

Analysis: Protracted War Requires Adaptation and Longer-Term Strategies. From Everyone.

Context Development & Observations

Launched on February 24, 2022, Russia's unprovoked and unjustified war has had a devastating impact on Ukraine. As of September 2022, the UN reported 14,248 civilian casualties in Ukraine, including 5,827 killed and 8,421 injured, noting that the actual numbers are considerably higher¹.

More than one-third of Ukrainians have been forced from their homes, with 6.975 million displaced internally² and more than 7.405 million finding refuge outside of the country³ and now requiring \$4.29 billion in humanitarian assistance⁴.

While Ukraine's labor market started showing signs of recovery in certain regions as of late August 2022, the war has forced the country's unemployment rate to jump threefold to an "unprecedented" level of 35%, or 5.2 million people⁵. As of June 2022, 46.8% of enterprises were still on pause or barely working due to Russia's full-scale invasion⁶, while 40% of small businesses were currently in the warzone⁷.

Russia's military invasion has had a significant impact on the Ukrainian social protection system both in terms of increased expenditure and decreased revenue: the country requires an additional \$5 billion each month⁸ to cover essential services and pay soldiers' salaries. The physical damage caused by Russia's military invasion is estimated to have reached \$97 billion, with reconstruction believed to require nearly \$350 billion dollars.⁹

Consumer inflation has exploded, reaching 23.8% in June 2022 in annual terms¹⁰ and is expected to surpass the 30% benchmark by the end of the year¹¹. The magnitude of the humanitarian crisis unleashed by the war is staggering. Ukraine's economy is expected to shrink by an estimated 45.1% this year, according to World Bank,¹² while UNDP estimates that the vast

¹<https://disasterphilanthropy.org/disasters/ukraine-humanitarian-crisis/>

²<https://reliefweb.int/report/ukraine/iom-ukraine-internal-displacement-report-general-population-survey-round-8-23-august-2022>

³<https://data.unhcr.org/en/situations/ukraine>

⁴<https://reliefweb.int/report/ukraine/ukraine-flash-appeal-march-december-2022>

⁵<https://kyivindependent.com/business/ukraines-unemployment-rate-record-high-amid-war-but-labor-market-recovering-in-some-regions>

⁶<https://t.me/mintsyfra/3184>

⁷<https://forbes.ua/news/maliy-biznes-pid-chas-viyni-potrebuie-zamovlen-i-groshey-na-zarplati-doslidzhennya-30052022-6287>

⁸<https://www.reuters.com/world/europe/ukraine-faces-budget-cut-without-5-bln-monthly-external-aid-parliamentarian-2022-06-14/>

⁹<https://www.worldbank.org/en/news/press-release/2022/09/09/ukraine-recovery-and-reconstruction-needs-estimated-349-billion>

¹⁰<https://www.bloomberg.com/news/articles/2022-09-09/ukrainian-inflation-tops-23-as-prices-surge-for-seventh-month>

¹¹https://bank.gov.ua/admin_uploads/article/IR_2022-Q3.pdf?v=4

¹²<https://www.worldbank.org/en/news/press-release/2022/04/10/russian-invasion-to-shrink-ukraine-economy-by-45-percent-this-year>

majority of Ukrainians will face “extreme economic vulnerability” by the end of the year if the war continues¹³.

The relative normalcy that seemed to be returning to Kyiv¹⁴ and other regions away from active war zones in July is now challenged by Russia’s intensified air strikes and citizens’ fears of electricity and heating shortages in the coming winter. Compared to the summer, few geographic locations in Ukraine can be considered “safe” while the pallets of realities in which the society coexists has expanded. The needs, fears, hopes, and opportunities are different for those citizens who are in safer geographic locations, those who are in active combat zones, those on occupied and newly liberated territories, and those who have settled abroad. While millions of Ukrainians, be they stranded in combat zones, newly liberated territories, or displaced internally, continue to require vital emergency assistance or rehabilitation and integration aid, others could be a resource for civil society organizations in achieving their citizen engagement, civic oversight, advocacy, and humanitarian missions.

These realities are constantly changing in relation the evolution of Russia’s war in Ukraine. While our analysis in July was based on the examination of different war development scenarios¹⁵, those scenarios have narrowed down since the summer. Following a swift counter-offensive in early September, Ukraine has regained some of the territories in the south-east and boosted morale while Russia responded with fake referenda in the occupied territories, a military draft, the buildup of troops in Belarus, and air strikes on critical civilian infrastructure across Ukraine. These developments six months into the war suggest that the military conflict is likely to protract, with both sides looking to exhaust each other’s human, morale, and financial resources and weapons.

The likely “intense frozen war”¹⁶, characterized by longer range attacks behind the frontlines on both sides and ground combat in south-east, could last over the winter and test the resilience of not only of Ukraine, but also of its European counterparts. While Russia’s attacks on Ukraine’s critical civilian infrastructure have caused serious concerns about the electric supply and heating in the country, European voters are increasingly wary¹⁷ of the ensuing energy situation in their countries.

Given the likelihood of the protracted war, what will matter in the coming months is the degree of intensity of mutual attacks and its effect on the lives of Ukrainians living in the different realities depending on their geographic locations. The present analysis is based on those realities rather than on war development scenarios, which presents challenges and opportunities for the international development community and the civil society in Ukraine.

The challenges, some of which existed long before the war, require strategic balancing and adaptive strategies on the part of the state, donors, implementers, and civil society

¹³ <https://www.undp.org/press-releases/every-day-delayed-peace-will-accelerate-freefall-poverty-ukraine-warns-undp>

¹⁴ <https://www.newyorker.com/podcast/politics-and-more/normalcy-returns-to-kyiv-as-russia-doubles-down-in-eastern-ukraine>

¹⁵ <https://www.nytimes.com/2022/07/06/briefing/ukraine-war-three-scenarios.html>;
<https://www.institutmontaigne.org/en/blog/ukraine-five-scenarios-coming-months>;
<https://www.atlanticcouncil.org/blogs/new-atlanticist/three-possible-futures-for-a-frozen-conflict-in-ukraine/>;
<https://www.wsj.com/articles/ukraine-russia-war-end-11652967707>;
<https://www.institutmontaigne.org/en/blog/ukraine-five-scenarios-coming-months>;
<https://www.theatlantic.com/ideas/archive/2022/04/ukraine-russia-war-consequences/629541/>

¹⁶ <https://redanalysis.org/2022/09/19/alternative-red-scenario-war-ukraine-russia/>

¹⁷ <https://www.reuters.com/business/energy/cant-pay-dont-pay-italian-group-urges-energy-bill-strike-2022-09-15/>;
<https://markets.businessinsider.com/news/commodities/europe-energy-crisis-inflation-recession-risk-winter-russia-supply-blackrock-2022-9>

organizations. First, while Ukraine needs a strong state more than ever, the challenge is to ensure that the country does not lose democracy to become a “political monolith” without a pluralistic public discourse. Second, while recovery and reconstruction of Ukraine may be in sight and the government should be held increasingly accountable, emergency relief is likely to remain equally important. Finally, six months into the war and understanding different Ukrainian realities, emergency aid should remain flexible but be increasingly targeting those in most need, including IDPs and those in the zones of active combat and in newly liberated areas. The opportunities lie in capitalizing on the war-driven citizen engagement, rethinking CSOs’ organizational *modus operandi* and strengthening civil society’s technical credibility and voice through coalitions in the process of Ukraine’s recovery.

Some of the key lessons that ENGAGE drew from FY22 implementation may be relevant to determining ways of dealing with potential challenges and capitalizing on opportunities:

- 70% of Ukrainians say the country should continue fighting for the victory and 91% of them define the victory as retaking all seized territory¹⁸. This public demand and overwhelming confidence in the President and the military¹⁹ is likely to drive the continued Ukrainian counteroffensive, while key European politicians are changing their rhetoric away from nudging Kyiv for peace talks with Moscow²⁰. With Russia trying to consolidate its grip over the temporarily occupied territories and Ukraine determined to win them back, the military conflict is likely to protract at least throughout the winter.
- While the majority of Ukrainians support the fight till the victory, over 25% of citizens, especially those closer to the ground war, favor a quick end of hostilities²¹. This data highlights the different realities, needs, and perceptions of Ukrainians that must be taken into account when designing and implementing emergency assistance and development programs.
- Civic participation has been on the rise, but this shouldn’t be taken for granted. According to the USAID/ENGAGE Civic Engagement Poll (CEP) conducted in August, 24% of Ukrainians actively participated in the lives of their communities and 15% joined CSOs’ activities over the last twelve months, which is more than a 3-fold and nearly a 4-fold increase in annual terms, respectively. 72% of citizens donated money toward the resistance against Russia’s aggression, and 59% volunteered for the army, or to support IDPs’ or other war victims’ needs. The war-driven activism presents opportunities for civil society to capitalize on, but CSOs should be cognizant of post-EuroMaidan lessons when crisis-based activism quickly faded without a strategic approach to make citizen participation sustainable.
- The CEP also indicates that 64% of Ukrainians believe that corruption can never be justified, and nearly 80% are ready to join anti-corruption activities. Moreover, citizens believe that tackling corruption tops other post-war priorities for the government, such as strengthening defense capabilities or rebuilding infrastructure. This data suggests there is an opportunity for civil society watchdogs, advocacy, and public awareness groups to gain popular support and solidify engagement with citizens in tackling wartime and post-war corruption.

¹⁸ <https://news.gallup.com/poll/403133/ukrainians-support-fighting-until-victory.aspx>

¹⁹ <https://news.gallup.com/poll/403649/ukrainians-rally-despite-economic-hardship.aspx>

²⁰ <https://www.washingtonpost.com/world/2022/10/24/macron-ukraine-peace-deal-russia-war/>

²¹ <https://news.gallup.com/poll/403133/ukrainians-support-fighting-until-victory.aspx>

- Often disregarded by pollsters for methodological reasons, over 13 million Ukrainians living in rural areas remain highly vulnerable and require attention. Access to basic food, employment²², healthcare, and animal feed appears to be a widespread challenge²³, while many people in newly liberated villages need to start their lives from scratch²⁴. The challenge of physical access to the rural areas by humanitarian aid and civil society organizations could be addressed by prioritizing the needs of Ukraine's rural population on the policy level of the state, donors, and implementers. The center-vs-periphery imbalance, where the Ukrainian state is less effective the further one goes away from Kyiv, has been highlighted by the war and requires an adequate coordinated response.
- Swift pivots by donors and implementers have helped ensure the safety and continued existence of formalized civil society groups through flexible core funding that has also allowed CSOs to provide needed emergency assistance. With funding secured and in the circumstances of war-driven civic participation and increased demand for government accountability, those CSOs now need to return to their missions of oversight, reforms advocacy, and civic education. Meaningful contribution to Ukraine's recovery process will require civil society to demonstrate to the state high technical capacity and know-how in reform areas, which they are trying to affect.
- The war has resulted in almost complete disappearance of private sector contribution towards civil society work. While the private sector has withdrawn from tangible support to on-going partnerships with CSOs, it has been leading the emergency response by example. Private schools launched free online classes for children, restaurants donate meals for Ukraine's defenders, and popular fashion brands provide protective clothing for soldiers, while large retailers Rozetka and Fozzy Group, delivery service Nova Poshta, the Kyiv School of Economics, and many others collectively raised \$26 million to purchase military gear²⁵. Other large businesses actively fundraise to support the Ukrainian army and territorial defense units, provide food kits to vulnerable groups, help counter Kremlin-backed propaganda, and deliver medicine, clothing, and hygiene products to refugees²⁶. This trend is likely to continue in the coming months, and non-humanitarian CSOs will have to continue to be largely dependent on international donor funding.
- Similar to the post-EuroMaidan era, there are at least two parallel civil societies in Ukraine: a well-funded, institutionalized, and organized traditional CSO community, and an agile, novel, but fragmented emerging community of activists, humanitarian response groups, volunteer movements, and private sector initiatives. While donors and implementers should continue supporting the former, prioritizing assistance to the latter could strengthen the competition and ensure stronger immediate and longer-term civil society impacts in Ukraine.

Conclusions for USAID Assistance

USAID, other international donors, and implementing organizations would need to adapt their assistance priorities and approaches based on lessons learned from six months of the war, the

²² <https://www.fao.org/3/cb9421en/cb9421en.pdf>

²³ <https://tripoli.land/news/fao-prodolzhaet-podderzhivat-ukrainskih-fermerov-i-selskoe-naselenie>

²⁴ <https://www.unhcr.org/ua/en/48495-ukrainian-village-torn-apart-by-war-begins-long-process-of-rebuilding.html>

²⁵ <https://neweasterneurope.eu/2022/05/04/did-ukraines-civil-society-help-turn-back-the-russians/>

²⁶ <https://eba.com.ua/en/biznes-prodovzhuje-pidtrymuvaty-krayinu-pid-chas-vijny/>

degree of intensity of the protracted armed conflict, and the needs and resources Ukrainians have depending on their geographic locations and realities.

Three overarching principles are suggested for USAID, other donors, and implementers in designing and delivering assistance programs:

- While funding should remain flexible, longer-term objectives and sustainable change should supersede emergency response. The war has revealed mind-set, behavioral, and policy-level challenges that were pertinent in Ukraine before February 24, which must be addressed in order to facilitate victory and succeed in post-war recovery and reconstruction.
- To mitigate the risk of spreading the resources too thinly, the donor and implementer community should prioritize activities that are most directly connected to victory and concentrate on emergency assistance to those in most need. Guided by the principle that any society is as strong as its most vulnerable part, CSOs seeking donor funding should be required to provide evidence that their work will affect the most vital areas of reforms and/or most underserved populations. Approach to core funding should be revisited to require recipients' demonstration of not just organizational existence and growth, but tangible outcomes.
- The overarching risk of demise of democracy in Ukraine and the country becoming a "political monolith" should be addressed by supporting inclusive dialogue platforms and giving voice to minority opinions regarding both the present and the future of Ukraine. Using the momentum of increased civic activism, more effort should be devoted to supporting the emerging leaders and movements. Prioritizing genuine adaptive and influencing capacities over institutional loyalty and readiness to align political positions with those of the funders would allow donors to effectively engage with the emergent civil society to help strengthen, reconstruct, or even build from scratch state and civil society institutions.

Pact also suggests the following observations regarding donor assistance to address the differing needs and capitalize on the differing resources of Ukrainians living in different realities:

- The temporarily occupied territories are extremely difficult to access, while part of the population appears to have accepted the invaders' rule. It would be important for donors to have a realistic understanding of what is possible in those territories, and to extend assistance to activities (largely digital) that help the pro-Ukrainian part of the population receive adequate news and education, provide information on the local context and Russia's crimes, and remain otherwise connected with the rest of the country.
- Ukrainians living in the newly liberated areas require an array of basic emergency aid as many of them have to start their lives from scratch. While the state and leading emergency relief organizations should step in to address those challenges, civil society could be assisted in documenting Russia's crimes and damage, and play a supporting role in addressing humanitarian needs where there are loopholes. The emergent less formalized civic actors may be better suited for that role than the traditional CSOs. Similar challenges, especially ahead of the winter, are likely to be faced by millions of IDPs.
- Ukrainian citizens who have relocated abroad have by now settled and formed a sizeable community that continues to worry about their relatives and friends who remain in the

country. The Ukrainians abroad appear to be a resource that could be used by civil society to strengthen the voice of Ukrainian victory from the outside and promote the European identity of Ukrainians. CSOs that focus on international advocacy on behalf of Ukraine should consider reaching out to new strategic geographies such as Africa or South-East Asia, having carefully considered the national interests of targeted countries in those regions. Finally, international advocacy CSOs should be assisted with relevant political-economy analysis and building links with relevant decision-makers in the countries where they advocate to increase the impact of their efforts.

- On the national level, USAID and other donors are encouraged to strengthen the sectoral development approach, which would imply two priorities: a) supporting emergency and recovery response by those civic groups who have proven to be most effective in doing that and who have best access to the most vulnerable constituencies; and b) stimulating the return of non-emergency relief CSOs to their original missions of advocating for reforms, holding the government accountable, and educating Ukrainians to be more effective citizens. Supporting guiding civil society coalitions, similar to the Reanimation Package of Reforms²⁷ that emerged after the Revolution of Dignity, would be instrumental in strengthening civil society's influencing capacity. Additional mechanisms would have to be put in place to ensure that the emergent activist and volunteer initiatives and their network have adequate access to resources so that they do not lose momentum and are able to compete with "privileged" formalized civil society groups.
- In the circumstances of a protracted war, it would be important to recognize that in order to reconcile the different realities in the country, the one-size-fits-all approach will have to be abandoned. Donors and implementers would have to reassess their "preferred partnerships" with CSOs with the view of tapping into the new civic spirit brought about by the war. Similar to the Revolution of Dignity²⁸, the war has revealed high levels of informal and effective organizing in the society – the potential which will absolutely need to be capitalized on and engaged with when rebuilding Ukraine. It will be important to grasp what the new civil society looks like and lend it adequate support because, as post-Maidan experience shows, war veterans, humanitarian aid coordinators, volunteer leaders, and individual activists are likely to form a sizable portion of Ukraine's new political elite. Equally crucial will be the understanding of the basis for recovery and reconstruction plans and ensuring that such plans emanate from and involve the right sources, and are based on adequate evidence and realistic objectives.

²⁷ <https://rpr.org.ua/en/>

²⁸ <https://www.norc.org/Research/Projects/Pages/ukraine-civil-society-assessment.aspx>