staff and UAH 20,000 (US\$547) for doctors; simplifying administrative procedures and reporting, such as accepting paper-based claims submissions; suspending the requirement of facility license renewals; simplification of import procedures; exemption of select medicines, medical devices and supplies from import duties; and expansion of centralized procurement to include additional medicines.

As fighting continued, the demand for emergency health services as well as longer-term mental health and rehabilitation services has grown. By November, more than 67,000 people had been injured and required help (NHSU monthly update, November 2022), of which 24,000 were in Dnipro and 4,000 in Kharkiv regions. The Government has procured or received substantial humanitarian aid, including equipment and medicines, to distribute to healthcare facilities in affected localities. The NHSU has expanded its benefits package to include complex rehabilitation care at inpatient level and mental health services at primary care level ([Government Portal](#), November 5, 2022).

New initiatives to improve access to affordable care are being implemented. The Affordable Medicines Program has been expanded to include more medicines and commodities (with 462 brands now available in pharmacies free of charge or with a small co-payment). This will be facilitated by a new stock management system for medicines and medical devices (pilot phase) called e-Stock ([Government Portal](#), January 2, 2023). In August, e-prescriptions were expanded to include antibiotics, and in total 257,000 medicines were prescribed and dispensed between August and October 2022 ([State Service on Medicines and Drugs Control](#), October 13, 2022).

With current fiscal constraints, ensuring sufficiency of financing to meet health needs is a challenge. The funding of the Program of Medical Guarantees (i.e., the government-financed benefits package) was fully maintained in 2022, including with external financing. However, the 2023 budget approved for the Program of UAH 142.7 billion (USD 3.9 billion) is around 10% less in UAH terms than in 2022.

## SOCIAL PROTECTION



IDP registration at the railway station in Odesa (Ukrinform)

Since February 24, more than 34% of Ukrainians have been forced to leave their homes. As of February 13, out of 41.1 million Ukrainians ([Ukrstat](#), February 1, 2022) 13% were internally displaced and more than 21.2% had fled the country:

- 5.35 million people are displaced within the country ([IOM](#), January 23, 2023).
- An estimated 8.07 million Ukrainians have fled to Europe; around 4.8 million Ukrainian refugees have been registered in temporary protection or national protection schemes in Europe ([UNHCR](#), February 13, 2023).


- 5.56 million formerly displaced people have returned home; 20% of them have returned from abroad ([IOM](#), January 23, 2023).

81% of current refugees intend to return to Ukraine, but most prefer to wait until fighting has subsided ([UNHCR](#), September 23, 2022). Respondents highlight a shared uncertainty about the future, which impacts their ability to make secure long-term plans ([UNHCR](#), September 23, 2022).

The war has severely impacted employment. In October, the International Labour Organization (ILO) estimated that 2.4 million jobs had been lost, equal to 15.5% of pre-war employment ([ILO](#), October 31, 2022). However, this is fewer than the May 2022 estimate of 4.8 million jobs ([ILO](#), May 11, 2022). Also, Ukrainians are gradually returning to work: the share of previously employed people reporting that they are now out of work decreased from 53% in March to 33% in December ([Sociological Group "Rating"](#), February 15, 2023). Still, in December, 72% of people reported a reduction in employment opportunities ([Sociological Group "Rating"](#), December 19, 2022). 31% of IDPs are unemployed ([IOM](#), October 27, 2022).

Poverty has increased. By the end of 2022, 8 million additional Ukrainians were living in poverty; a 15-year setback in poverty reduction goals ([World Bank](#), February 2023). Around 46% of the population is estimated to require financial assistance ([IOM](#), January 23, 2023). In January 2023, consumer price inflation was 26% year-on-year, similar to in December 2022 ([NBU](#), February 10, 2023). The winter has aggravated the crisis, with damage to homes and energy infrastructure leaving millions exposed to the cold. 63% of IDP households have reduced usage of utilities, 52% reduced food consumption, and 16% moved to poorer quality dwellings ([IOM](#), December 5, 2022).

As of June 1, 2022, damage to social protection infrastructure, which consists mainly of social care offices, was estimated at US\$0.2 billion ([RDNA](#)). The losses are much more substantial, amounting to US\$50.6 billion, and include the loss of jobs and household income, increased expenditures under existing social programs, and the introduction of temporary cash transfer programs to support war-affected groups. The estimated recovery and reconstruction needs in social protection and jobs amounted to US\$20.6 billion ([RDNA](#), August 2022).



To protect the poor and vulnerable, the Government prioritizes the continued payment of social assistance entitlements, even though the budget is under stress. Over 10 million pensioners and 6 million beneficiaries of other social assistance programs continue to receive their benefit payments. However, benefits have not been adjusted for the increase in the cost-of-living, meaning that their value has eroded in real terms.

In addition, and in response to this unprecedented social and economic crisis, the Government of Ukraine has introduced the following measures:

- Beneficiaries who live in occupied territories or areas with active conflict may continue to receive social benefits without the requirement of re-enrollment (for the duration of the period of martial law). For other beneficiaries, the re-enrollment requirement was suspended until December 31, 2022 ([Cabinet of Ministers](#), March 7, 2022).
- A supplemental mechanism to pay benefits in war-affected areas was introduced via the State Savings Bank of Ukraine “Oshchadbank” which receives funds from the Ministry of Social Policy and then makes transfers to beneficiaries’ individual accounts in commercial banks or via the MyTransfer system (without the need for a bank account) ([Cabinet of Ministers](#), March 7, 2022).
- A new policy was introduced which permits the payment of energy assistance benefits from the Pension Fund of Ukraine (PFU) to beneficiaries regardless of their place of residence/registration in order to enable IDPs to continue to access this benefit ([Cabinet of Ministers](#), September 16, 2022).
- A one-time payment for small entrepreneurs and private sector workers to compensate for loss of business and livelihoods was introduced eight days into the war. Between March and June (when the program was closed), the “ePidtrymka” program reached 5 million beneficiaries who enrolled via the Diia app ([Government Portal](#), July 7, 2022).
- A social assistance program for IDPs to cover living expenses was introduced on March 20 and currently provides monthly support to around 2.3 million beneficiaries. The total spending on social assistance for IDPs in 2022 was over UAH 57 billion (US\$1.56 billion).
- Assistance is also provided to families who are hosting IDPs without charging rent and is intended to compensate for utilities. By November, families had received benefits for hosting over 4 million IDPs. The spending on the program amounted to UAH 900 million (US\$ 24.6 million) ([Government Portal](#), December 27, 2023).
- A wage subsidy program aimed at encouraging employers to hire IDPs was introduced in March. By the end of 2022, over 16,500 IDPs had been hired under this program, with employers receiving over UAH 200 million (US\$ 5.7 million). 23,000 IDPs are expected to be employed with the support of this program in 2023 ([Government Portal](#), January 10, 2023).
- The Diia portal, with over 18 million users ([Government Portal](#), December 30, 2022), allows online enrollment in four social assistance programs – the IDP program, Housing and Utilities Subsidy program, birth grant, and the “Municipal Nanny” program which provides compensation for care services to children under 3 – which together account for over 46% of all program beneficiaries, as well as the unemployment benefit ([Diia](#)). Over 1.4 million (60%) of the IDP support program beneficiaries applied for the benefits online. By the end of 2023, the MoSP will launch online enrollment in additional programs to enhance access to benefits during the war.



## EDUCATION

The war has severely impacted the education sector, exacerbating the learning losses of the COVID-19 pandemic and deeply disrupting the lives of young learners. Beyond teaching, educational institutions can provide a safe space, give students routine and socialization, and connect them to life-saving resources such as mental health services and meals.



*A girl doing her homework during a blackout in Uzhgorod (Ukrinform)*

The toll that the war has taken on education is evident in the decrease in enrollment figures ([MoES, IEA, Education Cluster and World Bank](#), December 2, 2022). This school year:

- 684,002 children are enrolled in preschool, compared to 1,137,605 in 2021 (which is a decrease of almost 40%)
- 3,984,000 students are enrolled in Ukrainian schools, either in face-to-face, online/remote, or blended format, which corresponds to a decrease of 5.8% compared to 2021
- 227,000 students are in vocational training, compared to 250,336 in 2021 – which is equivalent to a 9.3% decrease
- Over 516,000 students continue to reside abroad.

Damage to educational facilities is one reason enrollment is down. 3,045 educational institutions have been damaged, including 424 that have been completely destroyed ([MoES](#), January 18, 2023), which represents 10% of the total number of institutions. This translated into 6.7% of preschools, 10% of schools, 20% of vocational training facilities, and 18% of higher education institutions. Destruction has been concentrated in Donetsk (63.5% of facilities damaged), Kharkiv (35.7%), and Luhansk (29.1%). Losses to educational equipment and materials are substantial: a Higher Education Needs Assessment conducted from June to October 2022 revealed more than US\$115 million of damages to education material ([MoES, IEA, Education Cluster and World Bank](#), December 2, 2022). Already by June 1, 2022, the Ukrainian education sector had sustained US\$3.4 billion in damages and US\$0.5 billion in losses, and recovery and reconstruction needs are estimated to be over US\$9.2 billion ([RDNA](#), August 2022, 2022).

Displacement has significantly impacted access to and delivery of education. There are around 3 million internally displaced children ([European Commission](#), December 6, 2022), which means that children account for about half of all IDPs. Over 65% of adult IDPs have children aged 1-17 within their households ([IOM](#), January 23, 2023). Currently, 23,299 internally displaced children are enrolled in 6,073 host community preschools and 162,956 IDP students are enrolled in 9,976 host secondary schools. Tertiary institutions report that around 30% of their students and education workforce are internally displaced ([MoES, IEA, Education Cluster and World Bank](#), December 2, 2022). Around 17% of IDP households report their children lack access to education this academic year ([IOM](#), January 23, 2023). Many educational institutions now serve as community centers or shelters, which further limits access to schooling for students. For example, 173 preschools are being used as shelters for IDP families ([MoES](#), December, 2022).



Given the ongoing attacks, remote learning is a defining feature of the current education system, with the majority of students learning exclusively online ([MoES](#), December 24, 2022):

- Of the 12,902 schools in operation, about 35% (serving 1,710,601 students, or 43% of the total) provide their services exclusively online, learning mainly through the Ministry of Education and Science's (MoES) All-Ukrainian School Online platform. Another 1,069,316 students (27% of total) receive education face-to-face and 1,190,865 (30% of total) study in a blended format.
- Of 9,855 preschools, 52% (enrolling 334,303 students) use a face-to-face format, while 35% (235,916 students) are fully remote and 13% (112,154 students) function in a blended format
- 567 vocational institutions are currently in operation: 26% are operating online, 46% in hybrid format, and 28% face-to-face ([MoES](#), November 25, 2022). The high share of institutions operating in person or hybrid format can be explained by the strong practical component in vocational training
- At the beginning of the 2022/23 academic year, 41% of higher education institutions were exclusively online, 41% are in a hybrid mode, and 18% are face-to-face ([SSEQ](#), September 2022).

In parallel, EU countries have granted Ukrainian refugees under the age of 18 years access to their educational systems on the same terms as their own nationals and EU citizens ([Eur-Lex](#), March 21, 2022): so far, 701,861 Ukrainian students have been integrated into the school systems of 26 EU countries ([European Commission](#), December 6, 2022). Some countries have also provided access to their vocational training centers (e.g., Estonia, Ireland, Lithuania) and many are allowing Ukrainian students access to their higher education institutions (e.g., Austria, France, Hungary, Poland, and Romania) ([UNESCO](#), November 29, 2022). At the same time, educators and students seem to be gradually returning to Ukraine: the share of school students abroad decreased from 15.5% in June to 12.4% in December, while the share of schoolteachers abroad declined from 5.5% to 2.5% over the same period (MoES data, [June](#) and [December](#), 2022).

In the early months following the invasion, the Government introduced several measures to help ensure that students could successfully complete the 2021/22 academic year. These included expansion of access to online learning platforms, provision of psychosocial support for students, revision of administrative procedures and rules for teachers' workloads and remote working conditions, and simplification of the university admissions process ([MoES](#)).

As the 2022/23 academic year got underway in September, the Government introduced several additional measures to enable continued access to learning despite the war. These included measures to ensure the safety of students, such as regulations requiring all educational institutions to have functional bomb shelters or protective structures ([SSQE](#)). There are also initiatives under development to ensure that students can continue learning despite disruptions in power and internet connection. While there is no national requirement to extend the school year, schools are permitted to adjust the school calendar should they need to compensate for lost instructional time. The All-Ukrainian School Online platform has been updated to incorporate diagnostic tests for assessing student progress and learning gaps ([MoES](#), 26 December, 2022).

The Government will also provide educational benefits to war veterans, such as tuition benefits, automatic access to certain academic programs, and free textbooks, among others ([MoES](#), 12 December, 2022).



# WORLD BANK IN ACTION IN HUMAN DEVELOPMENT

In the year since the full-scale invasion on 24<sup>th</sup> February 2022, the war has 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
- 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 to people in war-torn areas
- Restructuring of the Eastern Ukraine: Reconnect, Recover, Revitalize (3R) project to provide **US\$99 million** to the government's new cash transfer program for Internally Displaced Persons
- A new FREE Ukraine Development Policy Operation (DPO), which eventually exceeded **US\$1.6 billion**, provided budget support to essential services, including in human development.



Children in IDP shelter (Ukrinform)

In June, the Public Expenditures for Administrative Capacity Endurance (PEACE) in Ukraine project was approved. It helps to meet financing needs for salaries of civil servants, teachers, health workers, and first responders as well as fund social assistance programs, including the government's main anti-poverty program, pensions, disability and child benefits, and payments to internally displaced persons. The PEACE project combines loans and grants, currently totaling **US\$13 billion**, from the World Bank and other development partners.

In December, 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**.

Since February 2022, the World Bank has mobilized over **US\$20 billion** in financial support to Ukraine, of which over **US\$18 billion** has been disbursed.

