



FINAL EVALUATION

ECONOMIC AND AGRICULTURAL RECOVERY IN EASTERN AND SOUTHERN UKRAINE: 2023 - 2024: LIVELIHOODS PROTECTION AND RECOVERY PROGRAM

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This report, produced by Scruples Research, was contracted by DRC in Ukraine as part of the final evaluation of ECONOMIC AND AGRICULTURAL RECOVERY IN EASTERN AND SOUTHERN UKRAINE: 2023 - 2024: LIVELIHOODS PROTECTION AND RECOVERY PROGRAM

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List of Acronyms and Abbreviations

BHA - Bureau for Humanitarian Assistance
CAWI - Computer-Assisted Web Interviewing
CATI - Computer-Assisted Telephone Interviewing
CFM - Complaints and Feedback Mechanism
CHS - Core Humanitarian Standards
CTR - Cost Transfer Ratio
DAC - Development Assistance Committee (of the OECD)
DRC - Danish Refugee Council
ERMS - Economic Recovery and Market Systems
FGD - Focus Group Discussion
FOP - Private Entrepreneur (Ukrainian context, ФОП)
FSL - Food Security and Livelihoods
GDPR - General Data Protection Regulation
GPS - Global Positioning System
GUI - Graphical User Interface
HR - Human Resources
ICBM - Intercontinental Ballistic Missile
IDP - Internally Displaced Person
KII - Key Informant Interview
KSE - Kyiv School of Economics
MEAL - Monitoring, Evaluation, Accountability, and Learning
M&E - Monitoring and Evaluation
MSC - Most Significant Change
MSME - Micro, Small, and Medium Enterprise
NGO - Non-Governmental Organization
NRPS - National Recovery and Peacebuilding Strategy
ODK - Open Data Kit
OECD - Organisation for Economic Co-operation and Development
PDM - Post-Distribution Monitoring
QA - Quality Assurance
SMS - Short Message Service
SoP - Standard Operating Procedure
ToC - Theory of Change
UAH - Ukrainian Hryvnia (currency)
UNDP - United Nations Development Programme
USD - United States Dollar
UXO - Unexploded Ordnance
VET - Vocational Education and Training

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EXECUTIVE SUMMARY

The Danish Refugee Council's (DRC) Ukraine Livelihoods Protection and Recovery Program (October 2023–September 2024) responded to the acute economic challenges caused by the ongoing conflict, targeting internally displaced persons (IDPs), returnees, and conflict-affected populations across Dnipropetrovska, Khersonska, Mykolaivska, and Zaporizhzhia Oblasts. Focused on Agriculture and Economic Recovery and Market Systems (ERMS), the program aimed to restore livelihoods, enhance resilience, and create sustainable employment opportunities through cash assistance, vocational training, and tailored business support. The program's Theory of Change (ToC) centered on mitigating economic shocks while fostering economic recovery for farmers, unemployed individuals and MSMEs. This final evaluation employed a mixed-methods approach, integrating both qualitative and quantitative data collection tools to assess the program's performance against the OECD-DAC criteria (relevance, effectiveness, efficiency, impact, and sustainability) and Core Humanitarian Standards (CHS). The methodology prioritized inclusivity, gender, and diversity-sensitive approaches to ensure representation of vulnerable groups such as women, IDPs, and persons with disabilities. Field data collection consisted of 361 participant surveys with a 95% confidence level and 5% margin of error, using a stratified sampling approach to ensure proportional representation of program beneficiaries across regions and categories (subsistence farmers, MSMEs, and VET trainees). Complementing the surveys, 50 Key Informant Interviews (KIIs) were conducted, including 41 interviews with project participants and 9 expert interviews with stakeholders such as DRC team members, local government officials, and representatives from partner organizations like WFP. KIIs provided in-depth insights into program implementation and contextual challenges. Additionally, 5 Focus Group Discussions (FGDs) were held per group to explore shared experiences and perspectives in a semi-structured format. To capture the transformative impact of interventions, 5 Most Significant Change (MSC) stories were documented, showcasing individual success stories and tangible outcomes of the program.

KEY FINDINGS

RELEVANCE

Community Engagement and Needs Assessment: The DRC Livelihoods Protection and Recovery Program demonstrated exceptional relevance through its extensive community engagement efforts. A significant 66% of participants confirmed they were consulted during the program's design phase, ensuring that interventions were grounded in local needs. Specifically, 69% of business owners, 58% of subsistence farmers, and 75% of VET trainees reported being engaged through protection monitoring, community meetings, questionnaires, and targeted outreach. Pre-award consultations in regions like Apostolovska Hromada (Dnipropetrovsk) ensured alignment with local priorities, incorporating input from authorities under the broader "Community Planning for Durable Solutions" initiative. These efforts enabled the program to target conflict-affected and vulnerable communities, addressing immediate gaps in livelihoods support. While subsistence farmers noted minor challenges like time constraints in group sessions, the consultations overall succeeded in capturing diverse needs effectively.

Stakeholder Coordination and Local Integration: The program achieved strong local alignment by engaging key stakeholders, including community leaders, local authorities, and Food Security and Livelihoods (FSL) clusters. Local authorities contributed critical insights into community needs, logistical challenges, and outreach, ensuring that DRC interventions were responsive and avoided duplication with other humanitarian programs. For example, monthly coordination meetings with FSL clusters in Mykolaiv and Kherson enabled DRC to adjust its targeting strategies based on emerging regional challenges and recommendations. Such efforts were instrumental in refining program priorities and fostering trust among participants. Stakeholders emphasized DRC's commitment to aligning the program with broader humanitarian efforts, with local leaders noting their role in mobilizing communities and ensuring vulnerable groups were included.

Participant Satisfaction and Alignment with Needs: The relevance of DRC's interventions was strongly validated by the high satisfaction rates among program participants. 99% of business owners reported that grants and counseling services met their immediate recovery needs, allowing them to invest in equipment, expand operations, and sustain their businesses. Similarly, 97% of subsistence farmers confirmed that sectoral cash assistance enabled them to purchase essential inputs such as seeds, fertilizers, and livestock feed, directly improving agricultural productivity and food security. Among VET trainees, 99% highlighted that vocational training and cash assistance addressed their employment aspirations, helping them acquire marketable skills and access job opportunities. Women and IDPs, particularly vulnerable groups, benefited from targeted support, with 75% of VET trainees appreciating tailored outreach efforts, such as extending age limits for women over 50. These results underscore the

program's success in delivering highly relevant, demand-driven support that aligned with participants' immediate and long-term needs.

Complaint and Feedback Mechanism: While the program demonstrated strong relevance overall, challenges emerged in the extent to which participant feedback DRC's ability to adapt program activities based on feedback further enhanced its relevance. 44% of participants reported providing feedback, with many recognizing key adjustments, such as simplified application processes and consolidated cash tranches for VET trainees, which reduced logistical delays. Business owners particularly appreciated flexibility in grant requirements, allowing them to address energy shortages and operational challenges. For example, funds were redirected to purchase generators, tools, and equipment, which 98% of business owners confirmed were critical for sustaining operations. While 83% of business owners and subsistence farmers found the support easy to access, DRC's proactive response to logistical challenges—such as cash delivery via Ukrposhta for rural participants—ensured equitable accessibility.

EFFECTIVENESS

Business Owners: The program significantly improved the recovery of business owners, with 97% reporting that grants addressed critical equipment shortages, enabling them to sustain and enhance productivity despite the challenges of the full-scale invasion. Key purchases included generators, cutting tools, ergonomic equipment, and automation tools, which allowed businesses to overcome disruptions caused by power outages, logistical challenges, and infrastructure damage. For instance, a garment producer in Kryvyi Rih acquired a high-capacity generator to maintain operations during blackouts, while pharmacies purchased backup batteries to ensure the proper storage of medications. Improved equipment led to 84% of business owners reporting increased operational efficiency, higher-quality outputs, and enhanced staff comfort. The program also contributed to job creation, as MSMEs were able to expand operations or reallocate staff to higher-value tasks. For example, a beekeeper automated honey transfer, freeing workers to focus on other essential activities. While 77% of MSME owners rated the grants as highly effective, challenges remained. 40% of business owners cited insufficient funding to cover all losses, while 37% faced barriers like poor infrastructure and high transportation costs that limited market access.

Subsistence Farmers: Subsistence farmers successfully utilized sectoral cash assistance to address critical seed and fertilizer shortages (60%), sustain livestock productivity (31%), and improve food security. 69% of participants used the funds to purchase agricultural inputs, enabling them to plant vegetables, grains, and other essential crops. Additionally, 48% of farmers invested in livestock feed, ensuring animals remained healthy and productive, which was particularly crucial for sustaining livelihoods in conflict-affected regions. A notable 49% of farmers reported being able to sell agricultural products, such as honey and poultry, despite challenges with poor infrastructure and market access. Limited irrigation investments (11%) were another key area of improvement, with 56% of farmers noting enhanced access to water solutions, including drip irrigation systems (31%) and water storage options (19%). However, systemic challenges such as high input costs, water scarcity, and inadequate irrigation infrastructure constrained long-term recovery. 39% of subsistence farmers highlighted difficulties with water access, while others cited reliance on low-quality inputs due to rising costs. Market access was another challenge, with 37% reporting transportation costs and poor roads as barriers to reaching buyers. Nevertheless, subsistence farmers reported a significant reduction in negative coping mechanisms, demonstrating enhanced resilience and food security.

VET Trainees: The program successfully supported VET trainees in accessing vocational training, with 99% of participants using cash assistance to cover course fees, purchase tools, and manage transportation costs. Beneficiaries enrolled in trades such as hairdressing, massage therapy, cooking, and technical skills like plastering and Excel for business analytics, improving their employability and confidence. For example, a participant in Dnipro noted that the grant allowed her to purchase massage tables and oils, enabling her to practice and build a foundation for her career. However, while 99% of trainees valued the foundational skills gained, 40-50% cited short course durations as a barrier to achieving mastery, particularly in technical fields like plastering and tailoring. Another 30-40% reported a lack of hands-on practical application, which affected their readiness for real-world employment. Financial constraints also posed challenges for 20-30% of trainees, who supplemented the grants with personal savings to purchase essential tools. Despite these challenges, VET trainees reported tangible benefits, such as improved job prospects and access to state certifications, which were earned by approximately 35 beneficiaries. These certifications increased employment potential, particularly for women and IDPs, ensuring relevance in the local labor market.

EFFICIENCY

Resource Allocation and Financial Efficiency: The program demonstrated robust financial management, achieving significant reach and impact through adaptive budgeting and targeted resource distribution. DRC reallocated funds effectively, leveraging favorable exchange rates to include an additional 699 households for agricultural cash assistance and support 50 MSMEs with

critical business grants. Financial prioritization ensured cost efficiency, with subsistence farmers achieving the highest cost efficiency per participant at 132.76 USD (CTR: 20.6%), enabling broad coverage. MSME grants, while incurring a higher cost per participant (12,414 USD, CTR: 44.1%), delivered broad economic benefits by sustaining businesses and stimulating local economies. For VET trainees, the program achieved a high individual impact at a moderate cost (695.20 USD, CTR: 4.5%), as cash assistance enabled participants to complete vocational training and acquire tools critical for employment. Targeted financial planning, including price verification and transportation allowances, minimized inefficiencies and ensured equitable distribution across participant groups.

Operational Efficiency and Timeliness: DRC efficiently scaled operations by expanding human resources and collaborating with local authorities to streamline participant registration and outreach. Recruitment of field staff and subject-matter experts enabled timely delivery of grants and cash assistance, particularly in hard-to-reach areas like Mykolaiv and Dnipropetrovsk. DRC’s coordination with village leaders and focal points facilitated trust, reduced administrative burdens, and ensured effective targeting of vulnerable populations. The program’s timeliness was critical, with 94% of respondents confirming that support arrived when needed most. Business owners received grants aligned with seasonal production cycles, enabling them to adapt to challenges like power outages and blackouts. Similarly, subsistence farmers benefited from timely cash assistance for agricultural inputs, with funds largely distributed before planting seasons, ensuring maximum utility. For VET trainees, prompt disbursements enabled participants to begin courses without delays, securing tools and resources essential for skill development.

Key Challenges and Opportunities for Optimization: While the program demonstrated strong efficiency, challenges remained in addressing systemic barriers and maximizing cost-effectiveness. MSME grants, despite delivering broad economic benefits, incurred the highest costs and were insufficient to address all business recovery needs, highlighting the potential for integrating microfinance models or shared infrastructure solutions. Subsistence farmers achieved notable cost efficiency but faced limited transformative impact due to high input costs, water scarcity, and market access challenges. Opportunities for improving outcomes include combining in-kind agricultural support with cash assistance and promoting cooperative farming models to achieve economies of scale. For VET trainees, while individual gains were significant, participants cited short course durations and insufficient practical experience as barriers to employment, suggesting a need for extended training timelines and job placement programs. Addressing these challenges through tailored interventions and alternative modalities can further enhance program efficiency and impact per dollar spent.

IMPACT

Business Owners: The project significantly enhanced the economic stability and growth of over 70% of both women (70%) and men (74%) business owners, leading to increased net income, business expansion, and job creation. The grants enabled business owners to acquire essential equipment, such as generators, sewing machines, and specialized tools, which addressed critical gaps caused by displacement and power outages. For instance, one woman business owner from Zaporizhzhia rebuilt her sewing enterprise, expanded services, and created new jobs: *“We bought professional equipment—steam generators, buttonhole machines—and hired two employees”* (MSC, Woman Business Owner, Zaporizhzhia). 50% of business owners reported income increases between 10-25%, while 22% experienced significant gains of 25-50%. The program also supported community recovery, with businesses ensuring access to critical services. For example, a pharmacy owner in Mykolaiv continued providing medications during blackouts, contributing to local resilience. Additionally, business owners expressed aspirations to give back to their communities through initiatives such as charitable programs for children, showcasing the long-term transformative potential of the support. *“My dream is to provide children from low-income families with opportunities to learn and create”* (MSC, Woman Business Owner, Zaporizhzhia).

Subsistence Farmers: The sectoral cash assistance delivered immediate economic relief to 94% of women and 91% of men subsistence farmers, enabling investments in agricultural inputs such as seeds, fertilizers, and livestock feed. This support helped farmers sustain household food supplies, preserve livestock, and reduce financial strain. For example, a farmer from Zaporizhzhia expanded their poultry and beekeeping operations: *“I had three beehives, and now I have ten. We also bought ducks and chicks”* (KII, Man Subsistence Farmer, Zaporizhzhia). However, while 23% adopted new practices, such as improved seeds (26%) and pest control (28%), productivity gains remained modest, with 79% reporting less than 10% improvement. Despite these limitations, the assistance strengthened community resilience by preventing displacement and fostering solidarity among rural farmers: *“Even during tough times, the assistance brought us closer as a community”* (KII, Woman Subsistence Farmer, Dnipropetrovsk). Investments in drought-resistant crops and lightweight farming tools allowed subsistence farmers to maintain agricultural cycles, contributing to food security and community stability despite ongoing challenges like water scarcity and infrastructural limitations.

VET Trainees: The VET training programs played a crucial role in enabling 63% of participants to secure employment and supporting 86% of women and 83% of men to generate income through reskilling and upskilling. These outcomes translated into income increases for 74% of trainees, with 43% reporting gains of 25-50% and 17% achieving a rise of over 50%. Participants acquired practical and in-demand skills in fields such as baking, massage therapy, and HR management, which aligned with local labor market needs. For example, a woman trainee from Zaporizhzhia successfully launched a niche baking business, selling tiered cakes and expanding her services through online platforms: *“I’ve raised my prices because the quality of my cakes has genuinely improved”* (MSC, Woman VET Trainee, Zaporizhzhia). The program not only enhanced job opportunities but also boosted participants’ confidence and personal development, fostering independence and professional growth. Trainees emphasized the emotional support provided by program staff and the social networks formed during training, which helped reduce feelings of isolation and provided mutual encouragement. *“The program connected us with people facing similar struggles, and we didn’t feel alone”* (FGD, Woman VET Trainee, Kherson).

SUSTAINABILITY

Business Owners: A substantial 95% of business owners, both men and women, acknowledged the project's contribution to building sustainable business models, with over 50% stating it helped “to some extent” or “to a very great extent.” Notably, 84% of participants reported confidence in continuing their business operations beyond the project’s duration. The provision of essential equipment, such as generators and Ecoflow Delta batteries, was pivotal in ensuring continuity amidst power outages caused by the full-scale invasion. For example, a poultry business owner highlighted how the Ecoflow battery sustained the incubation process, preserving production cycles. *“Without this equipment, I would not have been able to maintain operations during blackouts”* (KII, Man Business Owner, Zaporizhzhia). Business counselling further reinforced sustainability by improving participants' financial management skills and reducing dependence on credit or loans. However, lingering challenges threaten long-term sustainability, including decreased market prices, high energy costs, and limited access to affordable financing. The need for renewable energy solutions, such as solar-powered equipment, was emphasized as a key requirement for ensuring future resilience. Despite these challenges, many participants expressed optimism about maintaining their businesses, showcasing the project's positive legacy.

Subsistence Farmers: The project enabled 78% of subsistence farmers to establish more sustainable farming systems, with 59% confident they could continue without further external assistance. Many used sectoral cash assistance to purchase seeds, grain, and equipment or expand small-scale systems like poultry farming and beekeeping. These investments allowed farmers to reduce reliance on market purchases and secure household-level food production. For instance, farmers in Zaporizhzhia reported growing drought-resistant crops and investing in livestock feed to sustain operations. *“The assistance helped us buy what we needed to keep our gardens and poultry running”* (KII, Woman Subsistence Farmer, Dnipropetrovsk). However, 41% of participants reported barriers to achieving full self-sufficiency, including financial constraints (71% cited the high costs of inputs like seeds and fertilizers), lack of irrigation systems (37%), and inadequate equipment (8%). The absence of irrigation infrastructure, such as affordable water pumps or storage systems, remains a critical challenge, especially in drought-prone regions like Mykolaiv. Additionally, over 60% of subsistence farmers highlighted the need for technical training to improve productivity and scale farming operations sustainably. While the project has fostered resilience, addressing these systemic barriers is essential for long-term impact.

VET Trainees: The project enabled 68% of VET trainees to acquire skills for starting their own businesses, while 22% reported the project connected them with employers or job opportunities. Skills training in hairdressing, massage therapy, and baking provided participants with market-relevant expertise, empowering them to pursue self-employment or small enterprises. For instance, a trainee from Zaporizhzhia leveraged her baking skills to sell specialized cakes, significantly improving her income: *“I started selling tiered cakes online and gained regular customers”* (MSC, Woman VET Trainee, Zaporizhzhia). Despite these successes, the sustainability of impacts was hindered by several challenges. Limited practical application (a barrier cited by many beginners) prevented trainees from fully mastering their skills, particularly in technical vocations like massage therapy. Additionally, logistical constraints due to ongoing conflict, such as restricted mobility and disrupted markets, reduced employment options. The lack of structured post-training support, including mentorship and follow-up programs, left participants without the necessary guidance to translate their training into sustainable employment. Addressing these gaps through hands-on training, employer linkages, and extended follow-up would enhance the long-term sustainability of VET outcomes, ensuring participants can fully capitalize on their newly acquired skills.

KEY RECOMMENDATIONS

The key recommendations focus on enhancing the long-term sustainability and effectiveness of support for MSMEs, subsistence farmers, and VET trainees. A tiered grant system tailored to the size and needs of businesses, coupled with flexible fund allocation for operational costs and renewable energy solutions, is essential to address high costs and market barriers faced by MSMEs. For subsistence farmers, combining sectoral cash transfers with in-kind inputs (e.g., seeds, fertilizers, and tools) ensures immediate availability of resources, while subsidies for drip irrigation systems and training on water management address critical water scarcity challenges. Encouraging cooperative farming models can improve resource sharing and market access. VET trainees require extended support through advanced certifications, internships, and partnerships with employers to enhance employability. Additionally, leveraging mobile outreach teams and digital platforms for consultations and complaint feedback mechanisms (CFM) can improve inclusivity, particularly in remote areas. Promoting sustainable practices and technologies (e.g., organic farming, crop rotation, and digital farm tools) will boost productivity and environmental resilience across participant groups. These targeted strategies address systemic challenges while fostering long-term economic recovery and self-sufficiency. Please see the section Recommendations on Page 47 for details.

1. INTRODUCTION

1.1. BACKGROUND

The full-scale invasion of Ukraine by the Russian Federation, which began on February 24, 2022, has had devastating effects on Ukraine's economy, particularly its rural communities, smallholder farms, and micro, small, and medium-sized enterprises (MSMEs). According to a December 2023 assessment, Ukraine's agricultural enterprises, which accounted for over 70% of crop production in 2021, has been critically affected due to the ongoing conflict. The full-scale invasion has destroyed key agricultural infrastructure, disrupted supply chains, and severely impacted livelihoods, particularly in frontline areas where more than 12% of agricultural land has been rendered unusable due to unexploded ordnance. This situation has resulted in widespread food insecurity, with farmers facing difficulties accessing seeds, fertilizers, and markets¹.

Furthermore, agricultural incomes have significantly declined, and the conflict's disruption of local economies has exacerbated unemployment and the collapse of MSMEs. The destruction of the Kakhovka Dam in June 2023 worsened conditions, particularly for smallholder farmers who are essential to Ukraine's food security². This devastation not only caused extensive flooding of farmland but also displaced previously documented landmines, creating hazardous, contaminated areas. Now, much of the farmland is both submerged and riddled with unknown levels of explosive remnants, further endangering agricultural productivity and the safety of those working the land. The recent humanitarian reports estimate that nearly 18 million people in Ukraine, including 1.8 million involved in farming activities, are unable to resume food production due to unsafe conditions such as landmines and the destruction of critical infrastructure, including the Kakhovka Dam in June 2023. Over 12% of Ukraine's arable land is reported to be contaminated by unexploded ordnance (UXO), especially in frontline regions. This situation has not only rendered large areas of farmland unusable but has also driven up the cost of agricultural operations. Despite the risks, many farmers face little choice but to continue working in contaminated areas, as highlighted in our baseline data. This increases their exposure to unexploded ordnance (UXO) and significantly raises the likelihood of injuries, creating an environment where survival and livelihood come with heightened danger. Farmers are struggling with disruptions in the agricultural supply chain, including access to vital inputs like seeds and fertilizers. Additionally, logistical challenges and port blockades have compounded the difficulties, leading to broken ties with wholesalers and traders, reduced income, and severe strain on rural households³. The Kyiv School of Economics (KSE) reported in October 2024 that Ukraine's agricultural sector could suffer indirect losses of up to \$83 billion by the end of 2025 due to the full-scale invasion and these losses were attributed to reduced harvests, disrupted exports, increased production costs, and the need to rehabilitate agricultural land⁴.

MSMEs have long been the backbone of Ukraine's economy, comprising 99.8% of all business entities and providing 74% of employment. The full-scale invasion has severely disrupted this vital sector. A comprehensive assessment conducted in late 2023 revealed that 64% of MSMEs had to temporarily suspend or close their operations due to direct asset destruction, supply chain interruptions, and security concerns. By October 2023, a vast majority had resumed operations, with only 9.6% remaining at risk of permanent closure. However, the financial toll has been substantial, with average losses per company estimated at \$227,000. The war has also exacerbated regional disparities. Enterprises in the eastern and southern regions have encountered approximately 1.5 times greater losses than those in the western parts of the country. Recovery efforts are further hindered by limited access to financial resources and disrupted market access. Approximately 25% of companies have benefited from state or international assistance programs, which have been crucial for the survival of half of these businesses⁵. This has contributed to widespread unemployment, leaving millions of Ukrainians without stable livelihoods. MSMEs have been facing immense challenges in recovering due to limited financial resources and disrupted market access⁶.

1<https://openknowledge.fao.org/server/api/core/bitstreams/65f80020-6140-4a4e-9a89-0c75305c72bf/content>

2<https://openknowledge.fao.org/server/api/core/bitstreams/3426334e-052c-4ee5-80ad-16f57a24af6c/content>

3<https://openknowledge.fao.org/server/api/core/bitstreams/3426334e-052c-4ee5-80ad-16f57a24af6c/content>;

<https://openknowledge.fao.org/server/api/core/bitstreams/65f80020-6140-4a4e-9a89-0c75305c72bf/content>

4https://www.reuters.com/markets/commodities/ukraine-farm-sector-indirect-losses-may-reach-83-bln-due-russian-invasion-2024-10-03/?utm_source=chatgpt.com

5https://www.undp.org/ukraine/publications/assessment-wars-impact-micro-small-and-medium-enterprises-ukraine?utm_source=chatgpt.com

6<https://openknowledge.fao.org/server/api/core/bitstreams/65f80020-6140-4a4e-9a89-0c75305c72bf/content>

The full-scale invasion has also led to a sharp decline in labor demand. In the early stages of the conflict, approximately 75% of small businesses ceased operations, and public transportation in most cities was temporarily halted, further limiting employment opportunities. Although there has been some economic recovery since then, the unemployment rate remains elevated. Estimates indicate that the unemployment rate was around 21% in 2022, a significant increase from the pre-war rate of 9.8% in 2021⁷. The war has intensified these disparities, with vulnerable groups such as IDPs and women facing higher unemployment rates and greater challenges in accessing employment. For instance, working-age IDPs have an unemployment rate of 15%, compared to the national average of 11%⁸.

1.2. DRC’s LIVELIHOODS PROTECTION and RECOVERY PROGRAM IN UKRAINE

The "Ukraine Livelihoods Protection and Recovery Program" was launched on October 1, 2023, in response to the ongoing conflict in Ukraine. This 12-month initiative has aimed to address the acute economic challenges faced by internally displaced persons (IDPs), returnees, and conflict-affected populations in the Dnipropetrovska, Khersonska, Mykolaivska, and Zaporizhzhia regions. The program's duration extended until September 30, 2024, with the primary goal of restoring and expanding livelihood opportunities for vulnerable populations impacted by the conflict, through evidence-based interventions. The program strategically integrated two crucial sectors: Agriculture and Economic Recovery and Market Systems (ERMS).

The overarching objective was to promote economic recovery in conflict-affected areas by providing targeted livelihood support to farmers and MSMEs, enabling them to recover, stabilize, and enhance their resilience in the face of ongoing adversities.

The Theory of Change (ToC) guiding the program's design is anchored on the following key hypotheses:

- If subsistence farmers receive sector-specific cash assistance, this will enable them to access critical agricultural inputs and mitigate the adverse effects of market inflation and other economic distortions exacerbated by the conflict;
- If beneficiaries are provided with demand-driven, contextually relevant training opportunities, they will be equipped with the necessary skills and knowledge to enhance their livelihoods;
- If businesses are comprehensively supported with tailored interventions designed to meet their unique needs, they will be better positioned to cope with and mitigate the economic impacts of the conflict;
- Then economic recovery in the targeted areas will be fostered, leading to the creation of sustainable employment opportunities and mitigating both the microeconomic and macroeconomic impacts of the ongoing conflict.

This approach has ensured that vulnerable populations are not only able to recover economically but also to build long-term resilience, thereby reducing their vulnerability to future shocks and crises.

1.3. EVALUATION OBJECTIVES

The primary objective of this final evaluation is to assess the performance and outcomes of the Danish Refugee Council's (DRC) "Livelihoods Protection and Recovery Program," implemented in Eastern and Southern Ukraine during 2023-2024. This evaluation is designed to provide comprehensive insights into the program's relevance, effectiveness, efficiency, impact, and sustainability, guided by the OECD-DAC criteria and aligned with Core Humanitarian Standards (CHS). Specifically, the evaluation aims to achieve the following:

- **Improved Agricultural Outputs:** Evaluate the effectiveness of sectoral cash assistance in supporting small-scale farmers to enhance agricultural productivity, address rising costs of inputs, and mitigate the uptake of negative coping mechanisms.

⁷ https://www.ilo.org/resource/news/how-did-war-impact-ukrainian-labour-market?utm_source=chatgpt.com

⁸ https://reliefweb.int/report/ukraine/employment-mobility-and-labour-market-dynamics-ukraine-thematic-brief-series-livelihoods-and-economic-recovery-november-2024?utm_source=chatgpt.com

- **Restored Livelihoods:** Examine how interventions, which were as financial assistance and coaching for micro, small, and medium enterprises (MSMEs), have contributed to restoring and protecting MSME operations and improving access to basic goods and services.
- **Generated Livelihood Opportunities:** Assess the impact vocational training programs on increasing employability and economic opportunities in high-demand sectors.
- **General Strategic Recommendations:** Provide actionable recommendations to enhance the integration of economic recovery with other DRC sectors in Ukraine, fostering synergies and greater impact.
- **Organizational Learning:** Identify lessons learned, best practices, and areas for improvement in program design, implementation, and monitoring and evaluation (M&E).

This evaluation incorporated a participatory approach, engaging diverse stakeholders, including beneficiaries, community leaders, local authorities, and other humanitarian actors. The findings will serve as a critical input for DRC's ongoing efforts to support economic recovery in Ukraine, ensuring that interventions remain responsive to the needs of conflict-affected populations while promoting sustainability and resilience.

2. METHODOLOGY

2.1. EVALUATION DESIGN

This final evaluation employed a mixed-methods approach, integrating qualitative and quantitative methodologies alongside a comprehensive desk review, to collect reliable and actionable data. The evaluation aimed to measure the impact of DRC programming, by enabling evidence-based decision-making for the DRC team, tailoring project activities with the specific needs, gaps, and challenges faced by IDPs, returnees and host communities in the eastern and southern oblasts of Ukraine. The design adhered to international standards, including the OECD-DAC evaluation criteria (relevance, effectiveness, efficiency, impact, and sustainability)⁹, the Bond Evidence Principles¹⁰, and incorporated Core Humanitarian Standards (CHS)¹¹. Gender, age, and diversity-sensitive approaches were embedded throughout, with a focus on ensuring inclusivity and mitigating risks for vulnerable populations.

The evaluation utilized a range of tools, including participant surveys (361), focus group discussions (FGDs - 5), key informant interviews (KIIs - 50), and Most Significant Change Stories (MSCs - 5), tailored to respond to the key evaluation questions outlined in the research matrix. The primary data collection took place between November 11th – 25th, 2024. Contribution analysis was a central component of the methodology, systematically tracing causal pathways and examining how the program's Theory of Change (ToC) contributed to observed outcomes. Triangulation of primary and secondary data ensured comprehensive and credible findings.

The evaluation emphasized the "Do No Harm" principle, upholding strict data protection, confidentiality, and informed consent standards, in compliance with GDPR and DRC data management guidelines. The tools and methodologies were designed to identify SMART, context-specific recommendations for enhancing future programming and ensuring sustainable outcomes. *Please refer to Annex 1 for the Evaluation Matrix.*

2.2. DESK REVIEW

An extensive and in-depth desk review formed the cornerstone of the research process, providing a critical foundation for subsequent steps. The Scruples Research evaluation team meticulously reviewed all relevant project documents, including progress reports, MEAL reports, baseline data, and sector-specific analyses. This thorough examination facilitated the identification of key insights and gaps in the secondary data, which were then flagged for further verification and triangulation during primary data collection. The desk review also informed the design of the research matrix and ensured the development of robust and context-specific data collection tools. Leveraging existing knowledge enabled the evaluation team to identify critical areas for exploration in the field, ensuring that the evaluation adhered to the OECD-DAC criteria and CHS while maintaining a focus on generating actionable and evidence-based recommendations. *Please refer to Annex 2 for the Desk Review Documents.*

⁹ <https://www.oecd.org/en/topics/sub-issues/development-co-operation-evaluation-and-effectiveness/evaluation-criteria.html>

¹⁰ <https://www.bond.org.uk/resources/evidence-principles/>

¹¹ <https://www.corehumanitarianstandard.org/the-standard>

2.3. PARTICIPANT SURVEYS

The list of project participants was provided by the DRC team and the evaluation conducted 361 surveys with a statistical estimation of 95% confidence level and 5% margin of error with a 50% level of distribution, over the total number of reached project participants. The questions consisted of structured close-ended questions asked over Computer-Assisted Web Interviewing (CAWI) and lasted for 25 minutes on average. Survey participants were sampled using a stratified sampling approach to ensure representation across key demographic and programmatic groups. The sample was proportionally distributed among regions, and participant categories (e.g., subsistence farmers, business owners, and vocational education and training (VET) trainees) based on the number of project participants in each group. This approach accounted for gender, age, displacement status, and sectoral diversity to ensure inclusivity. Participants were selected randomly within strata to minimize bias, with additional considerations for including vulnerable populations such as women-headed households, persons with disabilities, and elderly individuals. The stratified design ensured that findings could be disaggregated to provide nuanced insights into the effectiveness and relevance of project interventions across different participant groups. Please refer to the below table for the detailed breakdown of the surveys completed.

Table 1 Breakdown of Survey Participants

LOCATION	FEMALE			MALE			TOTAL
	Business Owners	Subsistence Farmers	VET Trainees	Business Owners	Subsistence Farmers	VET Trainees	
Kherson	8	32	15	16	9	0	80
Mykolaiv	4	32	11	5	12	1	65
Dnipro	27	25	32	31	13	4	132
Zaporizhzhia	5	24	35	5	13	2	84
TOTAL	44	113	93	57	47	7	361

The surveys were conducted by utilizing KoBo, which is essentially a clone of Open Data Kit (ODK) with an enhanced Graphical User Interface (GUI).

2.4. KEY INFORMANT INTERVIEWS

KIIs were conducted following a purposive sampling approach, targeting stakeholders with direct relevance to the evaluation objectives. This included 41 KIIs with project participants and 9 KIIs with experts and stakeholders such as DRC team members (4), MSME consultant (1) local government officials (2) and representatives from I/NGOs, UN agencies (2). The selection of participants was guided by their role and insights related to the project's implementation and outcomes, ensuring a comprehensive understanding of the project's relevance, effectiveness, efficiency, impact, and sustainability. The KIIs were semi-structured, guided by an interview protocol developed during the inception phase and aligned with the evaluation matrix. KIIs were conducted remotely, depending on the participant's location and the security situation. Each interview was approximately 60 minutes long, conducted in the preferred language of the participant (Ukrainian, Russian, or English), and audio-recorded with informed consent. The final sample of KIIs included diverse perspectives to provide a holistic understanding of the project's implementation and outcomes. Please refer to the below tables for the detailed breakdown of the KIIs completed. *Please refer to Annex 3 for the List of Expert KIIs.*

Table 2 Breakdown of KII Participants

LOCATION	FEMALE			MALE			TOTAL
	Business Owners	Subsistence Farmers	VET Trainees	Business Owners	Subsistence Farmers	VET Trainees	
Kherson	1	2	3	2	1	0	9
Mykolaiv	1	3	6	1	1	0	12
Dnipropetrovsk	1	2	2	2	3	0	10
Zaphorizhzhia	1	3	3	2	1	0	10
TOTAL	4	10	14	7	6	0	41

Table 3 Breakdown of Expert KII Participants

#	Organization	Position
1	DRC	Economic Recovery Coordinator
2	DRC	Economic Recovery Program Manager
3	DRC	Area Manager
4	DRC	Economic Recovery Officer
5	WFP	FSLC lead, Eastern Hub
6	WFP	FSLC lead, Southern Hub
7	Tomakivka village council	Head of Registration department of the executive committee
8	Department of Economic Development and Investment of the Petro Mykhailivska community	Deputy village head
9	European Technical Assistance LLC	Executive Director

2.5. FOCUS GROUP DISCUSSIONS

A total of 5 online FGDs (16 participants) were carried out and each group consisted of 3-4 participants on average, selected through a quota sampling approach to ensure diversity in regions, participant categories, gender and displacement status. Participant selection was facilitated by the evaluation team, based on the database shared by the DRC team. Each FGD lasted 60-90 minutes, guided by semi-structured tools developed during the inception phase and reviewed by the DRC team for relevance.

Table 4 Breakdown of FGD Participants

#	Gender	Participant Category	Location	Number of Participants
1	Female	Subsistence Farmers	Mykolaiv (Pervomaiska)	4
2	Male	Subsistence Farmers	Zaporizhzhia (Petro-Mykhailivska)	3
3	Female	Business Owners	Dnipropetrovsk (Kryvorizka)	4
4	Male	Business Owners	Mykolaiv (Voznesenska, Mishkovo-Pohorilivska, Domanivska)	3
5	Female	VET Trainees	Kherson (Khersonska)	2

2.6. MOST SIGNIFICANT CHANGE STORIES

The evaluation team captured 5 MSC stories to showcase the transformative impact of the intervention on participants' lives. MSC participants were purposively identified by the DRC team from individuals who experienced notable changes and were willing to share their stories for this evaluation. The MSC participants were purposively identified by the DRC from individuals who experienced notable changes and were willing to share their stories for this evaluation.

Table 5 Breakdown of MSC Participants

s	Gender	Participant Category	Location
1	Female	Subsistence Farmers	Zaporizhzhia (Petro-Mykhailivska)
2	Male	Subsistence Farmers	Dnipropetrovsk (Tomakivska)
3	Female	Business Owners	Zaporizhzhia (Zaphorizhska)
4	Female	VET Trainees	Zaporizhzhia (Zaphorizhska)
5	Female	VET Trainees	Zaporizhzhia (Zaphorizhska)

2.7. DATA PROCESSING

Data collected through surveys was processed using Excel. The team cleaned the data by removing errors, duplications, and unnecessary information. Descriptive statistics were generated to identify trends and patterns. The qualitative data, including transcripts from KIIs, MSCs and FGDs, was analyzed using Dedoose software. This process involved coding and organizing themes, representing the data, and interpreting the meaning behind quotes. Inductive analysis was employed to ensure that the quotes aligned with the themes, and the analysis was validated through member checking to ensure quality and accuracy. Data triangulation was used to ensure rigor by comparing findings from different sources and methods, including primary and secondary data. *Please refer to Annex 4 for the more details on the data management.*

2.8. ETHICAL CONSIDERATIONS

- All participants were asked for their explicit consent before taking part in the evaluation. This included informing them about the study's objectives, their rights to withdraw at any time, and how their information would be used.
- The privacy of all respondents was strictly maintained. Data was collected under the assurance of confidentiality, and only evaluation team members had access to the collected data. Personal data was protected in compliance with the European Union's General Data Protection Regulation (GDPR).
- The evaluation team followed the "Do No Harm" principle, ensuring that data collection did not expose participants to any risks or harm. They were also trained to handle sensitive issues and provide safe referrals if necessary.

2.9. LIMITATIONS AND MITIGATION MEASURES

Starting on 16th November, the Dnipro region experienced intensified shelling by Russian forces, creating a volatile security situation. On 21st November, there were reports of a Intercontinental Ballistic Missile (ICBM) strike, heightening concerns in the area. These events significantly impacted the data collection process. Participants reported being stressed and were unwilling to travel for in-person data collection, given the heightened risks in addition to the lack of compensation for their efforts and travel expenses¹². Poor communication infrastructure and the heightened stress levels of residents further reduced their willingness to participate, even in online data collection. This, in turn, affected the ability to reach the sampling targets outlined in the inception report, thereby limiting the representation of specific demographics or geographic areas in the evaluation.

The data collection method was adapted to an online format where feasible, reducing the need for travel and minimizing safety risks. This allowed researchers to reach participants in areas impacted by security threats without exposing them to additional dangers. The team adjusted schedules and allowed participants to join sessions at times most convenient and least stressful for them, including evenings and weekends. This flexibility aimed to create a more accessible and participant-friendly process. Researchers emphasized empathetic communication and understanding, creating a safe and accommodating environment for participants to share their experiences. Participants were reassured about the purpose of the evaluation and the importance of their contributions, helping alleviate anxiety and build trust. *Please refer to Annex 5 for the more details on the field limitations and mitigation measures.*

3. FINDINGS

3.1. RELEVANCE

FINDING 1: DRC engaged diverse participant groups, with 66% of the evaluation participants (69% of business owners, 58% of subsistence farmers and 75% of VET trainees) reporting that they were consulted about their needs. Consultations were conducted through protection monitoring, pre-award community engagement, and targeted outreach efforts involving questionnaires, info sessions, and direct follow-ups. Consultations with subsistence farmers faced some limitations of time constraints, overcrowding in group sessions, and a preference for one-on-one interactions over community-level discussions.

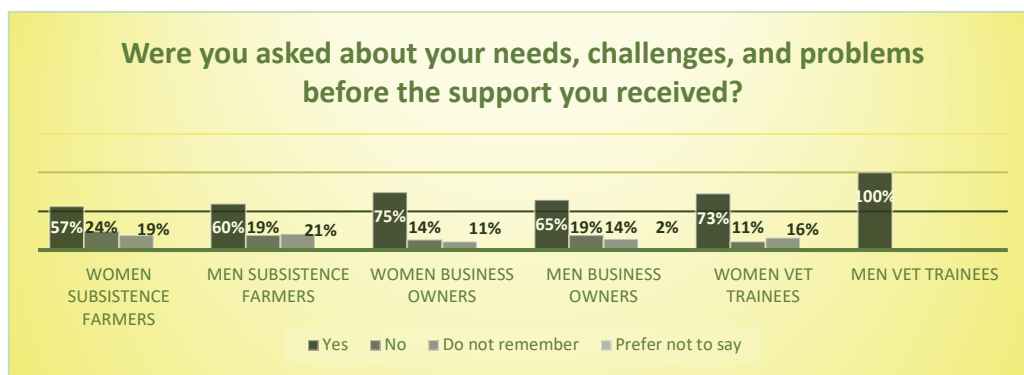
¹² The DRC and Scruples teams chose not to provide travel compensation to evaluation participants for in-person data collection. This decision was made to maintain ethical standards and ensure that the data collected remained unbiased and unaffected by external incentives.

Data Sources: FGDs, KIIs and surveys with project participants and desk review

Pre-award Community Consultations: DRC engaged communities during the initial stages of project planning, which ensured that the project design was grounded in the local context and responsive to the needs of vulnerable populations. For example, in Apostolovska Hromada in Dnipropetrovsk, community consultations were conducted as part of the broader "Community Planning for Durable Solutions and Recovery" initiative, even before DRC received the BHA award. These consultations focused on conflict-affected communities and were informed by recommendations from local authorities in Dnipropetrovsk Oblast. The project aimed to build on prior projects in the area: *"One of the primary reasons we worked in Apostolovska Hromada is at the time in Ukraine there was a countrywide initiative called Community Planning for Durable Solutions and Recovery. And Apostolovska hromada was one of two from others identified by Dnipropetrovsk Oblast authorities as a Hromada in which they wanted to be looking at durable solutions programming in conflict affected communities."* (KII, DRC)

Protection Monitoring: DRC protection teams played a crucial role in identifying vulnerable populations and guiding geographic targeting. For instance, the Protection team conducted monitoring activities in both Dnipropetrovsk and Zaporizhzhia oblasts, identifying community needs and linking them with other program sectors. This led to the selection of Petro-Mykhailivska hromada as a key target location for the Economic Recovery program. *"So, when we were going through the GEO targeting process, it was originally the protection team that said, like, based on the needs and vulnerabilities we've identified, this would be a good Hromada to assess. And then the team went in and did the assessment with authorities and community members. And now following that project, actually, we have other sectors that are working in that Hromadas. So, we try to really use BHA funding to complement our broader portfolio to support community members."* (KII, DRC). Furthermore, the Protection team supported a local NGO working with IDP women in Zaporizhzhia, creating a pathway for these women to access VET grants. The Area Manager elaborated: *"Our Protection team in Zaporizhzhia was working with a group of women, and our VET, our economic recovery team, came in to give an info session on the VET activity, how they can apply, etc. Especially, what our community engagement often comes again in support with other teams."* (KII, DRC).

Targeted Outreach and Engagement with Communities: Outreach efforts for VET programs included collaborations with local unemployment centers, info sessions, and direct follow-ups to support applications. Women over 50 were specifically targeted by extending the upper age limit to 60, addressing a gap in employment opportunities for older individuals. *"I explained why I needed the training and argued for support. They provided me with assistance for travel and equipment, which helped me complete the course."* (KII, Women VET Trainee, Zaporizhzhia). The subsistence farmers were engaged through questionnaires and direct consultations during community meetings, focusing on agricultural inputs, household expenses, and land use. These methods addressed specific concerns, including the needs of elderly farmers and female-headed households. *"They asked about our daily expenses, like childcare costs and what we planned to spend the assistance on. For me, it was buying supplies for our garden to help sustain our household."* (FGD, Woman Subsistence Farmer, Mykolaiv). Business consultations were personalized, often involving on-site visits to understand operational challenges and equipment needs. *"They came to the pharmacy. They saw everything firsthand and understood the need."* (FGD, Woman Business Owner, Mykolaiv).



- 69% of the business owners reported being asked about your needs, challenges, and problems before the support they received, followed by 17% reporting the opposite, 13% not remembering and 1% preferring not to say. Both

women and men business owners appreciated consultations focused on specific needs, such as equipment purchases and operational challenges, with field visits being particularly valued for enabling the program to better understand local needs. *"We had a session where the team asked us what kind of support we needed, especially for buying generators and basic supplies. I appreciated how they made sure to check with us directly before finalizing anything."* (KII, Woman Business Owner, Kherson). *"The executive committee informed me about the grant, and I asked them questions over the phone. They guided me on how to fill out the forms correctly and what to focus on in the application."* (KII, Man Business Owner, Dnipro). **99% of business owners said business grants and counselling were relevant for meeting their immediate recovery needs of their businesses after the full-scale invasion began.** MSME grants, addressed critical challenges caused by the full-scale invasion, helping businesses to recover, adapt, and sustain operations. For example, a business owner in Kherson explained: *"This help helped me to increase my apiary... Thanks to the project, I was able to buy a trailer to make my operations more mobile. I no longer depend on renting equipment from others."* (KII, Man Business Owner, Kherson). Another business owner also mentioned that: *"The new freezer is no-frost, so I no longer have to defrost it manually. My old one required taking everything out and cleaning it constantly. Now, products stay fresh, and I'm not losing stock due to spoilage."* (KII, Woman Business Owner, Dnipropetrovsk).

- Among subsistence farmers, 58% reported that their needs, challenges, and problems were assessed prior to receiving support. In contrast, 23% stated that such consultations did not take place, while 20% were unable to recall whether these discussions occurred.** The DRC team prioritized direct engagement through village councils and community meetings. These sessions often involved questionnaires to identify the needs of households and the planned use of assistance. Subsistence farmers appreciated being asked about their specific needs, such as household expenses, agricultural inputs, and land use and felt their opinions were taken into account during the needs assessment and planning phases. *"They asked what we were doing, where we would use the money, and how much land we had. The communication was clear and straightforward."* (FGD, Man Subsistence Farmer, Zaporizhzhia). *"They asked us about our daily expenses, like childcare costs and what we planned to spend the assistance on. For me, it was buying supplies for our garden to help sustain our household."* (FGD, Woman Subsistence Farmer, Mykolaiv). Some also felt there were limitations to group discussions or broader community-level consultations, noting time constraints, overcrowding, and a preference for one-on-one interactions. *"There were so many people—those from Mykhailivka, us, and also Harbuzivka. I don't know, maybe there were about five people handling it. They were writing things down, and the line was long. People just kept moving forward."* (FGD, Man Subsistence Farmer, Zaporizhzhia). *"If there had been a bit more time, maybe. To have a proper conversation."* (KII, Man Subsistence Farmer, Dnipropetrovsk).
- The majority of VET trainees (75%) confirmed that their needs and challenges were assessed prior to receiving support, while 10% disagreed, and 15% could not recall.** The DRC team conducted info sessions in unemployment centers and community spaces, ensuring that vulnerable populations like women out of employment or with childcare responsibilities, IDPs, and older individuals were informed about opportunities. Many trainees appreciated the clarity of consultations and the support they received in matching training opportunities with their career goals. Women's inclusion in VET component was a key focus, with adaptations made to accommodate gender-specific barriers. For example, women over the age of 50 were included by raising the age limit to 60, acknowledging their challenges in accessing other employment opportunities. VET consultations addressed issues like childcare and household responsibilities, enabling women to participate in skill-building activities. *"I explained why I needed the training and argued for support. They provided me with assistance for travel and equipment, which helped me complete the course."* (KII, Woman VET Trainee, Zaporizhzhia).

FINDING 2: The project showed relevance by engaging local authorities, community leaders, and FSL cluster to address context-specific needs and vulnerabilities. Regular coordination with these actors synchronized the project activities with local needs and avoided duplication.

Data Sources: KIIs with stakeholders and desk review

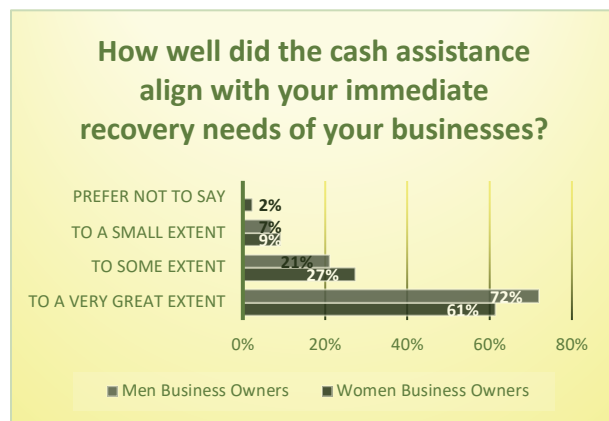
Initial consultations involved local authorities and community leaders, leveraging their knowledge of local needs and challenges. In many cases, these stakeholders facilitated outreach and mobilization of vulnerable groups. Additionally, DRC engaged FSL sub-clusters in the southern and eastern regions, using their expertise to refine targeting strategies and avoid duplication of efforts. These consultations allowed the project to incorporate broader insights into community needs. Cluster recommendations shaped

decisions on geographic targeting and project design. For instance, DRC incorporated advice to adjust interventions based on existing projects by other partners. Regular meetings with the FSL Cluster allowed for the alignment of program priorities with community needs. The Livelihoods Baseline Evaluation and several meeting reports during the desk review also revealed that local authorities and key stakeholders were involved in the project’s design and implementation, ensuring interventions were informed by those closest to the affected communities.

- Local Authorities and Community Leaders:** Local authorities were actively engaged to provide critical insights into local needs, vulnerabilities, and logistical challenges. They helped shape targeting strategies, geographical prioritization, and project design. *“We primarily contacted local authorities, who know things better. They provided key information that we requested, which was essential for designing our interventions.” (KII, DRC) “We talked to the DRC representatives, shared community needs, and helped mobilize vulnerable groups.” (KII, Village Leader and Community Focal Point, Zaporizhzhia)*
- Clusters and Coordination Mechanism:** Frequent consultations with the FSL Cluster and subnational clusters helped align the project with regional priorities and other humanitarian efforts. For instance, the sub-clusters advised on targeting strategies and provided updates on community needs. The FSL Cluster also helped align the project with regional priorities and other humanitarian efforts. For instance, the cluster advised on targeting strategies and provided updates on community needs. *“We had several coordination meetings with DRC. While I cannot specify which settlements were replaced, I am confident that our cluster’s recommendations informed their targeting of settlement areas.” (KII, FSL Cluster, Dnipro). “We had monthly meetings with cluster partners in Mykolaiv and Kherson regions. DRC was active in these meetings, consulting partners on lessons learned, difficulties, and updates on targeting.” (KII, FSL Cluster, Mykolaiv)*

FINDING 3: The project showed exceptional relevance, with 99% of business owners, 97% of subsistence farmers, and 99% of VET trainees reporting that the support was relevant in addressing their immediate and long-term recovery and employment needs.

Data Sources: FGDs, KIIs and surveys with project participants



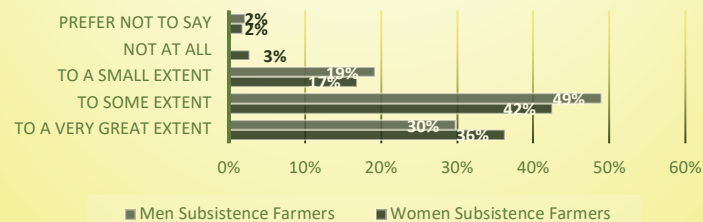
99% of business owners said business grants and counselling were relevant for meeting their immediate recovery needs of their businesses after the full-scale invasion began. MSME addressed critical challenges caused by the full-scale invasion, helping businesses to recover, adapt, and sustain operations. For example, a business owner in Kherson explained: *“This help helped me to increase my apiary... Thanks to the project, I was able to buy a trailer to make my operations more mobile. I no longer depend on renting equipment from others.” (KII, Man Business Owner, Kherson).* Another business owner also mentioned that: *“The new freezer is no-frost, so I no longer have to defrost it manually. My old one required taking everything out and cleaning it constantly. Now, products stay fresh, and I’m not losing stock due to spoilage.” (KII, Woman Business Owner, Dnipropetrovsk).*

97% of the subsistence farmers found that the sectoral cash assistance relevant to their needs.

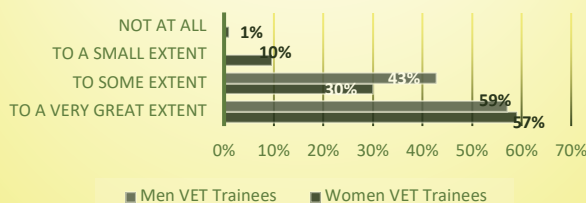
The sectoral cash assistance was relevant to enabling subsistence farmers to purchase essential inputs such as seeds, fertilizers, and feed for poultry, as well as tools and equipment to replace what was lost or damaged to continue farming and support their families. "We bought seed potatoes, saplings, and grain for the poultry. The funds helped us plant barley and maintain our household." (FGD, Woman Subsistence Farmer, Mykolaiv). The assistance also allowed farmers to purchase tools and equipment to replace what was lost or damaged to continue farming and support their families: "With the funds, I purchased a spade, hoe, rake, and water barrel. These tools were essential for maintaining my garden, as we had to manually dig due to limited access for equipment." (KII, Woman Subsistence Farmer, Kherson).

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Do you think did the project support help you with your most urgent farming needs, like getting seeds, equipment or fertilizers?



How well did the vocational training align with your immediate needs for employment?



99% of VET trainees evaluated cash support as relevant to their employment needs or business development.

The trainings were in line with their goals. A female VET trainee from Zaporizhzhia shared: "I wanted to learn hairdressing to gain independence. Even though the course was short, it gave me a foundation to build on." (KII, Woman VET Trainee, Zaporizhzhia). Many participants viewed the training as a relevant step toward gaining independence and entering the job market, matching to their aspirations: "These courses were like a breath of fresh air. During the war, when finding a job was hard, this training gave me skills and a direction to move forward." (KII, Woman VET Trainee, Mykolaiv).

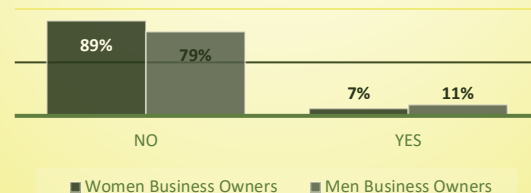
FINDING 3: Across participant categories, 83% of business owners and subsistence farmers found the assistance easy to access, while only 17% of business owners and subsistence farmers as well as 2% of VET trainees in rural or remote areas highlighted barriers due to limited access to smartphones or digital platforms.

Data Sources: FGDs, KIIs and surveys with project participants

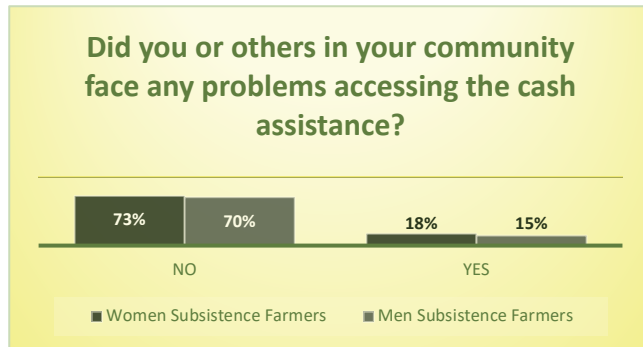
Business owners: learned about the project through local government departments, executive committees, or social media platforms and 83% reported no barriers in accessing the grants.

"I learned about the grant program from the DRC through our local government. They have a department that assists entrepreneurs by informing them about various support programs" (FGD, Woman Business Owner, Dnipro). Another respondent stated, "I found out through the internet. I was monitoring quite a lot of grant programs... I used Google to search for these grants and applied" (FGD, Man Business Owner, Mykolaiv). On the other hand, new entrepreneurs, especially those who started their businesses during the war, were not included due to a requirement of at least two years of business operation, which was considered as a barrier, particularly for individuals who took entrepreneurial risk

Did you or others in your community face any problems accessing the cash assistance?



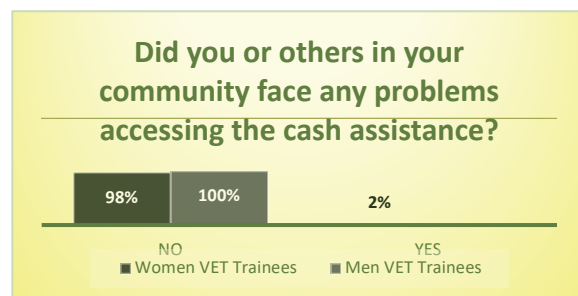
during the full scale invasion. *"This assistance did not apply to individual entrepreneurs (FOP) under the age of two years. They are the most vulnerable now, as they started everything during the war and were simply denied because they didn't meet the criteria."* (KII, Man Business Owner, Zaporizhzhia).



72% of subsistence farmers found the sectoral cash accessible without barriers and referred to local village councils and community leaders a source of information. Common communication channels included announcements via Viber, in-person village meetings, and paper notices, leveraging familiar community networks. *"Our village council wrote on our portal that there was support for agriculture or for planting vegetables—whatever people wanted, they could register"* (KII, Man Subsistence Farmer, Zaporizhzhia). Similarly, a participant in Mykolaiv shared, *"There was a chat on Viber. Naturally, we responded and went to the village council"* (FGD, Woman Subsistence Farmer, Mykolaiv Despite the

transportation support was part of the project, few respondents in areas of Mykhailivka and Tomakivka noted traveling to register for assistance by relying on their own resources.

Vet trainees used online platforms like Telegram, Facebook, and community networks to access information, which proved effective for digitally connected individuals and 98% found the assistance accessible. *"I found out about the program through a Telegram group for humanitarian aid."* (FGD, Woman VET Trainee, Kherson). Participants in rural or remote areas, or those without smartphones, found it difficult to access information about the project, which represented only 2% of the survey participants. Only few participants during the FGD reported shared concerns about those who did not have smartphones and thereby did not access the assistance.



FINDING 4: 96% reported (98% of business owners, 93% of subsistence farmers, and 98% of VET trainees) reported that the project activities met their overall expectations, with business owners using grants for equipment and operational improvements, subsistence farmers utilizing cash assistance for agricultural inputs, feed, and shelter for livestock, and VET trainees leveraging funds for vocational training, transportation, and professional tools. Participants identified opportunities for further support in business improvements, farming resources, skills development,

Data Sources: FGDs, KIIs and surveys with project participants

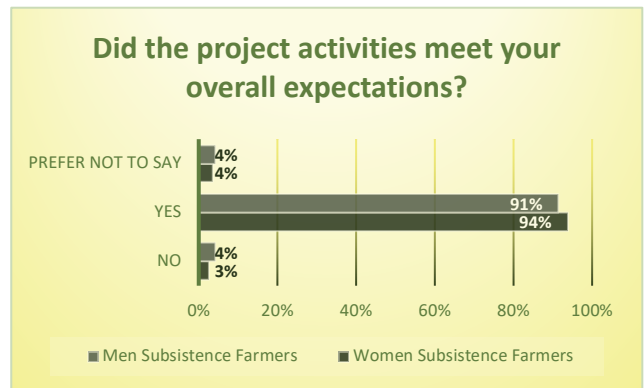
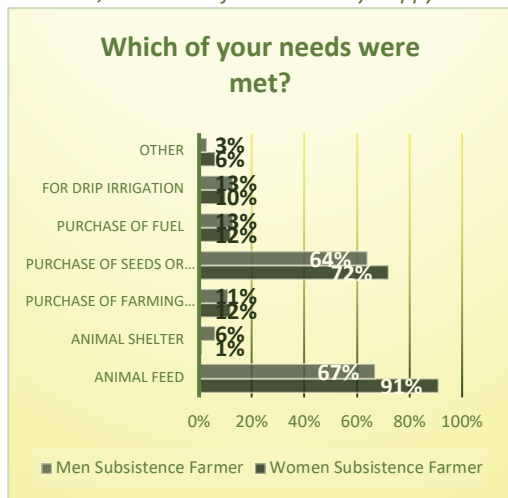


Almost all business owners (98%) were satisfied with the (98 business grants and counselling support received. They used the assistance for buying equipment, rental payments, purchasing raw materials, and for staff training (99%). *"Thanks to the grant, I purchased a generator, battery-powered cutting tools, and ergonomic chairs for my staff. These items have been critical during power outages."* (FGD, Woman Business Owner, Dnipro). *"I acquired a plow and other necessary agricultural*

tools. This grant helped me work more efficiently and reduced dependency on outdated machinery." (KII, Man Business Owner, Zaporizhzhia). Through counselling services, business owners gained insights into employee registration and labor contracts (1%). One respondent highlighted that the tax-related session was "incredibly helpful" and helped clarify processes like labor relations. Training on tax law empowered business owners to optimize their financial strategies and they avoided penalties by staying compliant even amid disruptions. Business owners also felt better prepared to handle formal documentation processes. Several respondents mentioned adjusting equipment or material choices in collaboration with project representatives, facilitating the business continuity despite logistical challenges. *"The advice on sourcing was spot-on. I could expand my inventory without overspending, which really stabilized my business during the crisis."* (KII, Man Business Owner, Zaporizhzhia).



A lion's share of subsistence farmers (93%) reported their expectations were met by the sectoral cash assistance. 73% used the cash for agricultural inputs like seeds, fertilizer, fuel, and drip irrigation, as the project aligned with subsistence farmers' seasonal needs, such as planting and harvest preparation. *"We bought potatoes, beets, carrots, onions—all for planting. Cabbage, cucumbers—everything was homegrown. This year, thank God, everything was our own. Yes, it's wonderful. We're very happy with this."* (KII,



Woman Subsistence Farmer, Mykolaiv. *"We spent the money on sowing. We planted barley. We also bought potatoes near the house and grain for the poultry. All the money went toward seeds."* (FGD, Woman Subsistence Farmer, Mykolaiv). Many subsistence farmers (38%) prioritized their funds for securing feed and maintaining shelters for poultry or livestock, which was critical in regions where drought or limited grazing resources made feeding animals a challenge and to protect poultry and livestock throughout the Ukrainian winter. *"We had an issue with chickens and feed. Previously, we bought feed from the store, which was very expensive. With this money, we were able to purchase feed locally and solve the problem for the whole year, which was great."* (FGD, Woman Subsistence Farmer, Zaporizhzhia). 30% purchased poultry, firewood, and solid fuel, addressing

food security¹³. "We bought ten chickens and ducks, so we managed to grow them. Hopefully, by spring, we'll have more." (FGD, Woman Subsistence Farmer, Mykolaiv). Less than 5% of respondents indicated that they also used funds for their meeting household heating needs, conducting repairs and purchasing tools like brush cutters and pumps to restore and maintain properties as well as addressing vital expenses such as medicines, food, and debt payments, showing integration with DRC's basic needs programming.



98% of VET Trainees reported satisfaction were satisfied with cash assistance. 46% used cash assistance for vocational training to support skills development by attending VET courses. "The funds covered my enrollment in hairdressing and eyebrow styling courses, which have opened up potential income opportunities for me." (KII, Woman VET Trainee, Zaporizhzhia). Another VET trainee from Dnipro mentioned that: "I enrolled in massage therapy training and learned specialized techniques like trigger point and abdominal massage. The grant also covered some of the travel expenses for attending the courses" (KII, Woman VET Trainee, Dnipro). 55% reported utilizing transportation allowance to cover their commuting expenses to the courses as well as purchasing tools and materials necessary for their professions, enabling them to practice their skills and start earning. "I had to travel to another city for a massage therapy course, and the transportation allowance reimbursed me for the train and bus expenses" (KII, Woman VET Trainee, Dnipro). Another VET trainee also reported that: "I bought a sewing machine, which was essential for practicing at home and taking small tailoring jobs" (KII, Woman

VET Trainee, Mykolaiv).

The grant amounts were insufficient to cover all necessary expenses as per of emergency economic recovery programming. Business owner reported further needs for expanding inventory or improving their facilities. While some business owners invested in generators to address frequent power outages, some still reported the need for sustainable solutions like solar panels. Few noted more funds are needed to stock enough medications in pharmacies or raw materials for production due to misaligned rise of costs of goods against the income generation, although spending on inventory is typically not regarded as a sustainable use of a business grant. More interest was also observed from the business owners in continuing education and training (e.g., marketing, financial management). Subsistence farmers reported more need for funds to further increase their ability to purchase seeds, saplings, fertilizers, and other essentials. They reported need for tools like water pumps or cultivators for effective farming. VET trainees expressed their desire for a support on finding jobs in their fields of training received (e.g., massage therapy - due to limited local demand or absence of massage parlor). Some trainees noted the need for longer or more advanced courses to better prepare for employment. Continued engagement with advanced training, follow-up programs, or alumni networks were key needs remaining for some.

FINDING 5: DRC streamlined application processes, consolidated payment tranches, tailored business support, and simplified fund access to improve efficiency and responsiveness. Delays in fund disbursement, limited flexibility in resource use, and inadequate follow-up hindered participants' ability to address evolving needs, particularly for subsistence farmers.

Data Sources: FGDs, KIIs and surveys with project participants, KIIs with stakeholders and desk review

DRC implemented various mechanisms to collect and utilize participant feedback to adapt project activities which included included formal consultations, needs assessments, PDM surveys, direct communication through local authorities, and a Complaints and Feedback Mechanism (CFM). Key adjustments were made in the following areas;

- **Simplification of Application Process:** DRC streamlined these processes to improve accessibility. "Your form was very complex... I didn't quite understand why it was necessary to fill out the economic component concerning entrepreneurs operating in the area. Later, DRC provided guidance that clarified the forms." (KII, Village Leader and Community Focal Point, Dnipro). This is also supported by 2% of the business owners and 3% of the subsistence farmers aged 50 and above found the application process "to a small extent" easy while 3% of the subsistence farmers responded as "not at all", majority being from Kherson.

13 Several respondents indicated that their household heating needs were also met, reflecting integration with basic needs programming of DRC.

- **Flexibility in Business Grants Requirements:** Participants were provided with the flexibility modifying their grant: *"When I realized some equipment was unavailable, I contacted the DRC focal point, who was incredibly supportive. She allowed me to purchase alternative sewing machines that were available. (FGD, Woman Business Owner, Dnipro).*
- **Adjustments to Payment Structure:** Feedback from VET trainees highlighted the logistical challenges of multiple payment tranches. This prompted DRC to adjust payment methods for greater convenience. Payments were consolidated into fewer tranches to reduce delays and improve efficiency. *"Our database initially worked to provide assistance in two tranches: first for training and then after confirmation of payment, the second tranche. However, many training providers wanted to receive 100% of the tuition fee upfront. The mechanism was later changed to provide the payment in one tranche to address this issue." (KII, DRC).*
- **Support for Business Development Needs:** Local businesses provided feedback about specific challenges, such as energy needs and market access. This influenced the project's design and resource allocation. Funds were redirected to address power outages and expand business capabilities. *"I purchased a generator and upgraded my office equipment, which were critical during blackouts. This flexibility was only possible after discussing it with my grant manager." (FGD, Woman Business Owner, Dnipro).* Moreover, consulting services were tailored to meet industry-specific demands, such as export procedures for beekeepers. *"We worked with an export consultant who organized a general meeting for all beekeepers to discuss legislative changes, certifications, and export platforms." (KII, DRC).*
- **Addressing Common Queries:** After noticing recurring questions, especially about eligibility and taxation for MSMEs, talking points were developed to provide consistent answers. *"We created a set of talking points for hotline operators to clarify eligibility and selection criteria for MSMEs." (KII, DRC).*
- **Simplified Processes for Rural Participants:** Rural participants, especially elderly individuals, highlighted difficulties in accessing tranche-based payments through limited local banking infrastructure. While 4% of business owners and 2% of farmers from Dnipropetrovsk reported challenges with the cash access process, the project had already included flexible options such as cash delivery via Ukrposhta from the outset. To address accessibility, especially in areas where Raiffeisen Bank branches were unavailable, the project ensured payments could be received through Ukrposhta, simplifying fund access. The registration tool allowed beneficiaries to specify their preferred cash delivery method, including Ukrposhta. Additionally, the business grant was not disbursed in tranches, which further streamlined the payment process.

However, limitations persisted in how participants input influenced broader decision-making and real-time adjustments. It was only 44% of the evaluation participants (78% of business owners; 11% of subsistence farmers and 61% of VET trainees) who reported being able to provide feedback during the project about how their needs were changing. Out of them 44% reported that the project team made any changes to the support based on their feedback.

- Participants highlighted several challenges that impacted the program's effectiveness and adaptability. While feedback mechanisms were in place, participants felt their input had limited influence on decisions, such as grant amounts and eligibility criteria, which were perceived as predetermined and disconnected from their diverse needs. *"I think they predetermined who would receive assistance. Not everyone who needed it got in." (FGD, Woman Subsistence Farmer, Mykolaiv).* Moreover, subsistence farmers households emphasized the importance of aligning assistance with planting and harvesting cycles. Delays in fund disbursement undermined the utility of the support in these contexts, according to few participants.
- Several participants across different regions emphasized that receiving funds after the planting season rendered them unable to buy seeds, fertilizers, or hire equipment as originally planned, leading to missed opportunities for timely cultivation. *"We received funds after the planting season, so we couldn't use them for seeds as planned. This timing issue affected many of us." (FGD, Man Subsistence Farmer, Zaporizhzhia).* In areas like Kherson and Mykolaiv, participants highlighted how late support, combined with challenges like drought, further exacerbated their struggles, resulting in poor harvests or failed crops.
- Many participants expressed frustration with the restrictive guidelines that confined the use of resources strictly to agricultural needs. For example, a woman subsistence farmer in Mykolaiv explained, *"I wanted to use part of the funds for building a greenhouse, but they said the funds were only for specific purposes." (KII, Woman Subsistence Farmer, Mykolaiv).* Farmers described unexpected price increases for seeds, fertilizers, or equipment, which forced them to make tough decisions when program rules did not allow reallocations. Others mentioned critical needs such as repairing infrastructure like greenhouses or purchasing tools that could improve long-term productivity, but these expenditures were not permitted. *"Our greenhouse was damaged, and I needed materials to repair it. But they said the funds were*

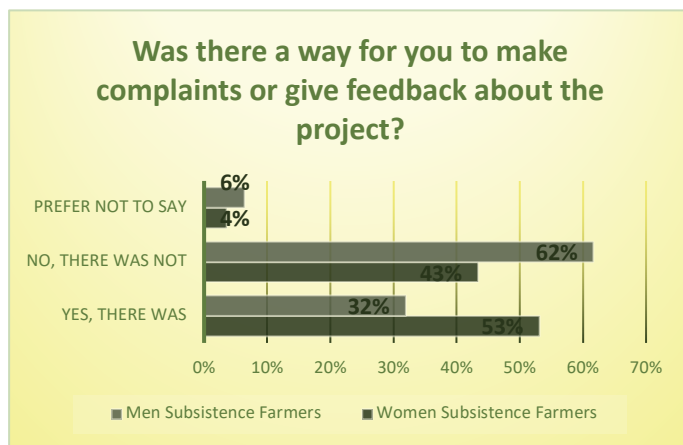
only for seeds or feed. It was frustrating because the greenhouse would help us grow more for the next season." (KII, Woman Subsistence Farmer, Mykolaiv).

- While initial needs assessments were thorough, there was limited follow-up to address new or evolving challenges faced by subsistence farmers. "The drought significantly affected our orchards after we received the funds, but no one followed up to help us address these losses." (FGD, Man Subsistence Farmer, Mykolaiv).

FINDING 8: Awareness and utilization of the Complaint and Feedback Mechanism (CFM) varied across groups, with VET trainees reporting the highest awareness (81%) and utilization (48%), followed by business owners (77% awareness, 37% utilization), and subsistence farmers showing the lowest awareness (47%) and engagement (9%). Across all groups, those who used the CFM generally found it accessible (71%-97% reported ease of use), and the majority had their feedback addressed effectively, though subsistence farmers were the least informed and least likely to perceive the need to engage.

Data Sources: FGDs, KIIs and surveys with project participants

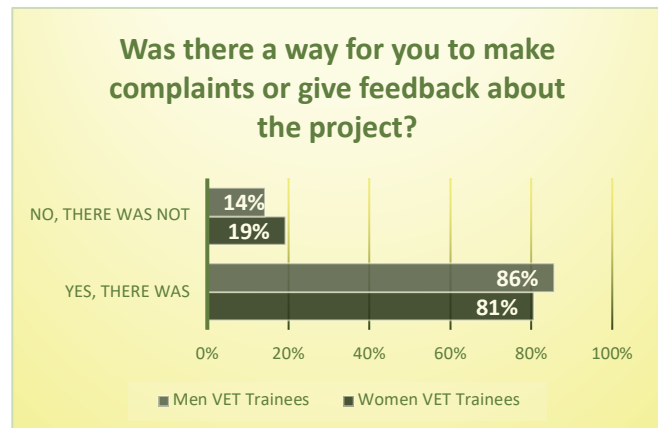
77% of the business owners reported awareness on the CFM channels and out of them 37% used it while 86% of who used CFM reported finding it easy "to a great extent" and 14% "to some extent". 59% of who used the CFM reported their complaints/feedback having been addressed. Many respondents mentioned having direct communication channels with the DRC focal points—who were responsive and provided immediate support. Awareness was built early during the application or program onboarding process. For example, business owners reported being informed about contacts and support channels, which they could access through phone calls, emails, or messengers like Telegram. Participants frequently highlighted the promptness of responses, even during high workloads. DRC focal points were noted for their availability "24/7," which reinforced trust and minimized frustration. "The DRC focal point answered all the questions, answered everything. Even if he was busy talking on the phone, he would definitely call back. He was in touch 24 hours a day, 7 days a week." (KII, Man Business Owner, Kherson).



47% of the subsistence farmers reported awareness on the CFM channels and out of them 9% used it while 71% of who used CFM reported finding it easy "to a great extent", 14% "to some extent" and another 14% "not at all". 86% of who used the CFM reported their complaints/feedback having been addressed. Many farmers did not know how to provide feedback or file complaints. Several explicitly stated they were not informed about a hotline or other contact options for raising concerns. In cases where contact details were provided, they were often not retained or used. For example, some participants recalled receiving brochures or numbers but did not engage with them due to a lack of perceived necessity. Most respondents did not feel the need to provide feedback or make complaints, attributing this to satisfaction with the program or

resignation to circumstances. Many believed that "complaining would not change anything". "Even if we complain, who's going to change it? They have their own system." (KII, Man Subsistence Farmer, Kherson).

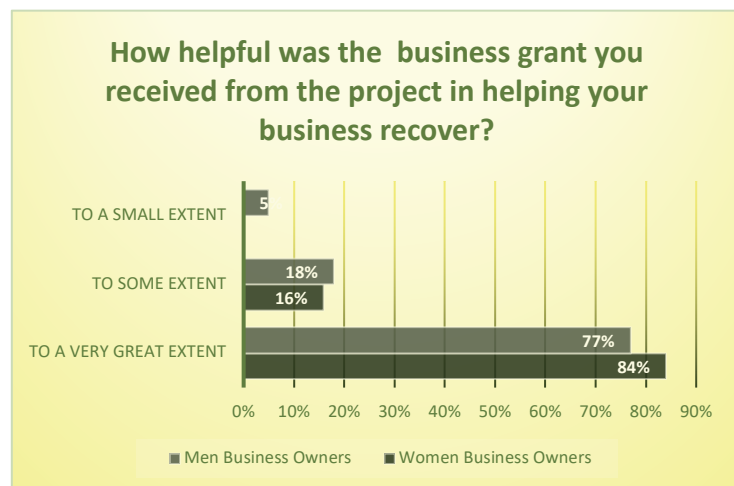
81% of the VET trainees reported awareness on the CFM channels and out of them 48% used it while 97% of who used CFM reported finding it easy “to a great extent” and 3% “to some extent”. 87% of who used the CFM reported their complaints/feedback having been addressed. VET trainees confirmed that they were aware of feedback mechanisms. They mentioned having access to phone numbers, hotlines, and even brochures with contact information for raising concerns, submitting complaints, or providing feedback. *“I was given booklets at the interview, and when the girls called, I saved all the numbers, wrote them down, and when I had unclear questions about payment, I called the girls and said, ‘Can I do it like this?’ And they said, of course, you can. Just keep all the receipts.”* (KII, Woman VET Trainee, Zaporizhzhia). Participants often received information during their orientation or meetings with the project team, where the mechanisms were explained. *“I know that yes, as far as I understand, DRC has a hotline. And you can also contact them on Facebook and Instagram. They also gave me brochures and phone numbers where I could call. .”* (KII, Woman VET Trainee, Kherson).



3.2. EFFECTIVENESS

FINDING 1: MSME owners addressed critical equipment shortages (97%), improve productivity, increase knowledge (84%) and hire additional staff, particularly in education, agriculture, and manufacturing sectors. However, challenges such as insufficient funding, logistical barriers, and equipment unavailability limited the project’s ability to fully meet recovery needs amidst the ongoing war.

Equipment Upgrades: For a lion’s share of businesses (97%), the grants provided a lifeline by addressing critical equipment shortages caused by the full-scale invasion. In Mykolaiv, a business owner used the grant to replace destroyed assets with essential items like a diesel generator, a computer, and a printer. *“We used [the grant] to buy a printer and food equipment. A diesel generator, because we have power outages. [...] We bought a computer, a diesel generator and a printer with the money you gave us.”* (KII, Man Business Owner, Kherson). Similarly, pharmacies relied on grants to purchase backup power supplies like generators and batteries, which ensured medication storage under optimal conditions during blackouts. *“I decided to invest the grant into preparing for the anticipated electricity outages in autumn and winter. I bought a generator and a backup battery. This ensures we can maintain proper storage conditions for medications, which is critical”* (FGD, Man Business Owner, Mykolaiv). Through purchase of necessary tools, business owners leveraged grants to fill gaps that hindered daily activities. A garment production business in Kryvyi Rih, Dnipropetrovsk Oblast, acquired a high-capacity generator, cutting tools, and marking devices, enabling uninterrupted production during blackouts. For poultry incubators, businesses managed cyclical processes by combining generators with battery systems, ensuring that temperature-sensitive operations were not compromised during outages.



Improved Efficiency and Quality: The grants allowed businesses to upgrade to more modern and efficient equipment. For example, a beekeeper in Mykolaiv Oblast automated honey transfer with a pump purchased through the grant, significantly reducing manual labor and increasing productivity. In Dnipropetrovsk Oblast, ergonomic chairs and high-performance computers

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improved staff comfort and operational efficiency, particularly in design and production processes. Some businesses expanded their capabilities by investing in specialized tool. *"This grant was like a safety net for me. Equipment is incredibly expensive these days, and I used the funds to purchase items for two sensory rooms—one light and one dark. With this, I've been able to hire a full-time employee, expand my services, and now offer higher-quality and broader services. The equipment is primarily for children with developmental issues, such as delayed development, mild intellectual disabilities, or cerebral palsy" (FGD, Woman Business Owner, Dnipro).*

Increased Knowledge: 84% of business owners found the business counselling to be impactful, praising the practical and actionable nature of these sessions. Topics like marketing, labor contracts, and operational strategies were often highlighted as particularly relevant by business owners. Counselling sessions addressed specific challenges faced by businesses in conflict-affected areas such as navigating logistical disruptions, maintaining operations during power outages and ensuring compliance with changing regulatory environments. For example, businesses learned how to adapt their workflows to handle unpredictable electricity and supply chain issues. The counselling also helped business owners think creatively about expanding their businesses. Educational service providers used training to develop programs for children with special needs, broadening their customer base. *"This project allowed me to realize my dream. When we moved to the new building, we addressed urgent needs and completed some renovations, but I had always dreamed of opening a workshop for children. Children, especially those with special educational needs, often struggle with socialization and life skills. They need to learn to use their hands, interact with one another, and work as a team. All of this can be developed through creative activities that are also practical for them" (FGD, Woman Business Owner, Dnipro).* Businesses in agriculture and manufacturing adopted new technologies and techniques discussed in the sessions, improving productivity and reducing costs. *"We took fertilizers because it worked out very well. We changed the technology of sowing winter wheat and winter peas. And this is exactly what we did. We used these fertilizers on one wheat crop just as we were deciding to change our supplier, and it just happened to be a perfect fit" (FGD, Man Business Owner, Mykolaiv).*

Increased Job Opportunities: Several MSME owners hired additional staff to support their business growth and meet increased production demands facilitated by the grants. For example, an educational business hired a full-time employee for sensory rooms to serve children with special needs, enabled by the grant *"Equipment is incredibly expensive these days, and I used the funds to purchase items for two sensory rooms—one light and one dark. With this, I've been able to hire a full-time employee, expand my services, and now offer higher-quality and broader services."* (FGD, Woman Business Owner, Dnipro). The grants enabled automation or improved productivity, allowing existing staff to take on new roles and responsibilities rather than being replaced. In a beekeeping business, the grant-funded purchase of an automatic pump for honey transfer allowed a worker to shift focus to higher-value tasks: *"The person is still with us, but they now perform other duties, and overall productivity has increased" (FGD, Man Business Owner, Mykolaiv).*

Challenges such as insufficient funding, logistical barriers, and equipment unavailability hindered businesses from fully addressing their operational and recovery needs in the full-scale invasion context.

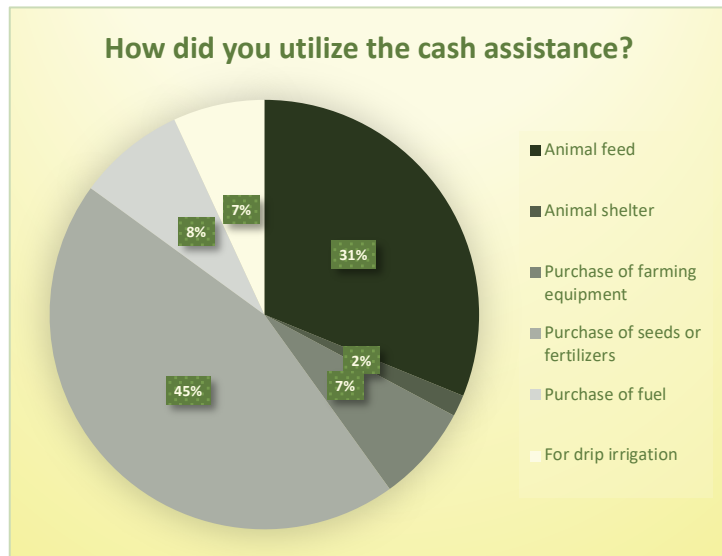
- **Limited Funding Scope:** Many business owners highlighted that the grant amounts were insufficient to address the scale of losses incurred due to the full-scale invasion. *"If 12 million had been allocated for this structure, not 127 thousand, we would have spent it on something more serious. But thank you for this. Just so you understand, we have not received a penny from our state" (KII, Man Business Owner, Kherson).* Another participant in orizhzhia mentioned: *"We needed fertilizers, but we wish we had more funds for better equipment. We couldn't cover all our operational gaps" (KII, Man Business Owner, Zaporizhzhia).* War-related disruptions in supply chains and infrastructure continued to hinder business operations.
- **Logistical Challenges:** A business owner in Mykolaiv remarked: *"The roads are terrible, and people from rural areas struggle to access medications. I supply rural healthcare points, but we lack funds to adequately stock these points" (FGD, Man Business Owner, Mykolaiv).*
- **Equipment Availability:** Several business owners encountered delays or adjustments due to unavailable or costly equipment. In Kryvyi Rih, a business owner mentioned: *"Unfortunately, some of the equipment I initially requested wasn't available in Ukraine. Waiting for it would take too long, so I discussed alternatives with the DRC Focal Point" (FGD, Woman Business Owner, Dnipro).*

FINDING 2: Subsistence farmers successfully addressed critical seed and fertilizer shortages (60%), sold their agricultural products (49%), and sustained livestock productivity (31%), particularly in regions impacted by displacement and conflict. However, challenges such as high input costs, water scarcity, inadequate irrigation infrastructure, and logistical barriers

limited the program’s ability to fully support long-term agricultural recovery and market access amidst ongoing systemic challenges.

Utilization of Sectoral Cash: *The largest share of cash assistance was spent on seeds and fertilizers (69%), which allowed farmers to plant crops despite challenging conditions.*

In FGDs and KIIs, subsistence farmers frequently mentioned that purchasing seeds helped them sustain or restart their agricultural activities after losses due to conflict or displacement. *"The seeds we bought with the funds were essential. We couldn't afford them on our own, and this allowed us to plant vegetables for our family's needs."* (KII, Woman Subsistence Farmer, Zaporizhzhia). A significant portion of funds was used for livestock feed (48%), ensuring that animals remained healthy and productive. Subsistence farmers in Kherson and Zaporizhzhia emphasized that without the aid, they would have been unable to sustain livestock, a critical livelihood component. In some cases, the funds enabled farmers to maintain milk production or raise poultry. *"Raising ducks and chickens was possible because of this aid. Now, we have eggs and some meat for our family, which helps us get through these tough times."* (FGD, Woman Subsistence Farmer, Mykolaiv).



Sale of Agricultural Production: *Sectoral cash assistance boosted production and sales, but market access and infrastructure challenges remained hurdles to sustainable growth.* 49% of subsistence farmers successfully used cash assistance to purchase seeds, fertilizers, or expand livestock (e.g., poultry or beehives), enabling them to better engage in agricultural sales. In areas like Petro-Mykhailivka in Zaporizhzhia Oblast, subsistence farmers expanded their beekeeping operations, producing honey for both household use and sale. Access to funds allowed some beneficiaries to overcome immediate financial barriers, increasing their production capacity and enabling market participation.

Improved Access to Irrigation: *Sectoral cash assistance enabled some farmers to make irrigation-related investments, but many relied on short-term solutions like water delivery.* For most farmers, cash assistance was directed towards immediate needs like seeds, fertilizers, and animal feed as first priority. Irrigation investments (11% of total funds) were often deprioritized due to their high cost and lack of infrastructure and 56% of farmers noted improved ability to access or invest in irrigation for their agricultural activities. Out of this 56%, hiring transportation for water delivery (38%) was the most common investment, investing on drip irrigation systems (31%), water storage solutions (19%) and improved access to shared irrigation resources (8%) were the key improvements. Farmers with larger plots were unable to scale irrigation investments due to the prohibitive costs of systems like drip irrigation or well installation. Regions with better access to water or community-managed systems saw more impact from irrigation-related investments. However, areas like Mykolaiv and Zaporizhzhia, which faced extreme drought and limited water availability, showed less improvement. Few subsistence farmers who managed to invest in drip irrigation systems saw some improvements: *"I used part of the funds to buy drip irrigation pipes, which helped a little for my vegetable garden. It's not enough for the whole farm, but it's a start."* (KII, Woman Subsistence Farmer, Kherson).

Coping Mechanisms¹⁴: *The sectoral cash successfully mitigated some financial stress, preserved assets, and improved food security, though systemic challenges like water scarcity and high input costs remained critical barriers to resilience. Compared to*

14 The baseline sample size (9278) is much larger than the endline (127), potentially influencing the observed changes. This may reflect either a targeted follow-up with a smaller group or a variation in sample characteristics.

the baseline value (2.91), the endline rCSI score increased to 5.43, indicating that while farmers are still relying on negative coping strategies, there has been a notable reduction in the severity of these mechanisms. Specifically, the maximum rCSI score decreased significantly, from 37 at baseline to 16 at endline. This shows that the worst-affected farmers are now using less severe coping strategies. Qualitative data further supports this improvement. Many subsistence farmers reported that cash assistance enabled them to avoid selling productive assets like livestock in addition to producing for their own consumption: *"The cash assistance came just in time. We were planning to sell our cows to buy feed, but this allowed us to keep them."* (FGD, Woman Subsistence Farmer, Kherson). Some farmers reported that the assistance reduced their dependence on high-interest loans to purchase inputs: *"Previously, we borrowed money to buy seeds and feed, but this year we didn't need to because of the aid."* (KII, Woman Subsistence Farmer, Kherson).

Sectoral cash assistance helped subsistence farmers meet immediate needs but fell short of addressing systemic challenges such as high input costs, water scarcity, and lack of equipment. The high cost of seeds, fertilizers, and pesticides remained a significant barrier, limiting investments: *"Seeds and fertilizers are so expensive now that even with the assistance, we couldn't buy enough. We had to make choices—either plant less or buy lower-quality inputs"* (FGD, Woman Subsistence Farmer, Mykolaiv). Nearly 39% of respondents highlighted water scarcity, exacerbated by limited irrigation systems and costs: *"We can only water for a couple of hours a day, and it's technical water, not suitable for many crops"* (KII, Woman Subsistence Farmer, Zaporizhzhia). Additionally, limited access to tools and machinery constrained farmers' ability to scale production. Only 11% of cash assistance was used for equipment, often second-hand: *"We had to buy second-hand tools and even those required adding our own savings. Modern equipment is beyond our reach"* (KII, Woman Subsistence Farmer, Kherson)."

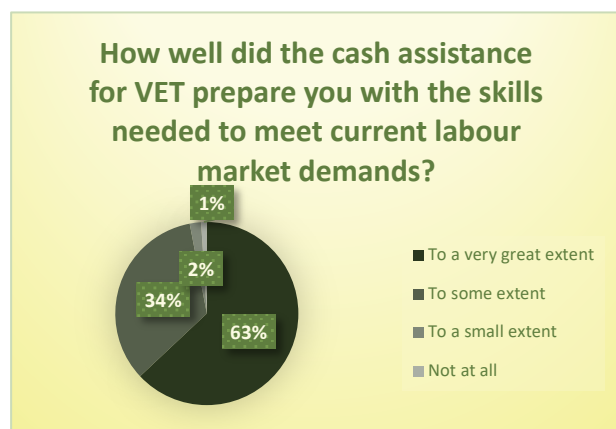
- Poor Market Access:** Subsistence farmers highlighted **poor road infrastructure and high transportation expenses** (37%) as barriers to accessing markets, especially in remote areas. With limited local buyers, traveling to regional markets became a costly burden, eroding their profit margins. *"We planted, but there's no one to buy our crops locally, and going to the market costs too much. The roads are terrible, and by the time we pay for transportation, there's no profit left."* (KII, Woman Subsistence Farmer, Mykolaiv). *"We can't afford to hire trucks to take our crops to the city. For small farmers like us, the costs are just too high."* (FGD, Woman Subsistence Farmer, Mykolaiv). Farmers also faced the issue of low profitability (36%), driven by the combination of depressed local crop prices and increasing input costs (e.g., seeds, fertilizers, and tools). This imbalance meant that even when farmers successfully planted and harvested, their earnings remained insufficient to cover costs or reinvest in future production. *"At the market, the prices are so low it feels like we're giving our crops away for free. And the cost of farming keeps rising—it doesn't make sense."* (KII, Woman Subsistence Farmer, Velyka Oleksandrivka, Kherson). The **lack of adequate storage facilities** (18%) emerged as another major challenge, particularly for perishable crops. Without proper storage solutions, farmers experienced significant losses due to spoilage, which further reduced their income potential. *"Without proper storage, much of what we harvest is wasted before it can be sold. We lose a big portion of our vegetables and potatoes every year."* (FGD, Subsistence Farmer, Zaporizhzhia).
- Dependence on Low-Quality Inputs:** Faced with rising costs of high-quality seeds, fertilizers, and pesticides, many farmers were forced to purchase cheaper, lower-quality alternatives, which had adverse effects on their yields and overall productivity. *"The fertilizers we could afford didn't work as expected. Everything grows slower, and the harvest is smaller."* (FGD, Woman Subsistence Farmer, Kherson). Additionally, the lack of knowledge or access to reliable suppliers left some farmers vulnerable to purchasing counterfeit or substandard inputs. Farmers described instances where fertilizers or pesticides appeared ineffective or even harmful to their crops. *"We bought fertilizers from a local seller, but they were probably fake. The plants didn't grow well, and some even dried up."* (KII, Woman Subsistence Farmer, Kherson). *"We don't have reliable suppliers here. Sometimes we take what's cheapest, but we pay the price in the harvest."* (FGD, Woman Subsistence Farmer, Mykolaiv).
- Inadequate Irrigation Infrastructure:** Farmers described the dire impact of limited irrigation infrastructure, such as the lack of wells, pipelines, and affordable water sources. In regions like Mykolaiv and Zaporizhzhia, where dry weather conditions are prevalent, the absence of irrigation systems rendered agricultural investments futile. *"Without proper irrigation systems, even the best seeds won't give results. We need help with wells or pipelines."* (FGD, Woman Subsistence Farmer, Mykolaiv). Farmers recounted instances where crops wilted or yields were minimal due to their inability to water fields adequately. Many explained that existing water delivery methods, like manually hauling water or relying on basic buckets, were insufficient for larger plots of land: *"We water with buckets, but it's not enough. Without irrigation, the plants dry up before they can grow properly."* (KII, Woman Subsistence Farmer, Kherson).

- High Transportation Costs for Water:** Farmers also highlighted the significant cost burden of transporting water, particularly in areas where local water sources were either depleted or unsuitable for irrigation. *"Hiring vehicles to bring water eats into whatever little we make from selling produce."* (FGD, Woman Subsistence Farmer, Zaporizhzhia). They shared that the cost of transporting water often exceeded the value of the crops themselves, creating a scenario where even successful harvests yielded minimal or no profit. For instance: *"Water is scarce, so we have to bring it from far away. By the time we pay for transport, there's nothing left to make a living."* (KII, Woman Subsistence Farmer, Zaporizhzhia). *"Good water costs so much. We can't even use the salty local water for irrigation because it ruins the soil."* (FGD, Woman Subsistence Farmer, Mykolaiv).

FINDING 3: VET trainees successfully utilized cash assistance to access vocational education, cover course costs, and purchase essential tools (99%). However, challenges such as insufficient course duration (40-50%), limited practical application (30-40%), lack of professional experience (30-35%) and financial constraints (20-30%) limited trainees' ability to transition seamlessly into stable employment.

Utilization of cash for VET: All VET trainees utilized the cash assistance to cover the costs of VET courses they identified. Additionally, we provided a small grant for transportation, where applicable, and another grant to cover essential tools for participation or follow-up after the course. VET trainees reported using the funds primarily to cover costs associated with training, such as course fees, transportation, and materials. For instance, one trainee mentioned the assistance allowed them to buy essential equipment like massage tables, oils, and other tools required to start practicing the skills learned during the course. *"I used the funds to pay for my hairdressing courses. The program allowed me to cover half of the tuition fees, which made it easier for me to join the training center."* (KII, Female VET Trainee, Mykolaiv). In the southern areas, the project also partnered with state educational service providers, enabling participants to receive partial state certifications in fields such as plastering, cooking, and tailoring. These certifications were highly valuable in the local labor market, enhancing employment opportunities for participants. Notably, around 35 out of 230 beneficiaries successfully earned such certificates, contributing to the project's broader vocational impact. This effort is particularly significant as it highlights engagement in traditionally male-dominated skills like plastering, in addition to more 'female-oriented' vocations such as hairdressing and tailoring. Participants expressed appreciation for these opportunities, which allowed them to access a diverse range of career paths and skill development. Several respondents emphasized the importance of the funds in purchasing essential tools for their trade. Hairdressing trainees bought tools such as scissors, clippers, and trimmers; massage therapy trainees purchased oils and equipment for professional practice and culinary trainees used funds for specialized kitchen tools. Some participants, especially those relocating or commuting to other cities for training, used the funds to cover travel and accommodation costs. VET trainees also occasionally allocated portions of the cash to meet subsistence needs during the training period, such as food and temporary housing. *"I used part of the funds for food during the training because commuting daily was expensive and I couldn't afford both travel and meals otherwise."* (KII, Female VET Trainee, Mykolaiv).

Skills Development and Employment Opportunities: The VET programs effectively provided foundational and practical skills for 99% of the VET trainees in various trades such as hairdressing, massage therapy, cooking, and Excel for business analytics. These skills enhanced the VET trainees' confidence and preparing them for potential employment. *"The massage techniques I learned were unique and not easily found in my region. I believe these will help me stand out."* (KII, Woman VET Trainee, Dnipro). Although many VET trainees improved their job readiness, translating these skills into stable employment varied by individual circumstances and local market conditions. *"I'm now doing an internship at a café, applying what I learned in cooking courses. It's a big plus because I already understand these basics."* (KII, Woman VET Trainee, Kherson).



- Insufficient Course Duration:** The short duration of the courses was the most commonly cited challenge, particularly among participants in technical vocations. Trainees highlighted that professions requiring in-depth skills—such as massage therapy, tailoring, and plastering—demanded longer training periods to achieve mastery and confidence. Around 40-50% of participants in FGDs and KIIs mentioned course duration as a key issue. A woman trainee from Zaporizhzhia noted: *“Three months is not enough for a profession like this. I need more in-depth knowledge to be competitive.”* (KII, Woman VET Trainee, Zaporizhzhia). In Kherson FGDs, nearly half of the participants (4 out of 9) emphasized that they felt underprepared: *“Three months gave me basic skills, but if I had more time to practice, I would feel much more confident to work with clients.”* (FGD, VET Trainees, Kherson).
- Practical Application:** Insufficient hands-on practice was another frequently reported challenge by 30-40% of the participants, affecting VET trainees’ ability to apply their skills effectively in real-world settings. These VET trainees attended the courses on massage techniques, beauty and haircare, sewing and tailoring. While theoretical components were deemed useful, they were not sufficient for professions requiring practical expertise. A trainee from Mykolaiv stated: *“I wanted more hands-on practice. Theory is useful, but without enough real-world application, it’s hard to feel confident.”* (KII, Woman VET Trainee, Mykolaiv). This was particularly strong in technical vocations like massage therapy and plastering, where 3 out of 7 participants in one FGD stated: *“We practiced techniques on each other during class, but it wasn’t enough. We needed real clients to work on.”* (FGD, VET Trainees, Kherson).
- Limited Professional Experience to Find an Employment:** The lack of professional experience for finding an employment was a significant barrier for trainees who were entirely new to their chosen fields. This issue was particularly pronounced in technical professions, where portfolios and practical demonstrations of skill are essential for employment. Around 30-35% of trainees mentioned professional experience as a barrier. A woman from Mykolaiv expressed: *“The course gave me basic knowledge, but employers are looking for more experience or a portfolio, which I don’t have yet.”* (KII, Woman VET Trainee, Mykolaiv). New entrants into plastering and massage therapy described their struggle to compete in the market: *“Employers want to see examples of work. Without prior experience or a portfolio, I feel like I don’t stand a chance.”* (FGD, VET Trainees, Kherson).
- Financial Constraints:** Although the cash assistance covered basic course costs, many trainees reported needing to use personal savings to purchase materials, creating an additional financial burden. 20-30% of trainees reported financial constraints as a challenge to continue practicing their vocations during the KIIs and FGDs. A participant from Dnipro shared: *“I had to supplement the funds with my savings because the tools I needed were very expensive.”* (KII, Woman VET Trainee, Dnipro). In Kherson FGDs, participants in tailoring and massage professions noted: *“The tools I need for tailoring—like fabric, scissors, and a good machine—cost more than the grant provided.”* (FGD, VET Trainees, Kherson).

Table 6 Challenges of VET Trainees

Challenge	Frequency (%)	Commonly Affected Professions
Insufficient Course Duration	40-50%	Massage therapy, plastering, tailoring
Lack of Practical Application	30-40%	Massage therapy, tailoring, plastering
Limited Professional Experience	30-35%	Technical vocations
Financial Constraints	20-30%	Technical vocations (e.g., tailoring, massage therapy)

FINDING 3: Business owners exhibited the highest awareness and positive perception of selection criteria, aided by direct communication and clarity of processes, while subsistence farmers had moderate understanding but acknowledged the fairness in prioritization despite gaps in transparency; VET trainees showed the lowest awareness, often relying on post-selection communication to build trust and understand the criteria.

Data Sources: FGDs and KIIs with project participants, KIIs with the stakeholders and desk review

The project prioritized subsistence farmers with access to safe, non-contaminated land and reliance on agriculture or livestock for their livelihoods. Vulnerability considerations included large households, dependents with disabilities or chronic illnesses, single-parent families, and households that lost breadwinners or assets due to the conflict. Additional criteria targeted households **exhibiting negative coping strategies or with low income to ensure the assistance reached those most in need. The selection process for the MSMEs prioritized conflict-affected micro, small, and medium enterprises (MSMEs) with valid business registration and viable business plans. Emphasis was placed on supporting vulnerable businesses, including those struggling with power outages or requiring equipment to restore operations. VET trainees were selected based on vulnerability criteria, motivation, pre-identified training opportunities, and alignment of the training with market needs, ensuring consistency with vocational courses meeting demand.**-Targeting emphasized urban and peri-urban areas to address the limited availability of training facilities in rural regions, complemented by cash allowances to support transportation and broader accessibility.

Project participants across sectors (agriculture, vocational training, and MSME support) were informed about selection criteria during registration, through community focal points, village leaders, and public dissemination efforts (e.g., meetings and online tools). Local authorities and community focal points assisted in disseminating information about the registration process and eligibility. Their position as trusted figures in the community enhanced the credibility and acceptance of the selection process. Some participants, mostly business owners expressed that the criteria were clear during registration, while others mentioned a lack of detailed understanding or confusion about the specific selection mechanisms.

Table 7 Awareness of and Perceptions on Eligibility Criteria

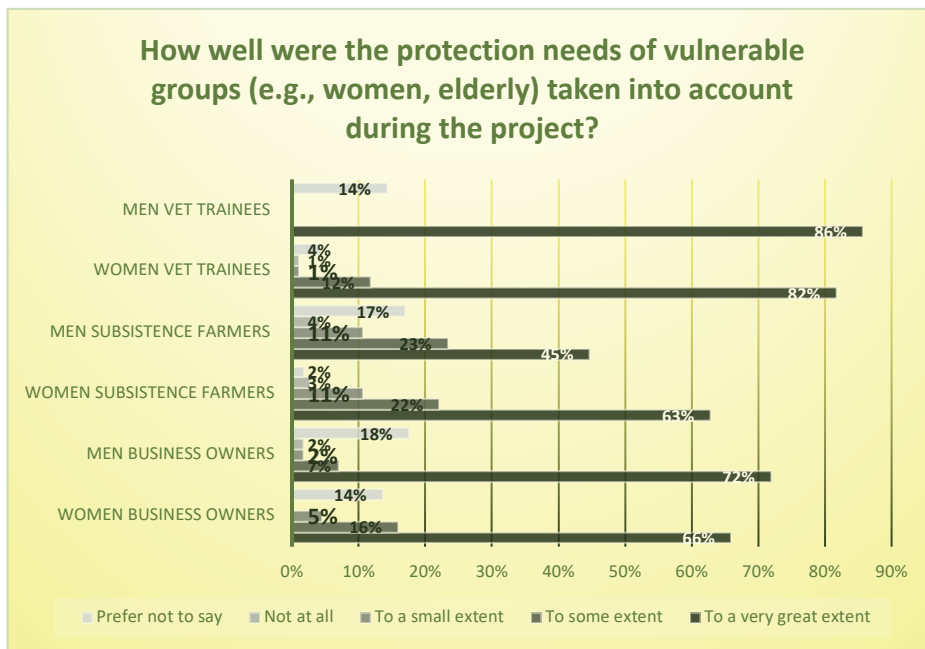
Participant Category	Awareness of Eligibility Criteria	Perception of Effectiveness of the Selection Criteria
Business Owners	High Moderate	High
Subsistence Farmers	Moderate	Moderate High
VET Trainees	Low Moderate	Moderate

- MSME Support: Business owners had higher interaction levels with program representatives and generally received clearer guidance on criteria, enhancing both their awareness and perceived fairness.** The selection criteria effectively identified conflict-affected businesses with potential for recovery, ensuring resources reached enterprises that could generate community-level economic benefits. *"During the interview, they asked about my business, how it was impacted, requested photos as proof of the damage, and asked why I needed the funds. They explained everything clearly, and that's how it went" (FGD, Man Business Owner, Mykolaiv).* Awareness varied by region. Some business owners clearly understood criteria through direct interactions (e.g., visits and calls explaining eligibility), while others were less clear about specifics *"I assume it's related to loss of production volume, business, or income, but it wasn't explained explicitly." (FGD, Woman Business Owner, Dnipro).*
- Agriculture: Subsistence Farmers had a functional understanding of the eligibility criteria but expressed concerns about equitable access, affecting perceptions of effectiveness.** The criteria were tailored to reach the most vulnerable populations, specifically addressing key vulnerability factors: small plots indicating limited agricultural capacity, reliance on agriculture as a sole livelihood source, and displacement or other impacts of conflict on households. By targeting these factors, the approach successfully prioritized the most in-need populations *"Only those of us who rely completely on farming were selected, and it was fair. The help went to those who truly needed it the most." (KII, Woman Subsistence Farmer, Mykolaiv).* Despite efforts, subsistence farmers reported mixed understanding of selection criteria. Some knew the specific conditions (e.g., household size, livestock ownership), while others were less informed. *"No, we don't know. That's an interesting question. I wanted to ask you (FGD, Man Subsistence Farmer, Zaporizhzhia).* Many farmers stated that it was unclear how the assistance selection process was conducted. A common misconception was that the village council decided who would receive assistance. In reality, DRC opened the call for registration, and local authorities played a role in informing the population about the minimum selection criteria. DRC did not refuse any households during registration but informed beneficiaries that final selection would be based on specific vulnerabilities, such as disability and other factors. *"We don't know what criteria were used. Perhaps there were age restrictions, or they chose based on the type of household" (FGD, Woman Subsistence Farmer, Mykolaiv).*

- VET: VET Trainees exhibited initial skepticism, limited understanding of selection criteria, and a reliance on post-selection communication to build trust.** Targeting focused on IDPs and vulnerable groups, particularly women, who faced barriers to employment. This ensured relevance and addressed critical skill gaps, although logistical challenges like transportation and childcare limited full participation. *"The program was very accessible to different groups, including older people and single mothers who might not have had such opportunities otherwise."* (KII, Woman VET Trainee, Zaporizhzhia). Many VET Trainees demonstrated limited understanding of selection criteria. *"Well, roughly, yes... though I can't say I knew exactly. But I think they prioritized unemployed people, so I suppose that's why they offered it to me."* (KII, Woman VET Trainee, Mykolaiv). Few VET trainees reported unclarity about the selection criteria and pointed out need for more transparency in its communication: *"I didn't really understand why certain professions, like nail technician training, were rejected. They said, 'there are already many of them in the city,' but I think even if you are the hundredth, you can still compete."* (KII, Woman VET Trainee, Dnipro). VET Trainees often doubted their eligibility until receiving confirmation.

FINDING 4: The project addressed protection needs, with 89% of respondents confirming that the needs of vulnerable groups, such as single headed female households, women who are unemployed and the elderly, were considered during its implementation.

Data Sources: FGDs, KIIs and surveys with project participants, KIIs with stakeholders and desk review



Livelihoods interventions were paired with protection monitoring to address specific community vulnerabilities. Activities such as agriculture support and MSME grants were complemented by advice on safe practices and financial management to enhance sustainability and security. Consultations with the village heads and community members in the design and implementation phases aimed prioritization of vulnerable groups, such as elderly people, persons with disabilities, and IDPs, for assistance. 89% of the survey respondents confirmed that protection needs of vulnerable groups (e.g.,

women, elderly) taken into account during the project.

3.3. EFFICIENCY

FINDING 1: DRC's strategic management of financial and human resources, including adaptive budgeting, rigorous price verification, targeted assistance, and effective collaboration with local authorities, ensured efficient and equitable program delivery across vulnerable communities.

Data Sources: KIIs with stakeholders and desk review

FINANCIAL RESOURCES: DRC managed financial resources through adaptive budgeting, targeted assistance based on vulnerability, and rigorous price verification, ensuring effective and equitable resource allocation across project participants.

- **Budget Flexibility and Adaptations:** The favorable exchange rate between USD and UAH enabled DRC to reallocate funds and expand the program’s reach. For instance, savings from exchange rate fluctuations allowed for the inclusion of 699 additional households in the sectoral cash for agricultural inputs activity and supported an increased number (50) of MSMEs with critical business grants. In response to reduced purchasing power caused by inflation, DRC adapted cash transfer amounts to ensure they met beneficiaries’ needs, particularly for agricultural inputs like seeds, fertilizers, and tools. Recognizing logistical challenges, DRC allocated additional funds to transportation allowances for VET trainees, enabling broader participation from rural and hard-to-reach areas.
- **Resource Targeting and Prioritization:** Financial assistance was distributed based on vulnerability and need, with criteria incorporating factors such as household size, disability status, and conflict-related asset loss. This ensured that resources were directed toward those with the greatest need. Cash transfer amounts and grant allocations were calibrated to align with sector-specific requirements. For example, agricultural cash support targeted costs like seeds, labor, and irrigation, while MSME grants addressed urgent operational needs such as purchasing generators during power outages. Collaboration with local authorities and community focal points enabled precise targeting of vulnerable communities, minimizing the risk of duplication and ensuring equitable resource distribution.
- **Price Verification:** To ensure cost efficiency, DRC’s economic recovery team cross-checked equipment prices for MSMEs and agricultural inputs against market rates, which minimized overpayment and ensured beneficiaries received fair value.

HUMAN RESOURCES: *DRC expanded operational capacity, strategically allocated workloads, and leveraged partnerships with local authorities to ensure efficient participant registration, targeted support, and community trust.*

- **Recruitment and Operational Capacity:** DRC recruited additional enumerators and field staff, which expanded operational capacity enabled the timely registration of beneficiaries in conflict-affected areas such as Mykolaiv and Dnipropetrovsk Oblasts. Each team member had clearly defined roles. For instance, staff members handling MSMEs were assigned approximately 20 businesses each, ensuring focused attention on grant assessment and follow-up. Human resources were strategically distributed to balance workloads across program components. For instance, the Economic Recovery team focused on business grants and agricultural cash, while protection teams handled initial assessments of vulnerable populations. Subject-matter experts, such as agricultural consultants and business advisors, were contracted to provide technical support. This ensured high-quality interventions tailored to the specific needs of farmers and MSMEs.
- **Collaboration with Local Authorities:** Local authorities and village leaders acted as key intermediaries, facilitating participant registration, disseminating information, and verifying eligibility, which reduced the burden on DRC staff while enhancing community trust and engagement. Teams within DRC collaborated effectively. For example, the Economic Recovery and Protection departments worked together to identify vulnerable populations and target them for assistance.

FINDING 2: *While MSME support delivered broad economic benefits, subsistence farmers achieved the highest cost efficiency, and VET trainees showing significant individual impact, suggesting the need for tailored interventions and alternative modalities to enhance overall program efficiency and impact per dollar spent.*

Data Sources: KIIs with stakeholders and desk review

MSME support delivered broad economic benefits but incurred the highest cost per participant. Farmer support achieved cost efficiency but lacked depth, limiting transformative potential. VET trainees experienced significant individual gains at a moderate cost but required longer timelines for full impact realization. Integrating in-kind support¹⁵ for farmers and microfinance models for MSMEs could reduce program costs while maintaining impact. Enhancing blended learning and employment linkage services for VET trainees would maximize outcomes without significant additional investment.

¹⁵ While in-kind support may not always be the most cost-efficient option when tailored to meet individual needs, it can become administratively cost-efficient if needs assessments identify common, shared needs across the targeted farmers/business in advance of the implementation.

Table 8 Cost Efficiency per Participant Category

Participant Category	Cost Transfer Ratio (CTR)	Cost per Participant	Likely Impact per Dollar Spent
Business Owners	1.5	6.3 USD	Medium-High (Potentially broad economic ripple effects, but very high cost per person).
Subsistence Farmers	2.5	6.3 USD	Medium (Broad coverage, low depth of support; limited transformative impact).
VET Trainees	1.25	5.6 USD	High (High individual impact if trainees achieve employment or self-sufficiency).

BUSINESS OWNERS

- Resource Allocation and Impact:** MSME grants had a CTR of 1.5 and a cost per participant of 6.3 USD, reflecting substantial program focus and investment. Grants were crucial in sustaining businesses during infrastructure challenges (e.g., power outages), preserving jobs, and stimulating local economies.
- Alternative Approaches:** While MSME grants were critical in sustaining businesses, feedback indicates that the grant amounts were insufficient to fully meet all the business needs, especially in addressing systemic challenges like power outages and market access. While the financial grants alleviated some immediate challenges, businesses often required additional technical and operational support to sustain long-term growth. Future projects could combine grants with micro-loans or shared infrastructure models to address funding gaps more sustainably and cost-effectively while maintaining the flexibility to accommodate diverse business needs.

SUBSISTENCE FARMERS:

- Resource Allocation and Impact:** Subsistence farmers had a CTR of 2.5 and a cost per participant of 6.3 USD. Funds were sometimes diverted to basic needs (e.g., food, medicine), limiting the impact on agricultural productivity.
- Alternative Approaches:** Farmer support achieved cost efficiency but in comparison to other participant categories lacked depth, limiting transformative potential. Integrating provision of in-kind agricultural inputs (e.g., seeds, tools) along with sectoral cash assistance could ensure resources are used as intended. Promoting cooperative farming models might achieve economies of scale and improve resource use. Linking cash assistance to training or productivity outcomes could enhance impact. *“Perhaps cooperatives are another very good topic. ... Cooperatives somewhere in the village or at the community level are also a very good idea.” (KII, Village Leader and Community Focal Point, Dnipro).*

VET TRAINEES

- Resource Allocation:** VET trainees had the lowest CTR of 1.25 and the lowest cost per participant at 5.6 USD. Vocational training enabled 50% of trainees to secure employment or become self-employed, demonstrating strong individual impact.
- Alternative Approaches:** Pairing training with job placement programs or partnerships with employers could enhance outcomes. Extending project timelines could improve follow-up and long-term employability results. Collaborating with private companies and public employment services to co-develop training curricula and guarantee job placements would maximize the return on training investments and align skills with market demand. *“Pairing vocational training with job placement services or partnerships with local businesses would improve employability outcomes.” (KII, DRC).*

FINDING 3: DRC’s internal processes; i.e., streamlined registration mechanisms, flexible financial planning, and strong coordination frameworks, allowed timely and efficient availability of inputs, though administrative complexities, accessibility challenges, and external disruptions occasionally caused delays, which were mitigated through targeted measures such as updated SOPs, transportation allowances, and alternative payment systems.

Data Sources: KIIs with stakeholders and desk review

DRC implemented comprehensive internal processes to ensure the timely and efficient availability of resources for its Livelihoods Protection and Recovery Program.

- Streamlined participant targeting and data collection mechanisms expedited onboarding of participants:** DRC developed a robust registration tool and prioritization scorecard in collaboration the FSL Cluster. This helped to efficiently identify vulnerable communities and ensure appropriate allocation of resources. Proactive collaboration with village leaders and community focal points streamlined the registration process, allowing DRC to disseminate information effectively and ensure broad outreach to subsistence farmers. Community meetings aimed to familiarize the stakeholders with the eligibility criteria, which included both vulnerability and agricultural production requirements. The use of referral pathways between Protection and Economic Recovery teams ensured that project activities reached the most vulnerable groups, such as female IDPs. Registrations incorporated baseline and monitoring data collection to support evidence-based programming, allowing DRC to address gaps in real time. This integration of data into internal processes reduced redundancies and supported decision-making.
- Flexible financial and operational planning allowed reallocation of resources and adopting adaptive modalities in response to challenges:** The internal adoption of mixed modalities—combining cash grants and contracted services particularly for supporting targeted MSMEs—addressed regional disparities in training infrastructure. This flexibility was facilitated by streamlined internal approval mechanisms for changes to implementation strategies. Reallocating underspent funds from currency exchange rate gains to add 699 households to the distribution list demonstrated agility in financial management processes. Internal operational schedules were tightly aligned with agricultural seasons for the sectoral cash assistance. Cash distributions were planned and executed in time for planting cycles, ensuring beneficiaries had the necessary resources when needed most.
- Strong coordination frameworks that ensured external and internal synchronization with program goals.:** Selection committees for business grants included cross-departmental teams, ensuring fairness and compliance. Regular consultations with local authorities and active participation in cluster meetings helped DRC synchronize its activities with other humanitarian efforts, minimizing duplication and streamlining inputs. Sensitization sessions on resource utilization were embedded within the distribution processes, enhancing the impact of financial support.
- Accountability structures that reduced delays and improved participant trust:** Stakeholders and project participants noted that project participants had access to complaint and feedback mechanisms, which allowed DRC to address issues in real-time.

While DRC’s robust internal processes aimed to ensure timely resource delivery, several bottlenecks—ranging from administrative complexities to external factors—posed challenges to efficient implementation. To mitigate these delays, DRC implemented targeted measures to address each issue and maintain the efficiency of its operations.

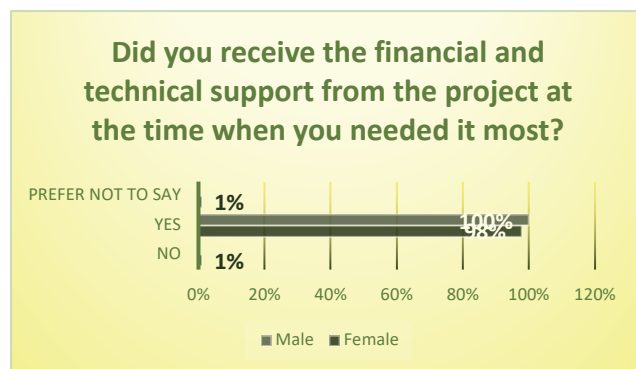
- Adaptation of the Registration Forms:** Stakeholders initially reported delays in participant onboarding due to the complexity of the registration forms, particularly those used for project-specific processes. To address the onboarding challenges, DRC streamlined its Standard Operating Procedures (SOPs) and simplified the participant registration forms. Errors in participant data, such as incomplete bank details and duplicate registrations, were resolved through manual verification and updates to the Kobo form, which improved data accuracy and facilitated timely cash disbursements.
- Accessibility and Infrastructure Challenges:** Registration and training were delayed due to the time and resources required to reach rural participants of subsistence farmers. DRC provided transportation allowances to beneficiaries to support travel to registration and training sites and planned travel routes and used temporary accommodations near remote locations to improve the speed of registration.
- External Factors:** Disruptions in Ukrposhta’s digital platform delayed cash disbursements, particularly for agricultural grants in rural areas where beneficiaries preferred receiving cash transfers via Ukrposhta instead of bank accounts. To mitigate these delays, DRC actively communicated with beneficiaries and local administrations to verify payment information and facilitated alternative arrangements through banking institutions when necessary.

FINDING 4: The project showed a high level of timeliness, with 94% of respondents confirming that the financial and technical support was received when most needed, enabling them to address immediate challenges such as accessing training, sustaining business operations, and preparing for planting seasons.

Data Sources: FGDs, KIIs and surveys with project participants

BUSINESS OWNERS: The project’s grant disbursement was timely and effective, providing crucial support that enabled businesses to address urgent needs, synchronize with seasonal operations, and adapt to economic disruptions. While some isolated administrative delays were reported, they did not significantly affect the general perception of the project’s timeliness. Participants widely agreed that the grants were delivered when they were needed most, contributing to the project’s overall success.

Timeliness of Grant Provision: Participants across all four oblasts consistently emphasized the overall timeliness of the project’s grant disbursement, which was critical to its success. Business owners reported receiving funds within approximately one month of approval, enabling them to address urgent challenges and sustain operations during periods of heightened disruption. For many, the assistance arrived “just in time” to mitigate potential losses and adapt to challenging circumstances. For example, a business owner from Dnipropetrovsk described the process as seamless and efficient: “From registration to receiving the funds... about a month, I think. Maybe slightly less. It was all very fast, honestly.” (KII, Woman Business Owner, Dnipro). In Mykolaiv, another respondent highlighted how the timely support helped their pharmacy prepare for anticipated blackouts: “The assistance came just in time, allowing me to purchase a generator and ensure that my pharmacy could maintain proper storage conditions for medications.” (KII, Man Business Owner, Mykolaiv). Similarly, in Kherson, a beekeeper noted the critical timing of receiving equipment to prepare for the upcoming production season: “The equipment arrived in August, which was critical for preparing my apiary for next year’s honey production. Without it, I would have faced significant delays.” (KII, Man Business Owner, Kherson)



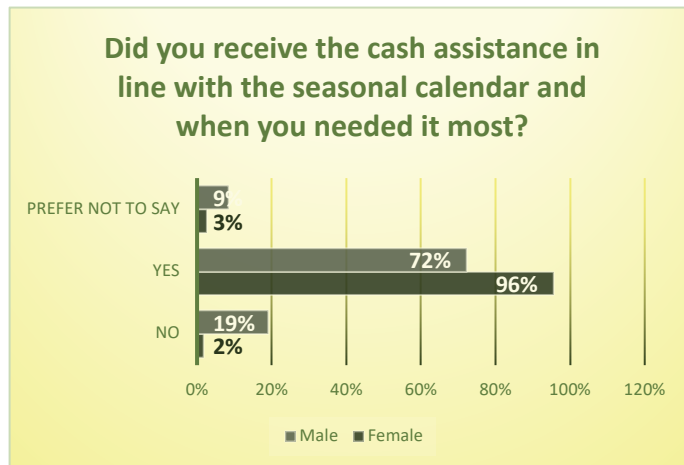
Synchronizing with Seasonal Business Cycles: The project demonstrated sensitivity to the seasonal nature of many businesses, ensuring that grants were disbursed in alignment with key operational periods. This was particularly important for industries like agriculture and beekeeping, where delays could have caused significant disruptions or losses. For instance, a beekeeper in Mykolaiv emphasized the relevance of receiving support before the beekeeping season began: “My season starts in April, and the assistance in August allowed me to make the necessary preparations. This timing was critical for ensuring that my production wasn’t interrupted next year.” (FGD, Man Business Owner, Mykolaiv). In Zaporizhzhia, a business owner highlighted how

the grant enabled him to maintain operations during peak production despite challenges: “With the batteries and generator, I could maintain operations even during blackouts, which would have otherwise disrupted the entire incubation process.” (KII, Man Business Owner, Zaporizhzhia).

While the majority of participants experienced timely support, few noted delays caused by administrative challenges. For example, in Zaporizhzhia, a respondent reported experiencing disruptions due to staff transitions: “The manager handling my application left their position, and I had to search for a new point of contact to continue the process. This caused some delays, but I was

eventually able to proceed.” (KII, Man Business Owner, Zaporizhzhia). Although these issues were not widespread, they underscore the importance of consistent administrative support for ensuring smooth grant delivery.

SUBSISTENCE FARMERS: *The timeliness of cash assistance was a critical factor in enabling subsistence farmers to align their activities with seasonal planting cycles, particularly in regions like Zaporizhzhia and parts of Kherson (e.g., Velyka Oleksandrivka), where respondents reported receiving funds when they needed them most. However, delays in areas like Mykolaiv and some parts of Kherson (e.g., Vysokopillia) undermined its effectiveness, as farmers had to use personal savings or missed key planting windows, impacting their overall productivity.*



Grant Timing in Relation to Seasonal Needs: Across all locations, subsistence farmers consistently emphasized the importance of receiving assistance before the planting season, which typically begins in late February or early March. Most respondents confirmed that the sectoral cash assistance was distributed in time to purchase seeds, seedlings, and fertilizers for their gardens. This timing was crucial for their ability to plant vegetables such as tomatoes, cucumbers, onions, and potatoes. For instance, a respondent from Velyka Oleksandrivka, Kherson, highlighted, “The money arrived right before we started planting tomatoes and cucumbers. It was perfect timing.” (KII, Man Subsistence Farmer, Kherson). Similarly, a participant from Petro-Mykhailivka in Zaporizhzhia expressed satisfaction with the timing, stating, “We managed to buy feed for the livestock and

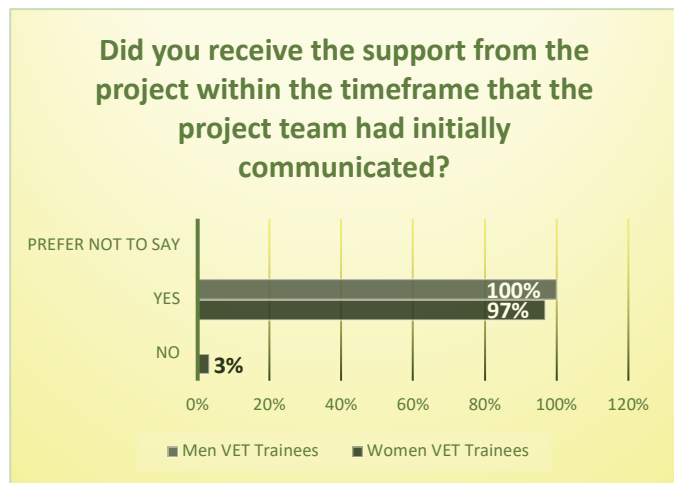
seeds for the garden. The funds came just when we needed them most.” (KII, Woman Subsistence Farmer, Zaporizhzhia). This synchronization with seasonal cycles enabled farmers to maximize the utility of the grants.

Regional Differences in Perceptions of Timeliness: Subsistence farmers in Mykolaiv and Kherson consistently praised the timeliness of the assistance, noting that it enabled them to prepare their land and acquire essential resources. In contrast, some respondents in Petro-Mykhailivka in Zaporizhzhia indicated that while the aid was generally timely, slight delays in receiving the funds meant they had to make initial investments with their own resources.

VET TRAINEES: *The timely provision of financial assistance allowed VET trainees (97%), particularly in regions like Kherson and Dnipro, to begin their courses without delays, enabling them to acquire essential tools and pursue professional development effectively. While minor logistical challenges, such as documentation delays, were noted, the DRC project staff helped trainees resolve these issues quickly, ensuring the program's overall positive impact.*

- **Timely Provision of Support:** VET Trainees widely agreed that the financial assistance provided through the project was delivered promptly, enabling trainees to start their courses without delays. This aspect was especially critical in frontline

regions where opportunities for retraining or skill acquisition were scarce. One trainee from Kherson remarked: *“Everything came in time. We registered right away, and within 3-4 days, we began studying. There were no delays at all.”* (KII, Woman VET Trainee, Kherson). The promptness of the assistance allowed trainees to meet their immediate needs, such as acquiring tools or materials required for practical learning. For example, a participant from Kryvyi Rih highlighted: *“I received additional support unexpectedly, which allowed me to buy equipment I needed for my massage courses. This surprise made a significant difference for me.”* (KII, Woman VET Trainee, Dnipro). The timely assistance also encouraged participants to take the next steps in their professional development, as one trainee explained: *“The financial aid arrived when I had the time and resources to begin my studies. This timing was perfect and ensured I could complete the training without interruptions.”* (KII, Woman VET Trainee, Kherson).



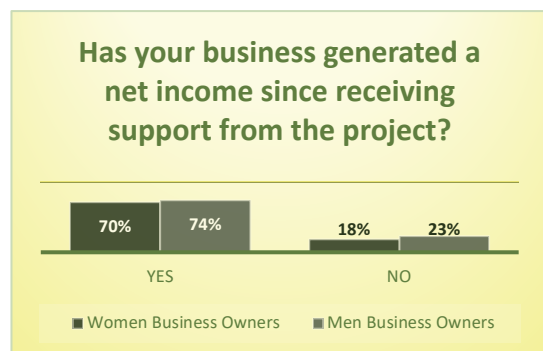
- Challenges in Timing:** Although most trainees found the program timely, minor logistical challenges were reported. In some cases, participants experienced slight delays due to administrative requirements, such as gathering necessary documents or processing payments. For example, a trainee shared: *“I had to visit the bank multiple times to resolve documentation issues, which delayed my ability to fully access the funds. However, the program staff were supportive and helped me resolve these challenges quickly.”* (KII, Woman VET Trainee, Dnipro). Additionally, while trainees appreciated the speed of fund disbursement, some expressed a desire for more preparatory time to align their schedules or address personal circumstances before starting the courses.

3.4. IMPACT

FINDING 1: Over 70% of both men and women business owners reported increased net income, showing the positive impact of grants on business stabilization, growth, and job creation. Business owners not only regained financial independence but also expressed aspirations to contribute to community development, indicating the transformative potential of targeted support in conflict-affected areas.

Data Sources: FGDs, KIIs, MSCs and surveys with project participants, KIIs with stakeholders and desk review

- Business Impact:** A significant proportion of both women (70%) and men (74%) business owners, reported generating net income after receiving project support. *“My income increased because now I can serve more clients and provide repair services to meet individual client needs”—This expansion wouldn’t have been possible without the grant”* (KII, Man Business Owner, Zaporizhzhia). *“We were able to hire an employee and expand services, which directly impacted our revenue positively”* (FGD, Woman Business Owner, Dnipro). The majority of business owners (70% of women and 68% of men) experienced income growth at varying levels, after receiving support from the project. The largest segment (50%) of the business owners reported 10-25% increase of net income, followed by 24% reporting less than 10% income increase and 22% mentioning 25-50% of increased net income. *“Our income increased significantly thanks to the new equipment, allowing us to expand production and attract new clients. It’s a game changer for us”* (KII, Man Business Owner, Zaporizhzhia). Businesses also



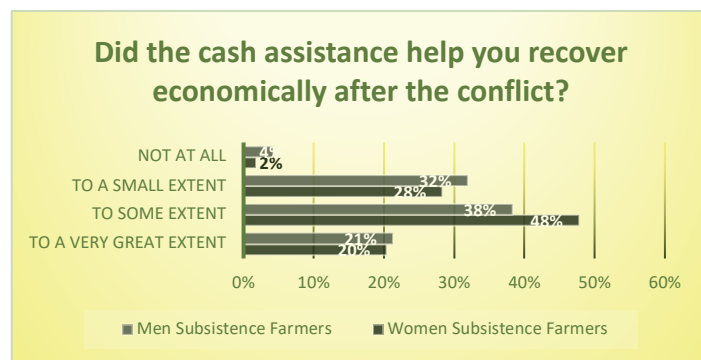
reported hiring additional employees¹⁶ or reallocating tasks, leading to job creation and skill enhancement within the local workforce. Another example is, a sewing business owner from the Polohy district overcame displacement, financial hardship, and the loss of her business by leveraging the grant to rebuild her enterprise in a new location. *"Life has completely changed. We left our homes and moved to live in another place. Everything we had stayed in that life. I left that entire business behind, started over with two used machines on a credit card, and now have a semi-basement workshop where I work and employ two women"* (MSC, Woman Business Owner, Zaporizhzhia). The grant not only provided financial relief but also empowered the business owners to acquire advanced equipment, which was instrumental in re-establishing her sewing business and creating job opportunities. *"I purchased professional equipment necessary for work, even better than what I had before—an ironing table with a steam generator, a high-quality professional automatic buttonhole machine, three straight-stitch automatic machines, and an overlocker. And, of course, new jobs"* (MSC, Woman Business Owner, Zaporizhzhia).

- Community Impact:** The high percentage of businesses reporting income growth reflects increased local economic activity, contributing to community recovery. The inclusion of 70% of women-led businesses generating net income is particularly impactful in supporting gender equality in economic participation. *"The generator I purchased allows me to keep my pharmacy running during power outages, ensuring that medications remain accessible in rural areas"* (FGD, Man Business Owner, Mykolaiv). The grant also facilitated the rebuilding of individual lives and inspired aspirations to give back to the community, such as establishing programs for children to learn practical skills. *"My dream is to open a charitable organization to continue working with children from low-income families. I want to provide them with a space and materials to create and learn, as I did before the war"*. (MSC, Woman Business Owner, Zaporizhzhia).

FINDING 2: The sectoral cash assistance provided critical short-term economic relief to subsistence farmers, with 94% of women and 91% of men reporting economic recovery through investments in essential agricultural inputs, sustaining livestock, and modestly improving productivity. However, only 23% of farmers adopted new practices or technologies, and among those, 79% saw productivity gains of less than 10%, highlighting significant barriers such as resource limitations, lack of training, and minimal scalability of improved practices.

Data Sources: FGDs, KIs, MSCs and surveys with project participants, KIs with stakeholders and desk review

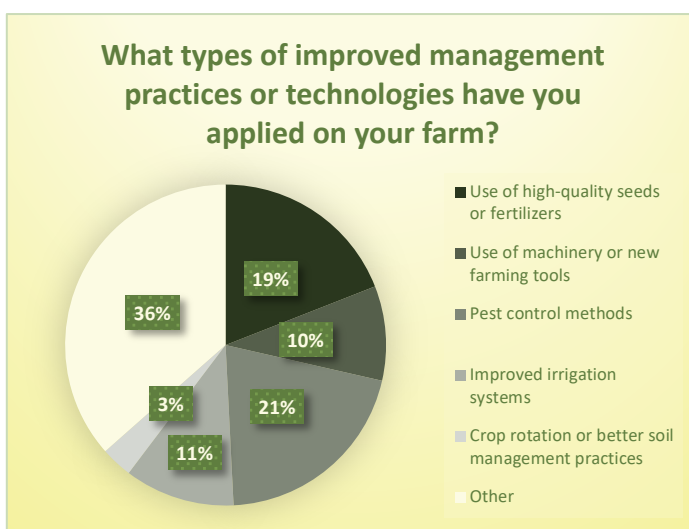
- Immediate Economic Relief:** By subsidizing primary agricultural needs (e.g., Sudanese grass, alfalfa, and potatoes animal feed, etc.), the assistance helped subsistence farmers alleviate immediate financial strain, enabling farmers to focus on sustaining their households without incurring additional debt. 94% of women and 91% of men subsistence farmers reported economically recovering after receiving sectoral cash assistance. *"I bought hay for almost 5 thousand. I bought half a ton of grain, because grain costs 5 thousand."* (KII, Woman Subsistence Farmer, Dnipro). In response to severe drought conditions, many subsistence farmers used the funds to plant drought-resistant crops or to buy feed to sustain livestock through challenging seasons. *"We planted vegetables, potatoes, onions, garlic, tomatoes, cucumbers. Everything to have our own supply, even if just a little."* (MSC, Man Subsistence Farmer, Zaporizhzhia). Winter planting of crops like garlic and onions provided an alternative strategy to secure household food supply and reduce vulnerability to unpredictable rainfall. Even when harvests were meager due to climatic challenges, the assistance helped subsistence farmers preserve their farming cycles, ensuring they could replant and maintain some level of production. *"The assistance helped me sustain the livestock, and now I can think about planting again next season."* (KII, Man Subsistence Farmer, Zaporizhzhia). Livestock owners were able to maintain or even expand their flocks. The provision of funds for livestock feed and poultry purchase directly contributed to household food supplies (e.g., meat, eggs, and milk), reducing reliance on market purchases and



¹⁶ DRC prioritized businesses that has plans to hire additional employees in their business plans.

strengthening resilience. *"The money allowed me to buy ducks and chicks to have at least something for the household."* (KII, Woman Subsistence Farmer, Zaporizhzhia).

- Community and Social Stability:** The sectoral cash assistance also fostered a sense of solidarity within rural communities. The project helped prevent displacement and allowed them to remain in their villages, even amidst economic and environmental hardships. The cash assistance enabled farmers to reinvest in their small-scale operations, keeping the local agricultural economy active. Maintaining these small-scale operations contributed to food security not only for individual households but also for their neighbors who depend on informal local trade. The project contributed to the collective resilience of rural areas by enabling small farmers to persist despite harsh conditions. *"Even though we faced difficulties, the assistance ensured everyone had something to rely on, and it brought us closer as a community."* (KII, Woman Subsistence Farmer, Dnipro).



- Improved Practices and Technologies:** 23% of both women and men subsistence farmers reported adopting improved practices or technologies, while a majority (71% of women and 66% of men) did not adopt them. This indicates a significant barrier to the diffusion of innovations, potentially due to lack of training and technical support and insufficient funds for adopting advanced farming techniques, as per qualitative data highlights. Among those who adopted improved practices, 69% of both women and men used them on small plots of less than 0.2 hectares and only 4% applied these practices on more than 5 hectares. While some subsistence farmers have started utilizing new techniques, the scale of application remains minimal, due to resource limitations for scaling these practices (e.g., funds for equipment or irrigation). 55% of these subsistence farmers noted application of these improved practices or technologies help increase their

agricultural productivity by less than 10% (79%), at moderate gains between 10-30% (13%) and significant gains 30-50% (9%). The survey data showed the extent to which farmers adopted new farming technologies and practices:

- Use of High-Quality Seeds or Fertilizers (26%):** Participants prioritized using the funds to purchase seeds for resilient crops like Sudanese grass and onions, which provided dual benefit, sustaining household food needs and livestock fodder during challenging climatic conditions. *"We planted Sudanese grass and onions using the funds. It helped us secure food for livestock."* (KII, Woman Subsistence Farmer, Dnipro).
- Use of Machinery or New Farming Tools (13%):** The purchase of tools such as mini-cultivators showed an effort to modernize small-scale farming, enhancing efficiency with limited resources. Due to infrastructural challenges, subsistence farmers opted for lightweight, adaptable tools suitable for small garden plots. *"We bought a mini-cultivator for working in the garden. It's small but makes the work faster."* (KII, Man Subsistence Farmer, Zaporizhzhia).
- Adoption of Pest Control Methods (28%):** Pest control emerged as a critical intervention for maintaining crop health. Subsistence farmers utilized funds to purchase pesticides and ensure crop survival during peak pest seasons. *"We had to spray the potatoes and onions; otherwise, the pests would have taken everything."* (MSC, Man Subsistence Farmer, Zaporizhzhia).
- Improved Irrigation Systems (15%):** A smaller percentage of subsistence farmers reported irrigation improvements, largely due to financial constraints and infrastructural challenges: *"We don't have proper water systems; technical water is salty, and we can only water occasionally."* (FGD, Woman Subsistence Farmer, Mykolaiv).
- Crop Rotation or Better Soil Management Practices (4%):** Adoption of advanced practices like crop rotation and soil management remained extremely low, showing the subsistence-level focus of many farmers and a lack of training: *"We plant what we can manage, but there's no one advising us on crop rotation or how to improve the soil."* (MSC, Man Subsistence Farmer, Zaporizhzhia).
- Other (49%):** Many farmers explicitly mentioned no improvements or new methods were adopted.

FINDING 3: The VET training programs enabled 63% of participants to secure employment, 86% of women and 83% of men to generate income, and 48% to report income increases, with 43% experiencing a 25-50% rise, showing their contribution to economic recovery through reskilling, upskilling, and fostering entrepreneurial activities.

Data Sources: FGDs, MSCs, KIs and surveys with project participants, KIs with stakeholders and desk review

- Gaining Skills Relevant to Local Labour Market:** Respondents highlighted that the training provided specific, practical skills such as massage therapy, HR management, and baking techniques. These fields align with sectors that remain viable or are in demand despite the conflict (e.g., personal services, small business ventures). Specialized courses, such as tiered cake-making for bakers, showed efforts to meet unique market niches. The purchase of tools and advanced modules further prepared trainees to meet labour market demands. The VET trainings participants attended varied; focused on reskilling (for those unable to return to previous professions) and upskilling (e.g., enhancing existing skills like baking or massage therapy). *"I started diving into it. At first, my husband didn't take it seriously—he thought it was just a way for me to amuse myself. But I wanted to take it to a professional level... The tiered cake course itself was 2,999 UAH, and I also paid for additional modules like New Year's recipes, technical cards, and even an Easter course."* (MSC, Woman VET Trainee, Zaporizhzhia).
- Economic Recovery Contributions:** 63% of the VET trainees were able to secure an employment after attending the VET trainings. Of this 63%, 86% reported they can generate income. Of this 86%, 74% increased slightly (40 people) and 11% significantly. Overall, 46 out of 100 VET trainee respondents in the evaluation reported income increase¹⁷. Of them, 86% of women and 83% of men were able to generate income after starting a job or business. VET trainees leveraged their new skills to start or expand micro-enterprises, such as baking businesses and private massage services. *"I took baking courses and learned how to make different types of bread and pastries. The skills I gained helped me start selling homemade baked goods to my neighbors. Now, I get orders regularly, and it helps me support my family and pay for daily expenses."* (KII, Woman VET Trainee, Mykolaiv). This entrepreneurial activity not only provided direct income but also contributed to local economies by generating demand for related services and materials. *"By early 2021, I started actively promoting myself on Instagram and offering cakes to friends. By late 2021, I had regular orders. Since completing the course, I've felt a real shift in my work. I've raised my prices because the quality of my cakes has genuinely improved."* (MSC, Woman VET Trainee, Zaporizhzhia). Confirming the qualitative data, 74% of VET trainees reported slight increase in their income while 11% reported significant increase; 17% by less than 10%; 22% between 10-25%, 43% between 25-50% and 17% more than 50%.



FINDING 4: An unintended positive impact of the project was the creation of strong social support networks among participants, supporting a sense of community, and mutual encouragement beyond the project's primary objectives.

Data Sources: FGDs, MSCs and KIs with project participants

- Personal Development:** The project had a significant impact on personal development, boosting participants' self-confidence and sense of achievement. Learning new skills or professions empowered individuals to contribute to their families or start businesses, which many previously thought impossible. *"The training sessions taught me marketing strategies and how to manage labor contracts. These were actionable lessons that have made me more organized and goal-oriented in running my business"* (FGD, Woman Business Owner, Dnipro). Participants were inspired to pursue further education, refine their skills, and adopt better habits like time management and goal-setting.
- Emotional and Social Impact:** The project provided much-needed emotional support, reassuring participants during difficult times and fostering a sense of solidarity. Many felt valued and encouraged by the program's care and support,

¹⁷ The figure stood at 36% in the PDM. PDM data is usually collected shortly after program implementation, focusing on immediate outcomes. At this point, some VET trainees may not yet have fully leveraged their skills or established their businesses, leading to a lower percentage reporting income increases compared to the endline. The PDM and evaluation have surveyed different groups of respondents, that is also a factor.

which helped rebuild their confidence. *"The meetings connected us with people facing similar challenges. We didn't feel alone, and it gave us hope."* (FGD, Woman Subsistence Farmer, Mykolaiv). Socially, participants formed connections with peers, mentors, and staff, creating supportive networks that reduced isolation. *"They gave us brochures and explained everything clearly. I knew I could reach out anytime. This kind of accessibility made me feel like I wasn't alone."* (KII, Woman VET Trainee, Kherson). The professionalism and empathy of staff members further enhanced the experience, turning the program into both a practical and emotional source of relief and growth. *"I remember how supportive the manager was during the process. Even when I needed to adjust the equipment purchase due to price changes, they were understanding and helpful, which made me feel truly cared for"* (FGD, Woman Business Owner, Dnipro).

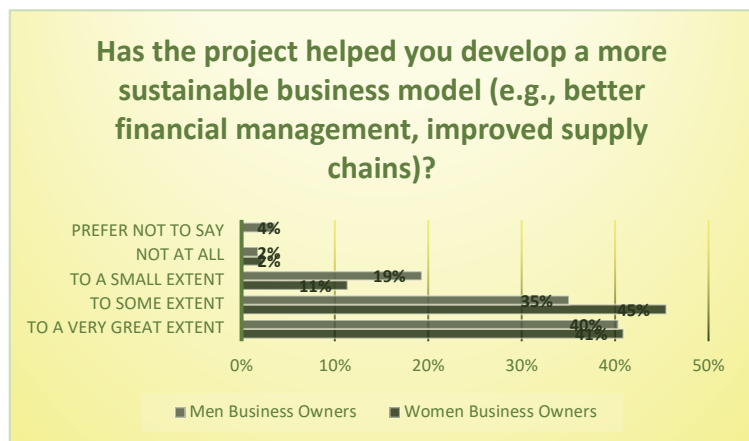
3.5. SUSTAINABILITY

FINDING 1: A substantial 95% of business owners (both men and women) acknowledged the project's role in developing sustainable business models, with over 50% indicating it helped "to some extent" or "to a very great extent." However, challenges such as decreased market prices, limited access to affordable financing, high energy costs, and the need for renewable energy solutions jeopardize the sustainability of these businesses beyond the project's lifecycle.

Data Sources: FGDs, KIIs and surveys with project participants, KIIs with stakeholders and desk review

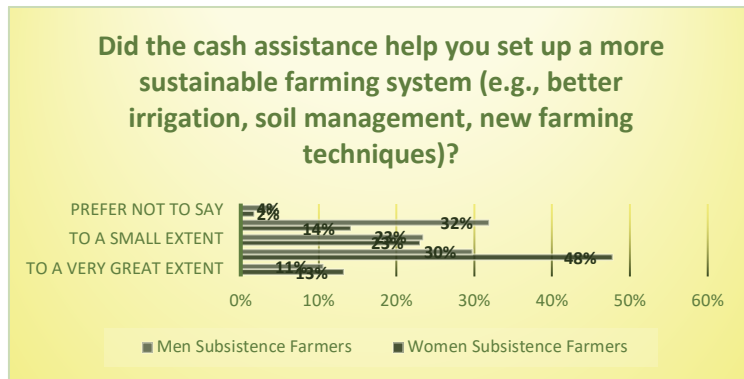
A lion's share (95%) of both men and women business owners acknowledged the project's role in developing sustainable business models.

A majority (over 50%) indicated the project has helped "to some extent" or "to a very great extent." Of them, 84% of business owners reported being capable of continuing their business activities even after the project ends. Many business owners emphasized the significance of equipment like generators and batteries in sustaining operations during frequent power outages caused by the full-scale invasion. A poultry business owner; for instance, explained that the Ecoflow Delta battery helped sustain the incubation process during outages, maintaining production cycles. The grant also contributed to improved financial sustainability by reducing reliance on credit and loans for essential investments. The counselling sessions also reinforced sustainability by improving business owners' ability to manage and grow their businesses.



FINDING 2: 78% of subsistence farmers reported that cash assistance helped establish sustainable farming systems, with 59% confident in continuing without further support. However, financial constraints (71% citing high costs of inputs), lack of irrigation (37%), and inadequate equipment (8%) hinder full self-sufficiency, while over 60% expressed a need for technical training to enhance sustainability.

Data Sources: FGDs, KIIs and surveys with project participants, KIIs with stakeholders and desk review



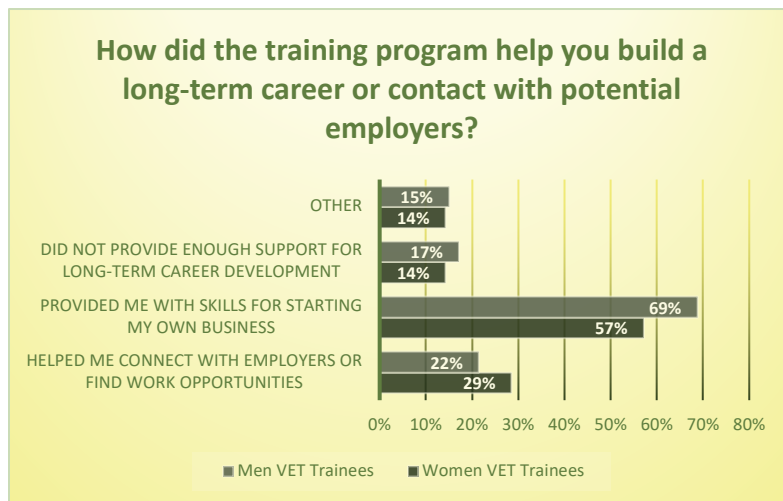
78% of respondents stated that cash assistance helped them establish a sustainable farming system and of those, 59% expressed confidence in continuing farming activities without further external support. Many subsistence farmers used sectoral cash assistance to buy seeds, grain, or expand small-scale farming systems like beekeeping or poultry farming, which helped them become less reliant on market purchases. Although modest, the assistance enabled these farmers to increase their household-level agricultural productivity and, in some cases, income from the sale of surplus produce like honey or eggs. On the other hand, 41% reported barriers

to full self-sufficiency due to financial and environmental constraints;

- **Financial Barriers:** 71% of respondents cited the high cost of agricultural inputs (seeds, fertilizers, and equipment) as a key barrier to sustainability. 15–20%: Respondents estimated that cash assistance covered only this fraction of their total agricultural expenses.
- **Irrigation:** 37% identified water scarcity and lack of irrigation systems as critical challenges to sustaining their farms. 8% mentioned inadequate access to proper farming equipment, such as water pumps or honey extractors.
- **Equipment:** 8% mentioned inadequate access to proper farming equipment, such as water pumps or honey extractors

FINDING 3: While 22% of the VET trainees reported the project helped them connect with employers or find work opportunities and 68% acquired skills for starting their own business., the sustainability of these impacts was hindered by limited hands-on experience, logistical constraints due to conflict, and a lack of structured post-training support.

Data Sources: FGDs, KIIs and surveys with project participants, KIIs with stakeholders and desk review



22% of the VET trainees reported the project helped them connect with employers or find work opportunities and 68% acquired skills for starting their own business. Training helped VET trainees acquire market-relevant skills, such as hairdressing and massage therapy, that are in demand. However, VET trainees reported certain barriers behind the sustainability as follows;

- **Practical Application:** Limited hands-on experience, especially for beginners, hindered skill mastery, as a recurring theme.
- **Logistical Constraints:** Ongoing conflict created challenges such as restricted mobility, limited employment options, and disrupted markets.
- **Limited Post-training Support:** Lack of structured mentorship or follow-up

programs to assist participants in applying their skills.

4. RECOMMENDATIONS

- Introduce a tiered grant system tailored to the needs of businesses, allowing flexibility in fund allocation (e.g., for salaries, logistics, and renewable energy solutions like solar panels). High operational costs and limited market access hinder MSME recovery. Flexible grants and targeted financial coaching can mitigate these issues and promote long-term sustainability.

The recovery of MSMEs (Micro, Small, and Medium Enterprises) is currently hindered by high operational costs and limited market access. Flexible grants, coupled with targeted financial coaching, can help mitigate these challenges and promote long-term resilience. The tiered grant system should be structured based on the type and size of businesses to ensure equitable and effective resource allocation. A fixed range of grants, such as EUR 1,000 to EUR 5,000, has proven insufficient to meet the comprehensive needs of beneficiaries¹⁸. Specifically, such limitations often fail to cover essential expenses like salaries, restricting eligible costs to specific categories such as rent (capped at 25% of the grant amount) or operational costs. These restrictions highlight the need for a more flexible approach that aligns with the unique requirements of businesses at various levels.

Article 55 of the Commercial Code of Ukraine classifies business entities based on the number of employees and annual income from any activity. According to the amendments introduced by Law No. 4618-VI dated March 22, 2012, the classifications are as follows:

- Micro-enterprises: Up to 10 employees and annual income not exceeding EUR 2 million.
- Small enterprises: 10 to 50 employees and annual income between EUR 2 million and EUR 10 million.
- Medium-sized enterprises: 50 to 250 employees and annual income between EUR 10 million and EUR 50 million.

Given these classifications, a tiered grant system could be structured as follows:

- Micro-enterprises: Grants ranging from \$1,000 to \$5,000.
- Small enterprises: Grants ranging from \$5,000 to \$10,000.
- Medium-sized enterprises: Grants ranging from \$10,000 to \$20,000.

A tiered grant system offers a tailored approach to address the unique challenges given the diversity in business sizes, capacities, and challenges faced by MSMEs, a tiered system allows for strategic allocation of resources to address the unique requirements of businesses at different levels of operation.

- Combine sectoral cash transfers for agricultural inputs with the provision of essential in-kind inputs such as seeds, fertilizers, tools, and equipment for agriculture, or energy-efficient devices like solar kits for businesses. The evaluation revealed that some participants, especially subsistence farmers, struggled to prioritize spending their cash assistance effectively due to high costs, limited availability of quality inputs, or market access barriers. In-kind support ensures the immediate availability of critical resources like seeds, fertilizers, or tools, reducing the risk of misuse or misallocation. For businesses, providing specific equipment (e.g., generators or other operational tools) can alleviate immediate operational challenges, especially in conflict-affected regions where access to markets or suppliers is limited.

In-kind distribution is often preferred over cash grants in certain sectors and areas of intervention, even when markets are functional and goods are available, due to specific challenges and beneficiary preferences. Items such as certified seeds, fertilizers, and tools are better provided in-kind to ensure quality and availability. This approach addresses issues like price inflation, supply shortages, and high transportation costs, which can hinder beneficiaries from procuring these items independently. On the other hand, the findings from the end evaluation highlight that some beneficiaries allocated cash assistance to unintended purposes. In-kind support mitigates this risk by directly providing the necessary resources, ensuring program objectives are effectively met.

- Provide subsidies or grants for drip irrigation systems and water storage solutions, along with training on sustainable water management. Farmers highlighted water scarcity as a critical challenge. Addressing irrigation needs will improve agricultural productivity and reduce dependency on external aid.
- Extend support duration for VET trainees, offer advanced certifications, and establish partnerships with employers for internships and job placements. Short course durations and limited job opportunities post-training hinder long-term impact. Prolonged support and stronger linkages with the labor market will enhance employability.

¹⁸ Given that the fixed range of grants (EUR 1,000 to EUR 5,000) has proven insufficient to address the comprehensive needs of beneficiaries, we recommend that future grant allocations consider both the specific contextual needs of beneficiaries and alignment with Cash Working Group (CWG) guidance.

- Deploy mobile outreach teams and leverage digital platforms (e.g., apps, messaging services) for consultations and application processes as well as CFM. Participants in remote areas faced difficulties accessing information and support. Digital solutions paired with in-person outreach can bridge this gap and improve inclusivity.
- Encourage farmers to form cooperatives¹⁹ to share resources like equipment and negotiate better market prices. Cooperative models enhance bargaining power, reduce input costs, and improve access to markets, addressing concerns about sustainability and scalability.
- Offer sessions on sustainable practices (e.g., organic farming, pest control, crop rotation) and digital tools for farm management. Adoption of improved practices remains low. Providing targeted training and introducing technology will enhance productivity and environmental sustainability.

5. ANNEXES

5.1. ANNEX 1: EVALUATION MATRIX



Table 9 Evaluation Matrix

Evaluation Sub-Questions	Indicators	Criteria and Target	Data Gathering Tools and Analysis	Sources of Information
RELEVANCE				
RELEVANCE 1: Were the affected communities and stakeholders involved in the design and decision-making processes of the project?				
Relevance 1.1. To what extent the community members/project participants consulted in identifying the needs, challenges and opportunities during the design and implementation of the program?	Community members/project participants were effectively consulted during the identification of needs, challenges, and opportunities in the design and implementation of the program.	1 – To a significant extent target 2 – Partially 3 – To a small extent or not at all	*Project documents *DRC team *Project participants	*Desk review *FGDs *KIIs *Surveys
Relevance 1.2. To what extent did the project integrate stakeholder input to ensure it met local needs?	The project successfully integrated stakeholder input to ensure alignment with local needs during its design and implementation phases.	1 – To a significant extent target 2 – Partially 3 – To a small extent or not at all	*Project documents *DRC team *I/NGO, UN and cluster representatives *Village Leaders and Community Focal Points *MSME Consultant	*Desk review *KII
Relevance 1.3. How well did the project’s decision-making processes involve diverse community groups, including women, youth, elderly, and marginalized populations?	The project’s decision-making processes effectively involved diverse community groups, including women, youth, elderly, and marginalized populations.	1 – To a significant extent target 2 – Partially 3 – To a small extent or not at all	*Project documents *Project participants *DRC team *Village Leaders and Community Focal Points	*Desk review *Surveys *FGDs *KIIs
RELEVANCE 2: Were the activities and outputs of the project consistent with the overall goal and the attainment of its objectives?				
Relevance 2.1. To what extent the project activities were aligned with the specific needs and priorities identified to address the immediate and long-term needs of the project participants? How relevant were the response modalities (cash assistance, MSME support, and training programs) implemented?	Project activities were aligned with the specific needs and priorities identified to address the immediate and long-term needs of the project participants.	1 – To a significant extent target 2 – Partially 3 – To a small extent or not at all	*Project documents *Project participants *DRC team	*Desk review *Surveys *FGDs *KIIs *MSC
Relevance 2.2. How accessible were the project activities to the most vulnerable	The project activities were accessible to the most vulnerable populations,	1 – To a significant extent target 2 – Partially	*Project documents *Project participants *DRC team	*Desk review *Surveys *FGDs

¹⁹ <https://www.fao.org/investment-centre/latest/news/detail/Ukraine-approved-new-law-on-agricultural-cooperation/?utm>

Evaluation Sub-Questions	Indicators	Criteria and Target	Data Gathering Tools and Analysis	Sources of Information
populations, including women, youth, elderly, and persons with disabilities, ensuring inclusivity and relevance to diverse groups?	including women, youth, elderly, and persons with disabilities, ensuring inclusivity and relevance to diverse groups.	3 – To a small extent or not at all	*Village Leaders and Community Focal Points	*KIIs
Relevance 2.3. How context-adapted and capacity-conscious was the design and implementation of the project? How did the project adapt to the changing needs of the project participants?	The design and implementation of the project were context-adapted and capacity-conscious, reflecting the specific local conditions and participant capabilities. The project effectively adapted to the changing needs of the project participants throughout its implementation.	1 – To a significant extent target 2 – Partially 3 – To a small extent or not at all	*Project documents *Project participants *DRC team *Village Leaders and Community Focal Points *MSME Consultant	*Desk review *Surveys *FGDs *KIIs
Relevance 2.4. To what extent did the project activities align with local and national development priorities; including National Recovery and Peacebuilding Strategy, State Targeted Program for the Recovery of Eastern Ukraine and local economic development priorities?	The project activities were aligned with local and national development priorities, including the National Recovery and Peacebuilding Strategy, the State Targeted Program for the Recovery of Eastern Ukraine, and local economic development priorities.	1 – To a significant extent target 2 – Partially 3 – To a small extent or not at all	*Project documents *DRC team *I/NGO, UN and cluster representatives *MSME Consultant	*Desk review *KIIs
RELEVANCE 3: Did the project meet the needs and expectations of the targeted groups and stakeholders?				
Relevance 3.1. To what extent did the project activities meet the needs and expectations of stakeholders? Which needs were met, and which ones were not met?	The project activities met the needs and expectations of stakeholders, identifying which specific needs were addressed and which ones remained unmet.	1 – To a significant extent target 2 – Partially 3 – To a small extent or not at all	*Project documents *DRC team *I/NGO, UN and cluster representatives *Village Leaders and Community Focal Points *MSME Consultant	*Desk review *KIIs
Relevance 3.2. To what extent did the project activities meet the needs and expectations of project participants? Which needs were met, and which ones were not met?	The project activities met the needs and expectations of project participants, identifying which specific needs were addressed and which ones were not met.	1 – To a significant extent target 2 – Partially 3 – To a small extent or not at all	*Project documents *DRC team *Project participants *Village Leaders and Community Focal Points	*Desk review *KIIs *FGDs *Surveys *MSCs
RELEVANCE 4: How appropriate were project participants' participation and complaints and feedback mechanisms to the context?				
Relevance 4.1. To what extent were feedback and complaints mechanisms easily accessible to all project participants, including vulnerable groups (e.g., women, elderly, disabled, and IDPs)? Were there any barriers to access?	Feedback and complaints mechanisms were easily accessible to all project participants, including vulnerable groups (e.g., women, elderly, disabled, and IDPs), and any barriers to access were identified and addressed.	1 – To a significant extent target 2 – Partially 3 – To a small extent or not at all	*Project documents *DRC team *Project participants *Village Leaders and Community Focal Points	*Desk review *KIIs *FGDs *Surveys
RELEVANCE 5: Was the implementation based on evidence-based decision making?				
Relevance 5.1. To what extent did the feedback and monitoring mechanisms allow project participants to contribute to tangible changes or adaptations in project activities?	The feedback and monitoring mechanisms allowed project participants to contribute to tangible changes or adaptations in project activities.	1 – To a significant extent target 2 – Partially 3 – To a small extent or not at all	*Project documents *DRC team *Project participants *MSME Consultant	*Desk review *KIIs *FGDs *Surveys
EFFECTIVENESS				
EFFECTIVENESS 1: Did the project achieve its objectives?				

Evaluation Sub-Questions	Indicators	Criteria and Target	Data Gathering Tools and Analysis	Sources of Information
Effectiveness 1.1. To what extent did the cash assistance provided to small-scale farmers improved agricultural management practices and reduce the use of negative coping mechanisms?	The cash assistance provided to small-scale farmers improved agricultural management practices and reduced the use of negative coping mechanisms.	1 – To a significant extent 2 – Partially 3 – To a small extent or not at all	*Project documents *DRC team *Project participants *Village Leaders and Community Focal Points	*Desk review *KIIs *FGDs *Surveys *MSCs
Effectiveness 1.2. To what extent did the project support MSMEs in restoring their business operations and improving access to local markets?	The project effectively supported MSMEs in restoring their business operations and improving access to local markets.	1 – To a significant extent 2 – Partially 3 – To a small extent or not at all	*Project documents *DRC team *Project participants *MSME Consultant	*Desk review *KIIs *FGDs *Surveys *MSCs
Effectiveness 1.3. How effective were the training programs in providing participants with skills that led to new employment opportunities or enhanced livelihood options (off-farm jobs)?	The training programs were effective in providing participants with skills that led to new employment opportunities or enhanced livelihood options.	1 – To a significant extent 2 – Partially 3 – To a small extent or not at all	*Project documents *DRC team *Project participants	*Desk review *KIIs *FGDs *Surveys *MSCs
EFFECTIVENESS 2: What were the major external factors influencing the implementation of the project activities and the achievement of the intended results?				
Effectiveness 2.1. What and how did external factors influence the implementation of the project activities? How did the project respond to these?	Descriptive data	N/A	*Project documents *DRC team *Regional and Raion Employment Centers *MSME Consultant *Village Leaders and Community Focal Points	*Desk review *KIIs
Effectiveness 2.2. What and how did internal factors influence the implementation of the project activities? How did the project respond to these?	Descriptive data	N/A	*Project documents *DRC team *MSME Consultant *Village Leaders and Community Focal Points	*Desk review *KIIs
EFFECTIVENESS 3: Were the project participants informed of the selection criteria?				
Effectiveness 3.1. How effective were the selection criteria in reaching the targeted populations?	The selection criteria were effective in reaching the targeted populations.	1 – To a significant extent 2 – Partially 3 – To a small extent or not at all	*Project documents *DRC team *Project participants *MSME Consultant *Village Leaders and Community Focal Points	*Desk review *KIIs *FGDs *Surveys
EFFECTIVENESS 4: Did the project integrate considerations between sectors (from livelihoods to protection)?				

Evaluation Sub-Questions	Indicators	Criteria and Target	Data Gathering Tools and Analysis	Sources of Information
Effectiveness 4.1. How effectively did the project integrate protection mainstreaming into its livelihoods activities, ensuring that protection concerns were addressed in the implementation of economic recovery initiatives?	The project effectively integrated protection mainstreaming into its livelihoods activities, ensuring that protection concerns were addressed in the implementation of economic recovery initiatives.	1 – To a significant extent  2 – Partially 3 – To a small extent or not at all	*Project documents *DRC team *Project participants	*Desk review *KIIs *FGDs *Surveys
EFFECTIVENESS 5: Are there any identified improvements that could help to strengthen the project interventions and enhance their effectiveness?				
Effectiveness 5.1. How could the support provided to MSMEs (e.g., financial grants, technical coaching) be strengthened to help businesses recover more quickly and effectively?	Descriptive data	N/A	*Project documents *DRC team *Project participants *I/NGO, UN and cluster representatives *MSME Consultant	*Desk review *KIIs *FGDs *Surveys *MSCs
Effectiveness 5.2. What changes could be made to the training programs to ensure that participants acquire skills that are more aligned with current market demands and employment opportunities?	Descriptive data	N/A	*Project documents *DRC team *Project participants *I/NGO, UN and cluster representatives	*Desk review *KIIs *FGDs *Surveys *MSCs
Effectiveness 5.3. How could cash assistance be improved to more effectively increase agricultural outputs for small-scale farmers?	Descriptive data	N/A	*Project documents *DRC team *Project participants *I/NGO, UN and cluster representatives *Village Leaders and Community Focal Points	*Desk review *KIIs *FGDs *Surveys *MSCs
Effectiveness 5.4. What improvements can be made in the integration of protection concerns within livelihoods interventions to ensure that vulnerable populations (e.g., women, elderly) are protected while benefiting economically?	Descriptive data	N/A	*Project documents *DRC team *Project participants *I/NGO, UN and cluster representatives *Village Leaders and Community Focal Points *MSME Consultant	*Desk review *KIIs *FGDs *Surveys
EFFICIENCY				
EFFICIENCY 1: Were the interventions cost-efficient?				
Efficiency 1.1. To what extent were the overall project resources (financial, human, material and technical) allocated in a cost-efficient manner across all activities (cash assistance, MSMEs and trainings)?	Overall project resources (financial, human, material, and technical) were allocated in a cost-efficient manner across all activities (cash assistance, MSMEs, and trainings).	1 – To a significant extent  2 – Partially 3 – To a small extent or not at all	*Project documents *DRC team *MSME Consultant	*Desk review *KIIs
Efficiency 1.2. What could DRC's future projects do to increasingly develop and	Descriptive data	N/A	*Project documents *DRC team *MSME Consultant	*Desk review *KIIs

Evaluation Sub-Questions	Indicators	Criteria and Target	Data Gathering Tools and Analysis	Sources of Information
invest in existing resources)?				
Efficiency 1.3. Were there alternative approaches or modalities that could have delivered the same or better results at a lower cost? Which interventions delivered the highest impact per dollar spent?	Descriptive data	N/A	*Project documents *DRC team *MSME Consultant	*Desk review *KIs
EFFICIENCY 2: Was the project implemented within the planned timeframe?				
Efficiency 2.1. To what extent were the internal processes in ensuring timely and availability of inputs efficiently? Were there any bottlenecks within DRC that delayed the provision of resources?	Internal processes were efficient in ensuring the timely availability of inputs, with any bottlenecks within DRC that delayed the provision of resources identified and addressed.	1 – To a significant extent target 2 – Partially 3 – To a small extent or not at all	*Project documents *DRC team *MSME Consultant	*Desk review *KIs
Efficiency 2.2. To what extent was the project implemented in a timely manner concerning the needs of the project participants?	The project was implemented in a timely manner concerning the needs of the project participants.	1 – To a significant extent target 2 – Partially 3 – To a small extent or not at all	*Project documents *Project participants *DRC team *MSME Consultant *Village Leaders and Community Focal Points	*Desk review *KIs *FGDs *Surveys
IMPACT				
IMPACT 1: To what extent have the outcomes contributed to reducing the vulnerability of rural households to economic shocks and stresses? (Intended consequences)				
Impact 1.1. To what extent did the provision of sectoral cash assistance to subsistence farmers contribute to fostering economic recovery?	Cash assistance to farmers contributed to fostering economic recovery.	1 – To a significant extent target 2 – Partially 3 – To a small extent or not at all	*Project documents *DRC team *Project participants *I/NGO, UN and cluster representatives *Village Leaders and Community Focal Points	*Desk review *KIs *FGDs *Surveys *MSCs
Impact 1.2. To what extent has the comprehensive support provided to businesses contributed to fostering economic recovery and creating sustainable employment in the target areas, by mitigating the economic impacts of the conflict at both the micro (business) and macro (community) levels?	The financial and technical support provided to MSMEs contributed to fostering economic recovery and creating sustainable employment in the target areas, by mitigating the economic impacts of the conflict at both the micro (business) and macro (community) levels.	1 – To a significant extent target 2 – Partially 3 – To a small extent or not at all	*Project documents *DRC team *Project participants *I/NGO, UN and cluster representatives *MSME Consultant	*Desk review *KIs *FGDs *Surveys *MSCs
Impact 1.3. To what extent did the provision of demand-driven and context-relevant training opportunities contribute to fostering economic recovery and creating sustainable access to employment in the target areas, particularly by aligning the training with local labor market needs and mitigating the economic impacts of the conflict?	The VET trainings interventions contributed to fostering economic recovery and creating sustainable access to employment in the target areas	1 – To a significant extent target 2 – Partially 3 – To a small extent or not at all	*Project documents *DRC team *Project participants *I/NGO, UN and cluster representatives	*Desk review *KIs *FGDs *Surveys *MSCs
IMPACT 2: What were any unintended effects of the project?				
Impact 2.1. What were the unintended positive/negative effects of the project and how were they related to the overall objectives?	Descriptive data	N/A	*Project documents *DRC team *MSME consultant *Project participants	*Desk review *KIs *FGDs *Surveys
SUSTAINABILITY				

Evaluation Sub-Questions	Indicators	Criteria and Target	Data Gathering Tools and Analysis	Sources of Information
SUSTAINABILITY 1: How did the project plan and implement an adequate transition and exit strategy that ensures longer-term positive effects and reduces the risk of dependency?				
Sustainability 1.1. To what extent did the project's cash assistance include measures to ensure that rural households could sustain their agricultural activities without further external assistance?	The project's cash assistance included measures to ensure that rural households could sustain their agricultural activities without further external assistance.	1 – To a significant extent target 2 – Partially 3 – To a small extent or not at all	*Project documents *DRC team *Project participants *Village Leaders and Community Focal Points	*Desk review *KIIs *FGDs *Surveys
Sustainability 1.2. How did the project encourage MSMEs to build sustainable business models, strengthen their market links, and reduce the risk of dependency on financial aid?	The project encouraged MSMEs to build sustainable business models, strengthen their market links, and reduce the risk of dependency on financial aid.	1 – To a significant extent target 2 – Partially 3 – To a small extent or not at all	*Project documents *DRC team *Project participants *MSME Service Providers	*Desk review *KIIs *FGDs *Surveys
Sustainability 1.3. How did the project encourage VET trainees to develop sustainable career paths, strengthen their connections with potential employers, and reduce their dependency on short-term financial aid or assistance?	The project developed sustainable career paths, strengthen their connections with potential employers, and reduce their dependency on short-term financial aid or assistance.	1 – To a significant extent target 2 – Partially 3 – To a small extent or not at all	*Project documents *DRC team *Project Participants	*Desk review *KIIs *FGDs *Surveys

5.2. ANNEX 2: LIST OF DESK REVIEW DOCUMENTS

Table 10 List of Desk Review Documents

#	Document Name
1	Participant Lists
2	BHA Indicator Handbook
3	Business Consultancy Documents
4	Change Request Notif
5	DRC Baseline Report
6	DRC Terminology
7	Lessons Learned
8	Proposal
9	Reports
10	Success Stories, Communications and Visibility
11	Selection Criteria
12	Registration Data
13	Budget
14	Logframe
15	Weekly Coordination Meetings
16	Finance
17	Economic Activity Recovery SoP
18	Complaints and Feedback
19	Employment Center KIIs
20	Agriculture documents
21	MSME documents
22	VET documents
23	PAM Documents and List

5.3. ANNEX 3: LIST OF EXPERT KIIs

#	Organization/ Institution	Position
1	DRC	Economic Recovery Coordinator
2	DRC	Economic Recovery Program Manager
3	DRC	Area Manager
4	DRC	Economic Recovery Officer

5	WFP	FSLC Lead, Eastern Hub
6	WFP	FSLC Lead, Southern Hub
7	Tomakivka village council	Head Of Registration Department of The Executive Committee
8	Department of Economic Development and Investment of the Petro Mykhailivska community	Deputy Village Head
9	European Technical Assistance LLC	Executive Director

5.4. ANNEX 4: DATA MANAGEMENT

1. Compliance with the European Union Data Protection Law on the Protection of Personal Data

Scruples Research is committed to protecting the privacy and personal data of research participants involved in our research activities. This Data Protection Policy outlines our commitment to complying with the European Union Data Protection Law, including Regulation (EU) 2016/679, commonly known as the General Data Protection Regulation (GDPR), and ensuring the lawful, fair, and transparent processing of personal data in research.

As we consider quality a top priority, our data quality protocol outlines comprehensive and detailed procedures to ensure the systematic collection of data. Based on this, all field researchers will be trained to collect data using the exact evaluation procedures during each data collection exercise. Moreover, our field researchers and the rest of the evaluation team will sign a Code of Conduct which ensures adherence to data quality, confidentiality, and the humanitarian principles in the field across the board. The entire data management will also be conducted aligned with the DRC’s data sharign agreement.

2. Data Management

Data is collected using the KOBO mobile data collection platform on through CATI method. KoBo is essentially a clone of Open Data Kit (ODK) with an enhanced Graphical User Interface (GUI), KoBo works on and offline to allow surveys to be conducted any time and uploaded when the internet is available. Kobo includes GPS tagging and timestamps to add a layer of data verification. The KOBO platform has built-in data custody and security features, which helps to ensure appropriate data security and protect the confidentiality of respondents. During data collection, records are transmitted continuously to a server-based account. In the event that network access limits the transmission of records or the hardware does not have SIM connectivity, records are uploaded as frequently as possible and sent when an internet connection is available, by SMS or, if necessary, by downloading to an office desktop. Once records have been successfully transmitted, they are automatically deleted from the device.

KOBO allows permissions to be assigned to individuals with different study roles (data collector, supervisor, data manager, etc.), which ensures appropriate levels of access for study team members. Data collectors have permission to send completed records only; they will not be able to view or access any additional data [including that which is collected by other individuals]. The Field Coordinator will actively oversee interviewers in the field to ensure data collection procedures are adhered to and that data quality is maintained. This includes review of all questionnaires for completion and quality before submitting data and leaving the location. In addition, real-time review of data is undertaken using Kobo’s dashboard feature to ensure that adequate data quality is maintained and that an acceptable number of interviews are completed in a timely manner.

3. Data Cleaning and Analysis

Upon completion of data collection, data files will be merged and cleaned. The purpose of data analysis is to transform the data into credible evidence about the development of an intervention and its performance. Typically, the analytical process involves three steps:

- **Organising the data for analysis (data validation and cleaning):** using EXCEL formulas and additional data analysis software.
- **Describing the data (generating findings of fact):** after cleaning the data and filling the missing data the analysis steps will go through the type of data collection structure.
- **Presenting the data analysis:** Scruples Research will present/deliver the analysis in Excel and will report as per the agreed reporting template with DRC.

4. Data Quality Assurance

The evaluation team will take all reasonable steps to ensure that the evaluation is designed and conducted to respect the rights and welcome all people and communities involved and to ensure that the evaluation is technically accurate and reliable, is conducted in a transparent and impartial manner and contributes to organizational learning and accountability.

All teams for this evaluation will have prior knowledge and experience of quantitative and qualitative data collection. In addition, each evaluation team member will be briefed on the objective of the evaluation and the utility of the specific data collection tools. Topics mentioned during the briefing will include:

- The purpose of the evaluation
- An overview of the programme under evaluation
- Understanding the content of the questionnaire
- Understanding how to ethically collect good quality data – introductions, informed consent, confidentiality, and potential bias.
- Sampling procedures
- The use of paper and mobile phone-based questionnaires.

- Understanding the roles and responsibilities of field researchers.

To ensure quality during the data collection process, we will focus on the following;

- Tailored training to all the researchers regarding the objectives of the evaluation, methodology, and best practices for data collection within a specific timeframe.
- Practising the questionnaire using role-play in Ukrainian/Russian with a focus on ensuring that beneficiaries feel comfortable choosing their preferred language. This includes role-playing scenarios to reassure beneficiaries that they are welcome to speak in Russian if they prefer, even if they have limited knowledge of Ukrainian, to foster an inclusive and respectful environment.
- All programme participants data will be uploaded into the software, allowing data collectors to avoid duplication of work and unnecessary data entry.
- Regular data cleansing to ensure consistency and accuracy of information.
- Digital data gathering will eliminate basic data errors, and automation of standard error detection will reduce the need for extended time spent on data.
- Co-lead analysis process - our evaluation team members are allowing comprehensive and in-depth analysis outputs.

To ensure the quality during the reporting, we will follow the below steps;

- Appointment of a reviewer to ensure both technical and procedural QA.
- The team engages the quality assurance person for the output produced by the evaluators. In addition, the quality assurance person can liaise directly with the evaluation team where necessary.
- The evaluation team will incorporate comments and suggestions if accepted and respond to those that were not accepted.
- The last stage before the submission will be the editorial/language check to ensure that the report is clear and concise, with the correct use of the contract language. Our internal reviewer will be responsible for this task.

Project Manager and Field Coordinator conduct quality controls for both quantitative and qualitative data in the phase of data entry and analysis. For quantitative data, random quality control checks are conducted on 10% to 15% of the submitted surveys using the following criteria:

- **Completeness:** When designing the questionnaire on Kobo, Scruples Research will apply entering criteria to the data items.
- **Uniqueness:** Nothing will be recorded more than once, based upon how that item is identified. Enumerators will make sure that they will collect data from unique people.
- **Timeliness:** Field teams are obliged to collect the information in a specific time.
- **Verification and triangulation of data:** Will be done by correlating data obtained from different (groups of) stakeholders as well as different methods.
- **Accuracy:** The degree to which data correctly describes the "real world" object or event being described.
- **Consistency:** The absence of differences when comparing two or more representations of a thing against a definition.

5. Confidentiality

Confidentiality and privacy of the respondents will seriously be maintained in this study. Data collected from the field will be treated as highly confidential, accessed by the study team members, and used for the purposes of the study only. The respondents will accordingly be informed of the confidentiality of information before any data is collected. Our informed, active and documented consent approach recognizes the power dynamics and the potential hierarchy between the respondent and the researcher. Therefore, it is based on information, comprehension and voluntary participation and thereby clarifies the following aspects: what does giving informed consent mean, explanation of the procedures to be followed, if any procedures will result in discomfort or inconvenience, if there are any risks or costs involved for the participant, rights as a potential participant and conditions of confidentiality, by clarifying the implications and consequences of the involvement.

Only the staff who are directly involved in the evaluation (data collection and data analysis) have access to data. Below are the key steps taken by our field researchers to contribute ensuring data safety and security:

- The field researchers will get an explicit written informed consent (form in Ukrainian/Russian) prior to the collection of data. The informed consent will explain the potential benefits of taking part in the study (if exists), the objectives of the study and how the results will be used. The informed consent will also ensure that the participation is voluntary and confidential, which will not impact participants' eligibility of benefiting any services provided through DRC. The participants will also be informed of how the collected data will be stored as processes in addition to its use.
- We will ensure downsizing the questions that do not serve the purpose of the assignment and/or asks for too much personal data.
- We will electronically archive the data in line with our procedures.
- We will ensure the security of the data collected, minimize risk of damage of data or using inconvenient technologies and ensure that hard copies will be scanned and electronically archived, if the data is collected without employing any technology platform. A physical repository of data collected will also be created during assignment.

5.5. ANNEX 5: ADDITIONAL ANALYSIS

INTEGRATED PROGRAMMING: The DRC Ukraine Livelihoods Protection and Recovery Program is aligned with national and regional development priorities, addressing socio-economic recovery through targeted support for vulnerable groups, MSMEs, and subsistence farmers, while also fostering food security, rural livelihoods, and critical infrastructure rebuilding.

Data Sources: KIs with stakeholders and desk review

The DRC Ukraine Livelihoods Protection and Recovery Program shows significant alignment with the National Recovery and Peacebuilding Strategy (NRPS), which aims to foster economic resilience and social cohesion in conflict-affected areas. The program reflects the goals outlined in Ukraine's National Strategy for Promoting Civil Society Development (2021–2026)²⁰ and broader peacebuilding initiatives. The project's cash assistance for covering VETs in high-demand skills (e.g., accounting, small-scale agriculture, and trade) are consistent with the NRPS objective of rebuilding economic systems and enhancing workforce resilience. The grants for micro, small, and medium enterprises directly support NRPS goals of economic empowerment by revitalizing local markets and fostering community-level entrepreneurship. The assistance provided to subsistence farmers through sectoral cash, targeting agricultural inputs such as seeds, fertilizers, and irrigation equipment, synchronizes well with the NRPS emphasis on restoring rural livelihoods and ensuring food security. Activities that include sensitization sessions for better agricultural practices.

The State Targeted Program emphasizes²¹ the socio-economic recovery of Ukraine's eastern regions, focusing on support for vulnerable populations, rebuilding infrastructure, and economic renewal. The project prioritized vulnerable households, including households with IDPs and elderly individuals, and women-headed households, aligning with the targeted program's focus on inclusive recovery. Providing sectoral cash assistance for seeds, fertilizers, and irrigation aligned with the project's objective of restoring agricultural productivity and food security. The support to subsistence farmers particularly contributed to addressing local food production challenges and reducing dependency on external aid, thereby aligning with the program's goals. Addressing power outages through allowing business grants to be spent on generators shows alignment with the project's focus on rebuilding critical infrastructure.

CONTEXTUAL ADAPTATIONS: The project adapted to a complex and evolving environment by employing adaptive management practices, leveraging local knowledge, and coordinating extensively with stakeholders, in the face of external and internal factors affecting the project implementation.

Data Sources: KIIs with stakeholders and desk review

- **Security Concerns:** Many targeted areas were near the frontlines, such as Khersonska and Mykolaivska oblasts. Safety risks restricted access to the most vulnerable villages and required shifting activities like vocational training to safer urban areas or online formats. Frequent missile strikes posed challenges for frequent travel to certain regions, necessitating close coordination with local authorities and safety monitoring teams to adapt to volatile security conditions.
- **Power and Connectivity Issues:** Power disruptions affected training and consulting sessions, particularly for MSMEs and vocational training participants in Dnipropetrovsk and Mykolaiv oblasts.
- **Economic and Market Challenges:** High inflation rates reduced beneficiaries' purchasing power, limiting the ability of subsistence farmers to procure agricultural inputs even with sectoral cash assistance. In rural areas, limited market access and infrastructure posed challenges for farmers and small businesses, impacting their ability to sustain operations
- **Infrastructure Limitations:** Vocational training opportunities were limited in rural areas due to the unavailability of facilities. Cash-for-training support helped beneficiaries access alternative and online training options. Long travel distances and damaged infrastructure delayed participant registrations and required innovative approaches like forward-based accommodation.
- **Mobilization Law:** Restrictions on the movement of men of conscription age created anxiety and limited their participation in program activities. Women became a primary focus for certain components of the project.

Collaboration with community focal points, local leaders, and hromada administrations ensured inclusive and efficient participant targeting, fostering trust and transparency. Digital tools streamlined registration and consultation processes, mitigating the impact of connectivity issues and enabling efficient operations despite logistical hurdles. Furthermore, close coordination with stakeholders, including the FSL Cluster and other humanitarian actors, minimized duplication and optimized resource allocation.

20 <https://www.president.gov.ua/documents/4872021-40193>

21 https://zakononline.com.ua/documents/show/375890__680418

These measures collectively strengthened the program’s ability to adapt to evolving challenges while maintaining a focus on supporting vulnerable populations effectively and sustainably.

RECOMMENDATIONS BY EVALUATION PARTICIPANTS: Recommended support Support for MSMEs, agriculture, and VET programs revolve around enhancing financial flexibility, capacity building, market linkages, and resilience strategies through tailored technical assistance, sustainable practices, and strengthened employer partnerships to foster recovery, growth, and sustainability.

Data Sources: FGDs, MSCs and KIs with project participants and KIs with stakeholders

MSME SUPPORT: Expand grant flexibility, providing sector-specific coaching, improve accessibility and inclusivity, promote market linkages, and enhance capacity-building activities to promote resilience, growth, and sustainability.

- **Flexible Financial Approach:** Expand the allowable categories for grant expenditures to include indirect business costs such as salaries, marketing, and logistics to enhance operational sustainability. Introduce a tiered approach to grants based on business needs and recovery potential. For example, provide larger grants to businesses with higher potential for job creation and economic multiplier effects.
- **Enhanced Technical Support:** Provide sector-specific business coaching tailored to the unique challenges of different industries, such as retail, agriculture, or manufacturing. This can include export-readiness training and guidance for accessing international markets, especially for agricultural producers like beekeepers. Extend the duration of technical consultations beyond the current limit (e.g., 5 hours) to allow more in-depth support tailored to the specific needs of businesses.
- **Improved Accessibility and Inclusivity:** Reassess eligibility criteria to include new businesses launched during the war. These enterprises are particularly vulnerable and represent a critical part of the recovery. Use hybrid consultation models (online and in-person) to overcome mobility and connectivity barriers faced by rural entrepreneurs. Consider mobile teams to reach remote areas.
- **Strengthen market Linkages:** Create platforms for MSMEs to connect with local and regional buyers, fostering business-to-business networks. For instance, aggregating procurement for agricultural inputs could help reduce costs. Partner with industry-specific associations to deliver targeted technical advice, such as pricing strategies and market access for niche products like honey.
- **Expand Capacity Building Activities:** Organize hands-on training on digital tools, financial management, and crisis adaptation strategies. Encourage businesses to invest in upskilling their employees by co-financing training sessions that align with business goals.

AGRICULTURE: Focus on sustainable and climate-resilient practices, enhance market access, improve input accessibility, leverage technology, advance water management, and foster cooperative models to empower farmers and optimize resource use.

- **Tailored Trainings:** Introduce training on sustainable and climate-resilient farming practices, including water-efficient irrigation, drought-resistant crops, and organic farming techniques. Focus on crops and livestock that are most viable in the local climate and soil conditions. Introduce methods for maintaining soil fertility through composting and other organic techniques. Train on natural pest control methods to reduce dependency on expensive or harmful chemicals.
- **Strengthen Market Access and Skills:** Include training on how to access regional and urban markets effectively, including strategies for collective selling or cooperatives. Offer sessions on basic financial management, budgeting, and record-keeping to help farmers manage their resources and investments effectively.
- **Address Input Accessibility:** Provide technical assistance on selecting, storing, and using seeds and fertilizers effectively. Farmers cited a significant need for support in purchasing seeds, feed, and agricultural inputs. Facilitate connections to microfinance or government subsidy programs for purchasing essential farming equipment or materials.
- **Leverage Technology:** Train farmers to use apps or online tools for weather updates, market prices, and farm management. This could help them mitigate risks and plan activities better. Introduce and demonstrate affordable farming tools such as small-scale irrigation systems, solar-powered pumps, or soil testing kits.
- **Improve Water Management:** Provide training on affordable and effective irrigation methods such as drip irrigation to maximize water use efficiency. Advocate for subsidies or grants to help communities invest in water storage solutions like tanks or well-digging initiatives.

- **Foster Cooperative Models:** Encourage farmers to form peer groups or cooperatives to share knowledge, pool resources, and improve bargaining power. Introduce community-based mechanisms for sharing expensive farming equipment such as cultivators or tractors.

VET TRAININGS: Extend follow up, provide internship and apprenticeship programs, offer supplementary trainings and engage in employer partnerships.

- **Extended Follow Up:** Support VET graduates with career counseling and job search assistance for at least 12 months post-training.
- **Internships and Apprenticeships:** Partner with local businesses and industries to provide practical work experience through internships, apprenticeships, or mentorships. Subsidize trainee stipends during these placements to ensure equitable access for low-income participants.