

Ukraine, Europe's poorest country, was on track last year to chip away at its poverty rate. In 2019, the percentage of Ukrainians projected to fall below the poverty line in 2020 was 31.2%, on trend with a slight decrease seen in previous years. Amidst the Covid-19 pandemic, 45% of Ukrainians are living in poverty- a 17% increase from 2019's prediction. According to a study by The Association of Middle East Studies and The Ukrainian Catholic University, 60% of respondents said they had experienced financial losses directly related to Covid-19, 38% reported loss of regular income and 14% reported losing their job entirely. Between corruption in the upper class, an ongoing war with Russia, delicate relationships in the west and a global pandemic, Ukraine is on track to see nearly half of its citizens impoverished by the end of the year.

Ukraine's struggle with poverty is a multifaceted one, not lending itself to one cause but a myriad of circumstances perpetuating the cycle of poverty for nearly 18 million Ukrainians today. Firstly, it is important to understand the rampant corruption in the highest of socioeconomic levels. These oligarchs hold the seat of power and the government thus far has been unable to bring them to heel. There has long been a sense of mistrust or lack of faith among the citizens and their government. A trusting relationship between the people and their government is essential for the regrowth of stable domestic markets.

Secondly, it's important to understand Ukraine's foreign relationships. The annexation of Crimea in 2014 and ongoing hostilities with Russia have hit their economy hard, leaving few resources available for widespread social aid. Their eastern conflict has also scared off foreign investors, displaced locals and left them homeless or in temporary housing, and orphaned thousands of children. Their relationship with western Europe remains delicate. The EU has offered financial assistance on the grounds that the Ukrainian government addresses the issue of the oligarchy.

From 2015 to 2020, The World Bank and The United Nations Development Programme delivered US\$260 million of crucial supplies to Ukraine. On April 27th of this year, The World Bank provided an additional US\$135 million in funding toward the Serving People, Improving Health Project. The funding will be used to support Ukraine's Covid response. The funds will be used to increase disease surveillance, upgrade Ukraine's hospital system and train Ukrainian doctors. The project also provides start-up grants for small businesses.

Ukraine has faced its fair share of turmoil, long before the global crisis brought on by Covid-19. In the years leading up to 2020, the country showed slow but promising improvement in its fight against poverty. Covid-19 has proven itself a worldwide challenge, testing nations in every way imaginable. With the help of the EU's conditional funding and the Serving People, Improving Health Project, it seems Ukraine will have the tools necessary to continue on the road to healing in 2021.

