



DRC-DDG LEGAL ALERT: Issue 58 October/November 2020

1. Cabinet Approved KfW ‘Housing for Internally Displaced Persons’ Grant and Project Agreements

On 16 November 2020, the Cabinet issued Decree [No. 1437-p](#) approving a German Federal Government grant and project agreements under ‘Housing for IDPs’ project with KfW.¹ The project concerns the provision of preferential housing loans to IDPs. As [announced](#) by the Ministry for Reintegration of the Temporary Occupied Territories (MinTOT), the terms of the project are as following:

- Total project budget: 25.5 million EUR;
- Implementing partner: The State Fund for Support of Youth Housing Construction (Ukraine);
- Estimated results: provision of housing through the preferential housing loans mechanism to 680 IDP families in 2021-2022;
- The estimated average annual interest rate under the preferential loan: 3%.

Before the launch of the project, the Cabinet is still to issue a by-law that would provide necessary procedures and detail the project terms for the implementation at the national level.

2. Cabinet Allocates Subsidy for IDP Temporary Housing to Local Authorities

Background: Following advocacy on the development of IDP housing solutions, in January 2018 the Cabinet added IDPs to the list of social groups eligible for the temporary housing programme.² In June 2019, the Cabinet provided special terms for IDP temporary housing, including the development of separate housing stocks based on joint 50%-50% investments from the state and local budgets.³ In August 2019, the Cabinet extended the state budget’s share of the funding to 70% while the remaining 30% is still to be covered by the local budgets.

Recent Developments: On 16 November 2020, the Cabinet issued Decree [No. 1435-p](#) directing nearly 3.5 million UAH subvention to local authorities in Pokrovsk (Donetsk region, approx.1.9 million UAH), Konotop (Poltava region, approx.1.4 million UAH), and Pervomaisk (Kharkiv region, approx. 0.2 million UAH). Although not directly specified in the Decree, the subvention was [announced](#) to cover the purchase of 10 flats for temporary housing for 28 IDPs. As for the local authorities, they are supposed to provide an additional 1.5 million UAH from their budgets.

This is the final subvention to local authorities for the purposes of temporary IDP housing in 2020, reaching the overall amount of 20 million UAH aimed at providing 84 housing units for 260 IDPs. In the Draft State Budget 2021, the Cabinet proposed a record funding of over 125 million UAH for the same purpose which would require a proportionate investment of over 53 million UAH from the local authorities.

¹ The KfW (Kreditanstalt für Wiederaufbau, or Credit Institute for Reconstruction) is a state-owned development bank, formed in 1948 as a part of the Marshall Plan.

² For additional information please see DRC-DDG [Legal Alert](#) Issue 22: January 2018, Section 1.

³ For additional information please see DRC-DDG [Legal Alert](#) Issue 41: June, 2019, Section 1.

3. Cabinet Adopts Strategy For Digitalisation of Social Services

On 28 October 2020, the Cabinet issued Decree [No. 1353-p](#) adopting a Strategy for Digitalisation of Social Services. The strategy aims to strengthen access to social services (especially among vulnerable persons), and enhance their quality and transparency. The strategy also focuses on strengthening the oversight over the compliance with the terms of social assistances and optimisation of the operational costs, foreseeing the following:

Data Administration & Efficiency Management	Access to Services
<ul style="list-style-type: none"> • Creation of a unified social register aimed to incorporate data on the beneficiaries of all social assistances and benefits. The register will incorporate data held by the Ministry of Justice, Ministry of Finance, Ministry of Interior, National Bank, State Customs Service, and other state bodies; • Creation of a Register of social services providers; • Creation of a joint data register of children deprived of parental care; adults willing to offer custody or adoption; and foster parents and guardians; • Development of a unified electronic monitoring system aimed to check and further monitor beneficiaries’ compliance with the terms of their assistances, ensuring possible prevention of misuse and prosecution; • Development of an electronic performance monitoring system able to focus on regions, offices, and individual staff members; • Digitalisation of the data exchange, digitisation of old documents. 	<ul style="list-style-type: none"> • Establishment of a network of multipurpose social service centres to provide administrative, social, and other services based on the single-window principle; • Delinking provision of public services from person’s residence registration; • Development of e-mail, mobile, and other digital channels of communication with the service recipients; • Development of individual electronic profiles to display all the social services and benefits that a person is eligible for.

4. President Signed Decree On Enhancing Protection of Interests of Missing Persons

On 11 November 2020, the President signed Decree No. [495/2020](#) regarding the protection of interests of persons gone missing under special circumstances⁴ and interests of their family members. The Decree directs the Cabinet to undertake actions aimed at implementing the Law ‘On the Legal Status of Missing Persons’ adopted back in July 2018.⁵ For instance, the Decree requires:

- Conducting annual awareness raising campaigns on the International Day of the Victims of Enforced Disappearances (30 August);
- Development of an action plan on the protection of interests of missing persons and their family members, focusing on enabling the Commission on Persons Gone Missing Under Special Circumstances and functioning of the register of such persons.

⁴ Ukrainian regulation differentiates missing persons depending on the circumstances of their disappearance. Reported Decree and the referred law concern individuals who have disappeared in the area of an armed conflict or warfare, as well as during the riots, natural or technological emergencies, or other incidents resulting in mass deaths.

⁵ For additional information, see DRC-DDG [Legal Alert](#) Issue 22: January 2018, Section 2; DRC-DDG [Legal Alert](#) Issue 29: July 2018, Section 1.

5. Updates on Baby-Boxes and Municipal Babysitter Projects

Baby-Boxes

Background: Starting from September 2018, the Cabinet launched the ‘baby box’ project, providing parents with a set of baby care items of the total value of 5,000 UAH.⁶ The project was designed as an addition to the existing monetary assistance which provides immediate payment of 10,320 UAH after the birth and an additional monthly payment of 860 UAH for the following three years (41,280 UAH in total). In July 2020, the Cabinet announced partial monetisation of the baby box project: instead of the box, a special debit card is provided to the parents to be used in a limited number of authorised marketplaces to purchase baby care items.⁷

Recent Developments: On 21 October 2020, the President signed Law [No. 930-IX](#) concerning the baby-boxes. The Law provides the following:

- The assistance is once again to be provided in the natural (non-monetary) form. However, starting from 1 July 2021, the parents will have an option to request ‘compensation’ instead;
- If previously the baby-box value was set to 5,000 UAH, now it equals three times the living wage for small children (therefore, 5, 577 UAH as of November 2020).

Municipal Babysitter

Background: In January 2019, the Cabinet launched the ‘municipal babysitter’ pilot project, which provided reimbursement for the costs of a babysitter, if hired on a formal contract. The reimbursement could not exceed the living wage for a baby (1,626 UAH) as of January 2019 and to be paid until the child reaches three years.⁸

Recent developments: On 30 September 2020, the Cabinet issued Resolution [No. 897](#) amending the ‘municipal babysitter’ pilot project. The main changes provide:

- New eligibility term requiring both parents (guardians) to be employed – unless they have a disability or take care of a differently-abled child, a child with a severe illness, or in some other cases;
- In the case of differently-abled children or children with severe illnesses, the maximum reimbursement size has increased to two respective living wages (therefore, 3 718 UAH as of November 2020).

As [reported](#) by the government, the project covers approx. 35,000 beneficiaries with a total budget of approx. 270 million UAH for 2020.

6. Ukraine Reopens EECs, However Movement Remains Restricted

Background: Starting from March 2020, movement through EECs remained mostly restricted and highly unstable due to the COVID-19 prevention measures of the government of Ukraine and NGCA de-facto authorities. As of October 2020, only Stanitsa Luhanska in Luhansk region has been functioning until it was closed on 15 October with a two-day notice.

⁶ For additional information on the baby-boxes, please see DRC-DDG [Legal Alert](#) Issue 27: June 2018, Section 3.

⁷ For additional information on monetization of the baby-boxes, please see DRC-DDG [Legal Alert](#) Issue 54: July 2020, Section 5.

⁸ For additional information on the municipal babysitter, please see DRC-DDG [Legal Alert](#) Issue 27: June 2018, Section 3.

Recent Developments: On 9 November 2020, the Joint Forces Operation [announced](#) reopening all EECPs in the JFO area starting from 10 November. The plan was to open two new EECPs in Zolote⁹ and Schastya, both in Luhansk region. The government also [announced](#) the opening of a public services centre at Zolote in cooperation with national and international partners. The centre is designed to provide important administrative, social, medical, banking, and [other](#) services.

However, as of 1 December 2020, NGCA de-facto authorities declined to open the NGCA sides of most of the EECPs, limiting the movement options to just Stanitsa Luhanska (operating daily) and Novotroitske (operating on Mondays and Fridays only).

7. Parliament Proceeds With Developing State Budget 2021

On 5 November 2020, the Parliament adopted the State Budget 2021 (Draft Law [No. 4000](#)) in the first hearing.

With two more hearings to go, the Parliament is currently out of the timeframe provided under the Parliamentary Rules of Procedure, marking 20 October, 20 November, and 1 December as deadlines for adoption of the first, second, and third hearing respectively.

Some of the terminology used in this issue of the Legal Alert was taken from draft laws or current legislation and does not necessarily reflect the position of DRC-DDG.

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⁹ Technically, EECP Zolote was organised by the Ukrainian government already in 2016. However, NGCA authorities have not organised corresponding EECP at their territory, thus ever since Zolote either functioned in one-way regime or stayed inactive.