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DESIGNING A SUSTAINABLE SOCIAL PROTECTION SYSTEM IN UKRAINE: A COMPREHENSIVE EVALUATION

ABSTRACT

Social values hold heightened importance, particularly during wartime. Ukraine's social protection system is designed to help vulnerable groups of people, yet it faces financial constraints, with many resources being redirected towards military needs. Consequently, evaluating its effectiveness is crucial, and it is essential to develop recommendations to enhance its resilience and adaptability.

The goal of this research is to evaluate the social protection system of Ukraine and to make recommendations to fill the gaps in its functioning.

The evaluation of Ukraine's social protection system utilized the Core Diagnostic Instrument (CODI tool) from the Inter-Agency Social Protection Assessments to the extent possible, given the constraints posed by limited information availability. This tool consists of four modules: policy, program design, program implementation, and system assessment guidelines. Thirteen experts from Ukraine provided an assessment of eight criteria. This comprehensive evaluation of Ukraine's social protection system allows for the identification of its strengths and weaknesses.

The social protection system of Ukraine was evaluated, receiving an average score of 2.5 out of 4. Strengths include a well-developed legislative base for social protection and the use of a program-targeted method for implementing budget programs with social dimensions. However, weaknesses were also identified, such as low levels of social standards, insufficient funding, numerous social protection authorities with potential duplications and overlaps in their activities, and a weak information dissemination system regarding the realization of social protection goals.

Several measures are needed to address the shortcomings in Ukraine's social protection system: raising the level of social standards to better reflect current economic conditions and consumer price trends; reviewing the sources of financing for social protection programmes to ensure a more effective allocation of resources; and modernising the social protection reporting system to improve the decision-making process. The implementation of these recommendations will contribute to the development of a more adaptable and resilient social protection system in Ukraine.

Keywords: social security, social sustainable development, social insurance, social protection system assessment, social inclusion

JEL Classification: H53, H55, H75, I31

INTRODUCTION

Social protection systems vary from country to country, each shaped by unique socio-economic conditions. In general, the more developed a country, the more complex and comprehensive its social protection system tends to be. Assessing the effectiveness of such systems requires a multi-faceted approach, considering not only the level of social support but also the resilience of the system in times of crisis.

Ukraine's social protection system (SPSU) is currently facing an unprecedented test as a result of the ongoing war. Ukrainians are exposed to a wide range of social risks arising from natural disasters, technological disruptions, biological threats, economic instability, demographic challenges, political turmoil and health crises. As a result, the

SPSU is under enormous pressure. The level of social standards is insufficient to fully meet the basic needs of vulnerable people, and it is impossible to raise them in the short term. With the bulk of financial resources going to military efforts, social payments are increasingly dependent on support from international partners.

Originally designed for peacetime conditions, the SPSU is currently undergoing a major transformation to better meet the urgent needs of vulnerable groups. In addition to traditional vulnerable groups such as the elderly, persons with disabilities and low-income families, the war has created new categories of people in need of social protection. These include internally and externally displaced persons, war-disabled persons, soldiers returning from the frontlines, families of fallen soldiers, civilians affected by military action and those who have lost their homes or livelihoods as a result of the war. As the needs of these groups evolve, so must the social protection system, adapting to the increasingly complex social landscape of a nation at war.

At the same time, the labour market in Ukraine is facing profound disruptions due to the mobilisation and migration of skilled workers, the destruction of workplaces and rising unemployment rates. These pressures underscore the urgency of reassessing the functioning of the social protection system (SPS) to identify both its strengths and areas for improvement. Such an assessment is crucial for building a resilient and adaptable social protection system that can better serve the population in times of crisis and beyond.

LITERATURE REVIEW

Social protection has been recognized as a key tool in advancing the objectives of increasing the resilience of socially vulnerable populations and enhancing the capacity to withstand environmental, economic, and social disasters, as outlined in the targets for achieving SDG 1, "No Poverty" (UN, 2015). It is vital that social protection measures and related programs go beyond merely addressing the visible effects of poverty and vulnerability, instead targeting the deeper, structural issues that cause them (Roelen & Devereux, 2013). Additionally, the modern approach to building SPS requires better integration into national social and economic policies and comprehensive climate risk management (Aleksandrova & Costella, 2021). This perspective is reasonable, that social protection is a key instrument of development stimulation, not only social but also economic, environmental and political (Kolbe & Gogsadze, 2022). In this regard, the Inter-Agency Social Protection Assessments (ISPA) provide a comprehensive understanding of social protection as a collection of policies and programs designed to shield individuals from poverty, vulnerability, and social exclusion throughout their lives, with particular attention given to those who are most at risk (ISPA, 2014, p. 7). This broad definition highlights the essential role that social policy plays within SPSs. As Hudson et al. (2019) emphasize, identifying and addressing weaknesses in policy implementation is fundamental to achieving social protection objectives. Another major concern revolves around the funding of social protection programs. Research indicates that longstanding political differences are a significant factor in the considerable variation seen in the funding systems for social security across different countries (Schmitt et al., 2020, p. 143). For instance, the development trends of social protection systems in European countries demonstrate that, despite ongoing efforts to harmonize social policies and establish a unified social model, diverse legal and institutional approaches still persist at the national level (Bogoevska, 2019, p. 403).

In low-income countries, the redistributive approach to social policy has proven to be a positive factor in promoting social inclusion over the long term (Mulugeta Woldegiorgis, 2022). Drawing from the successful experiences of developed nations, modernizing the SPS often involves a transition from state-organized to self-organized social protection, using market-based tools such as private insurance and private pension schemes (Valieva, E. et al., 2020). While this trend is promising, it remains inaccessible to low-wage workers, who cannot afford to participate in these private programs. Germany's approach offers an interesting alternative by subsidizing low-paying jobs and supporting innovation-driven small and medium-sized enterprises (Valieva, E. et al., 2020). This strategy empowers workers to manage their own social risks by themselves. However, such measures may be more of a long-term goal for a country like Ukraine due to limited resources. In the short term, efforts should focus on improving financial literacy and promoting participation in mutual lending and insurance schemes. However, the implementation of these alternatives will require dedicated legislation, as the current low levels of financial literacy among the population hinder grassroots initiatives, and the state has yet to take action in this area.

Social protection systems serve several key functions - preventive, protective, promotive and transformative - that help individuals and households feel more secure in the face of various social hazards and risks (Schüring & Loewe, 2021). These functions are critical to the provision of social security, but individuals and households are not just passive recipients; they play an active role in the process (Ulriksen & Plageron, 2023, p. 851). Technology has played a pivotal role in ensuring that these functions of social protection can be carried out effectively, as demonstrated during the COVID-19

pandemic and war in Ukraine, by enabling social protection systems to reach target groups more efficiently. However, as noted by Lowe (20/22, p. 1), the increased reliance on technology introduces new risks that need to be managed in order to maintain the inclusiveness and resilience of these systems.

Although Ukraine is classified as an upper-middle-income country, research from developing countries provides valuable insights, particularly in the context of war (Banerjee et al., 2002, p. 92). For Ukraine, it is crucial to include not only traditional vulnerable groups but also emerging ones, such as veterans and displaced persons, in its social protection programmes. This is challenging as the social protection system needs to remain mobile and adaptable. In this context, a universal approach to social safety nets - taking into account factors such as quality of life, living standards and demographic trends - is particularly important for achieving sustainable development (Kharazishvili, Y. et al., 2020).

Recent studies on the SPSU include its evolution in the context of Ukraine's integration into the European Union (Pasichnyk & Sukach, 2022), and specifically, the evaluation of the consequences of Ukrainian emigration to Europe during wartime (Libanova & Pozniak, 2023) and the impact of migration on forecasting educational budget expenditures in Ukraine, considering sustainability (Zatonatska et al., 2023). As Ukraine's population decreases, many companies provide digital transformation of business processes due to a shortage of qualified workers, making research on the impact of AI and automation on employment increasingly relevant (Du, 2024). In this context, the 'Global Accelerator on Jobs and Social Protection for Just Transitions' of the UN is particularly noteworthy for its focus on creating decent jobs in the digital, green, and care economies and extending social protection to the excluded (UN, 2021). While these aspects of the SPSU are crucial to assess, there currently exists a gap in the comprehensive quantitative evaluation of the SPSU that adheres to international methodologies.

AIMS AND OBJECTIVES

The aim of this paper is to evaluate the social protection system of Ukraine and to propose recommendations to address its gaps. To achieve this, we have outlined the following objectives:

1. Conduct a thorough assessment of the SPSU.
2. Develop recommendations to address the identified gaps in the SPSU's functioning.

METHODS

The evaluation of the SPSU was done based on the tool of the ISPA, namely Core Diagnostic Instrument (CODI). It includes four modules: policy, program design, program implementation, and system assessment guidelines. The last module has the assessment recommendations and does not belong to the assessment dimensions. Other modules consist of key areas necessary to assess the defined criteria. Each criterion is measured within areas by a four-point scale (1 - latent, 4 - advanced) (Table 1).

Table 1. Characteristic of the CODI. Note: * The two last criteria are optional and are not used in this research due to lack of information. (Source: compiled by authors based on ISPA, 2014)

Module	Key areas (KA)	Evaluation criterion (EC) and areas
Policy	1. Legal and Policy Framework (KA 1) 2. Alignment of Policies with Needs of Population (KA 2) 3. Policymaking Process (KA 3) 4. Policy Implementation and capacity (KA 4) 5. Public Expenditure and Financing (KA 5) 6. Information Dissemination and Raising Awareness (KA 6) 7. Monitoring and Evaluation Systems (KA 7)	1. Inclusiveness (EC 1); 2. Adequacy (EC 2); 3. Appropriateness (EC 3); 4. Respect for rights and dignity (EC 4); 5. Governance and institutional capacity (EC 5); 6. Financial and fiscal sustainability (EC 6); 7. Coherence and integration (EC 7); 8. Responsiveness (EC 8); 9. Cost-effectiveness (EC 9)* 10. Incentive compatibility (EC 10)*
Program design	30. Eligibility Criteria (KA 8) 31. Benefit Design (KA 9) 32. Expenditures and Financing (KA 10) 33. Incentives (KA 11)	
Program implementation	1. Identification (KA 12) 2. Eligibility Verification (KA 13) 3. Enrollment (KA 14) 4. Benefit Delivery (KA 15) 5. Monitoring and Evaluation (KA 16) 6. Complaint and Appeals Mechanism (KA 17) 7. Information Dissemination and Raising Awareness (KA 18)	

For the assessment of the SPSU, a questionnaire was translated from English into Ukrainian by A. Sholoiko and N. Versal. A. Ignatyuk, N. Prykaziuk, and N. Tkalenko conducted the validation of the Ukrainian translation. The survey was administered via a Google form (<https://forms.gle/NE42QUgNMszAjBqh6>), based on the ISPA framework for eight criteria (ISPA, 2014, pp. 114-128).

An additional response option, 'Cannot assess,' was included, and such responses were excluded from calculating average scores. Furthermore, 13 experts from various regions of Ukraine, including scientists with two or more publications on social issues, participated in the survey. These experts represented institutions such as the Kyiv National Economic University named after Vadym Hetman; the Academy of Labour, Social Relations and Tourism; the Educational and Rehabilitation Institute of Higher Education 'Kamyanets-Podil State Institute'; Kyiv School of Public Administration named after Serhiy Nyzhnyy; Sumy State University; Uman National University of Horticulture; Central Ukrainian National University; Chernihiv Polytechnic National University; and Uzhhorod National University.

For an overview of the country context and the state of the social protection sector in Ukraine, available data for 2019-2023 were collected from open Ukrainian and International data sources, both qualitatively and quantitatively.

The research results follow the following structure: country context, state of the social protection sector, system assessment and benchmarking, and conclusions.

RESULTS

Country context

Ukraine's population is ageing, with 25.7% pensioners at the beginning of 2022 (State Statistics Service of Ukraine, 2023). This percentage is likely to have increased due to the emigration of the active labour force abroad during the war. Many people are also internally displaced and face significant challenges in terms of housing, employment, food and healthcare.

To analyse Ukraine's profile on social issues it is necessary to consider economic, social, demographic and other indicators, recommended by the CODI (ISPA, 2014) (Table 2).

Table 2. Ukraine at a glance: main economic, demographic, labour market and social indicators, 2019-2023. Note: *-approximately.
(Source: compiled by authors based on NBU, 2024; World Bank, 2024; Minfin, 2024; Texty, 2024; Ministry of Social Policy of Ukraine, 2024; Macrotrends, 2024; Ministry of Finance of Ukraine, 2024)

Group	Indicator	2019	2020	2021	2022	2023
Economic indicators	GDP per capita, USD	3.7	3.8	4.8	4.6	5.2
	Inflation, consumer prices (annual %)	7.9	2.7	9.4	20.2	12.8
	National average wage, USD	332.3	430.5	437.6	506.4	n/a
	Minimum wage, USD	161.7	185.5	216.6	207	183.2
Demographic indicators	Population, total, million	44.5	44.2	43.8	38	37
	Life expectancy at birth, total (years)	72	71	70	69	n/a
	Fertility rates	1.23	1.22	1.16	0.8*	0.9*
	Infant Mortality rate, deaths per 1000 live births	6.954	6.709	6.465	6.220	5.975
	Net migration	-7812	-2173	831	-6673580	1784718
Labour market indicators	Labour force participation rate for ages 15-24	36.3	31.9	30.7	n/a	n/a
	Unemployment, total (% of the total labour force) (modelled ILO estimate)	8.2	9.5	9.9	17.5	18.7
	Youth Unemployment Rate refers to the share of the labour force ages 15-24	16.4	19.3	19.1	n/a	n/a
Social indicators	Poverty headcount ratio, % Under USD 5.50 per day	7.1	7.1	n/a	n/a	n/a
	Gini index	26.6	25.6	n/a	n/a	n/a
	Population below minimum level of dietary energy consumption	3.6	4.1	4.8	n/a	n/a
	Human capital index	0.6	0.6	n/a	n/a	n/a
	Education Spending (% of GDP)	14.56	13.27	14.25	n/a	n/a
	Healthcare Spending, per capita (USD)	247	270	143	150	130

Table 2 shows that most economic, demographic, labour market, and social indicators from 2019 to 2023 exhibit negative shifts. The labour market in Ukraine is experiencing difficulties and staff shortages because of mobilization and emigration (5-6 million people left Ukraine during the 2022-2023 years). Also, positive shifts in certain indicators may be negated by adverse changes in others. For example, while the country's average wage level has increased, inflation has largely absorbed this rise.

State of the social protection sector

The social protection policy of Ukraine is based on national and international legislation and rules (Figure 1).

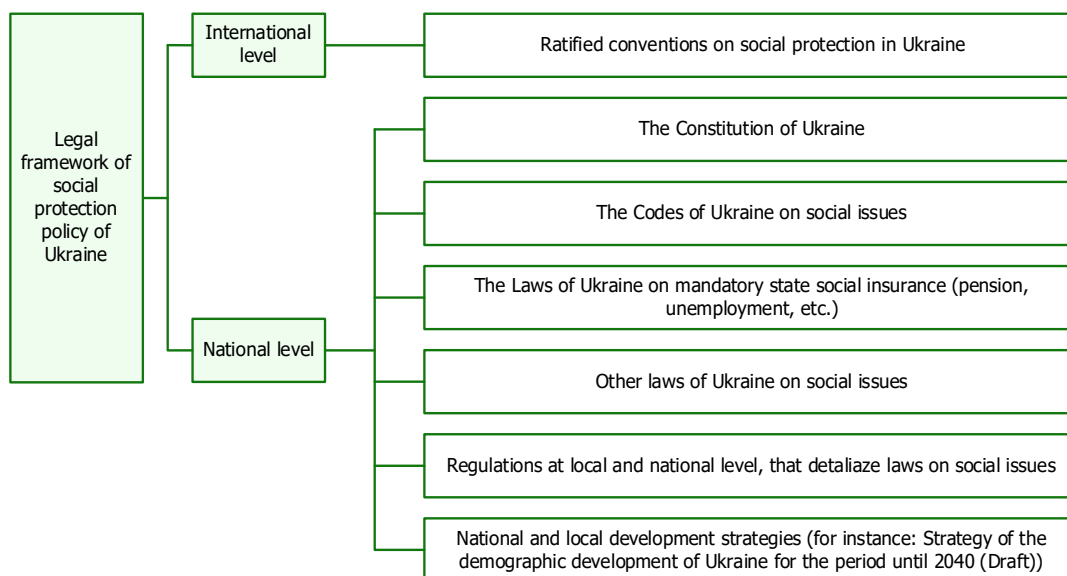


Figure 1. Legal framework of social protection policy of Ukraine.

Figure 1 illustrates that while Ukraine's legal framework for social protection policy is well-developed, it is also complex due to the numerous regulations within existing laws. The recent strategy on social issues, titled "The Strategy of Digital Transformation of the Social Sphere," focuses on aligning social protection institutions with European standards. Its key goals include enhancing the efficiency of social services, ensuring financial sustainability, improving transparency, and optimizing administrative costs within the social sector. The strategy also emphasizes the development of technological infrastructure and the automation of management and control systems using innovative technologies (Cabinet of Ministers of Ukraine, 2020).

These objectives are further reflected in other initiatives, such as the "Social Protection" working group under the Ukraine Recovery Plan (Cabinet of Ministers of Ukraine, 2022). Upon analyzing these goals, it becomes clear that they broadly align with the population's social protection needs according to international principles in ensuring basic income security and protection against health-related risks for all citizens, helping them navigate life's challenges more effectively (ISPA, 2014, p. 21). However, to fully meet the social protection needs of the population, modernizing Ukraine's social protection system is essential. This modernization will require a thorough reassessment of the structure of social protection authorities and how they interact. As of now, Ukraine's social protection system is managed by a range of different authorities that are:

- the Ministry of Social Policy of Ukraine;
- the Pension Fund of Ukraine, which "merged" the Social Insurance Fund of Ukraine, which functioned and covered payments connected with temporary disability compensations and other cases till the end of 2022;
- the National Social Service of Ukraine;
- the Fund of mandatory state social insurance in case of unemployment;
- the State Employment Service and the Employment centres;
- the Fund of Social Protection of Persons with Disabilities;
- The State Service of Ukraine for Children's Affairs.

With such a structure of Ukrainian social protection authorities is quite difficult to avoid duplications and overlaps in their activity.

As for the policymaking process, it is necessary to mention that central bodies of executive power are preparing drafts of strategies and other important documents within their responsibilities, then publishing them on their official websites and waiting for opinions and recommendations from different stakeholders. For example, as for the draft of "Strategy of the demographic development of Ukraine for the period until 2040," proposals and comments were accepted by the Ministry of Social Policy of Ukraine until June 1, 2024, via e-mail or by usual post (Ministry of Social Policy of Ukraine, 2024).

Coordination mechanisms in the implementation of social policy need further development, particularly within the framework of "The Strategy of Digital Transformation of the Social Sphere." This strategy emphasizes the necessity of an information system that incorporates the latest technologies and management tools, adheres to uniform, modern service quality standards, and facilitates effective organizational and structural decision-making (Cabinet of Ministers of Ukraine, 2020).

SPSs are expected to ensure that participants in contributory schemes receive adequate benefits that reflect their contributions and that these schemes "effectively fulfil the income replacement function" (ISPA, 2014, p. 21). However, in practice, pensions in Ukraine, for example, often replace less than 40% of income. Additionally, social protection expenditures have long exceeded the receipts, as demonstrated in Table 3. Also, as for research conducting, there was a lack of data in 2023.

In 2022, receipts from social protection schemes in Ukraine exceeded expenditures (their share in GDP is less than the share of receipts in GDP), but this was possible due to international support under war conditions (Table 3).

Table 3. Structure of receipts and expenditures of social protection programs in Ukraine during 2019-2022, %. (Source: calculated by authors based on the State Statistics Service of Ukraine, 2024; Minfin, 2024).

Indicator	2019	2020	2021	2022
<i>Receipts from such financing sources:</i>				
Social contributions	53.8	54.3	57.5	60.0
General government contributions	46.1	45.6	42.4	39.0
Transfers from other schemes	0	0	0	0
Other receipts	0.1	0.1	0.1	0.1
As % in GDP	16.1	16.4	13.7	16.5
<i>Spending on social protection by the function:</i>				
Sickness/healthcare	20.5	21.1	19.1	17.6
Disability	1.4	1.7	1.8	2.0
Old-age costs	60.4	61.2	64.0	66.9
Survivors	0.7	0.7	0.7	0.8
Family/children	7.2	6.5	6.1	5.6
Unemployment	1.4	2.5	2.0	1.7
Housing	6.8	4.9	4.7	4.0
Social exclusion	1.5	1.5	1.6	1.5
As % in GDP	17.2	17.8	14.3	16.3

Another problem is that it is quite difficult to analyze recent situation because data from open sources becomes available in one year and several months, that is why Table 3 does not provide data for 2023. It is impossible to monitor, evaluate, make effective decisions and do research with such a lack of information. Modern technologies allow us to collect, aggregate and analyze data more quickly. So, it is necessary to modernize the national system of reporting and data dissemination in the social sphere to manage this sphere more effectively.

Moreover, different types of information are available on different official websites of social institutions of Ukraine with different periods and dimensions, namely the State Statistics Service of Ukraine, information aggregators, and official websites of international institutions (the UN, the World Bank, the ILO, etc.). One of the social protection authorities has to implement a list of useful sources on its official website and publish a consolidated report on the SPSU (based on international methodology) annually.

The program-target method began to be implemented in Ukraine in 2002. It provides such useful information on budget programs in the field of social protection as:

- the purpose and tasks of the budget programs;
- expenditures and directions of use of budget funds;
- performance indicators of the budget programs.

For example, the Fund of Social Protection of Persons with Disabilities is the administrator of budget funds under the relevant budget programs. Table 4 illustrates general information as for plan, fact and level of use (%) of budget funds within budget programs during 2019-2023.

Table 4. Plan, fact and level of use of budget funds within budget programs of the Fund of Social Protection of Persons with Disabilities during 2019-2023. (Source: compiled by authors based on the Open Budget, 2024)

7	2019			2020			2021			2022			2023		
	Plan	Fact	%	Plan	Fact	%	Plan	Fact	%	Plan	Fact	%	Plan	Fact	%
Financial support of public associations of persons with disabilities, UAH billion	0.09	0.09	99.8	0.066	0.059	88.76	0.089	0.086	97	0.045	0	0	-	-	-
Measures for social, labour and professional rehabilitation of persons with disabilities, UAH billion	2.6	2.4	95.14	2.05	1.97	95.74	2.08	1.99	95.9	1.967	1.865	94.8	-	-	-
Rehabilitation of children with disabilities, UAH billion	0.08	0.076	95.76	0.13	0.127	97.77	0.165	0.163	98.6	0.14	0.12	87.4	-	-	-
Social protection of persons with disabilities, UAH billion	-	-	-	-	-	-	-	-	-	-	-	-	3.6	3.4	93.5

The example of the realization of budget programs of the Fund of Social Protection of Persons with Disabilities before (three budget programs) and after the full-scale invasion of Ukraine (only one budget program) demonstrates the general situation as for other budget programs within other social protection authorities of Ukraine. So, such a difficult situation forced us to reconsider the number and content of budget programs in the direction of reduction.

System assessment and benchmarking

The SPSU's performance was analyzed across the eight evaluation criteria (ECs) using calculated average scores (AS) for evaluation, based on expert assessments from 13 respondents—researchers in the social sector of Ukraine.

Experts evaluated inclusiveness (ISPA, 2014, p. 114-115) within the SPS and assigned it an average score of 2.5 (Figure 2). Notably, the dimensions of gender equality and effective coverage approached scores close to 3, indicating positive performance in these areas. Conversely, other dimensions scored closer to 2, signalling potential areas of concern.

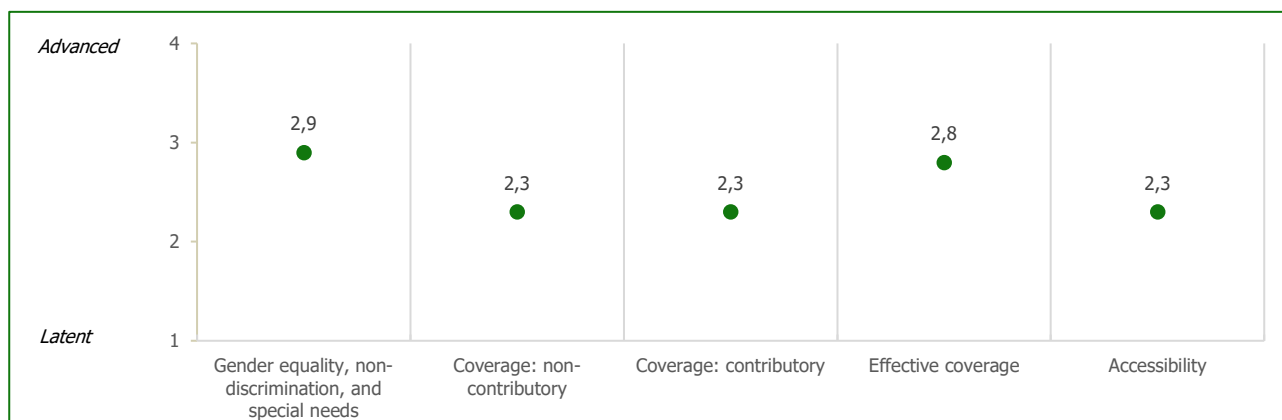


Figure 2. SPSU's inclusiveness assessment, an average score of 2.5. (Source: calculated by the authors based on surveyed experts)

Adequacy (ISPA, 2014, p. 116-117) got an average score of 2.4. As for the impact of benefits on economic activity is 2.5 and for benefit provision and services delivery standards are quite close to a score 3. Still, other indicators are close to 2, which is insufficient (Figure 3).

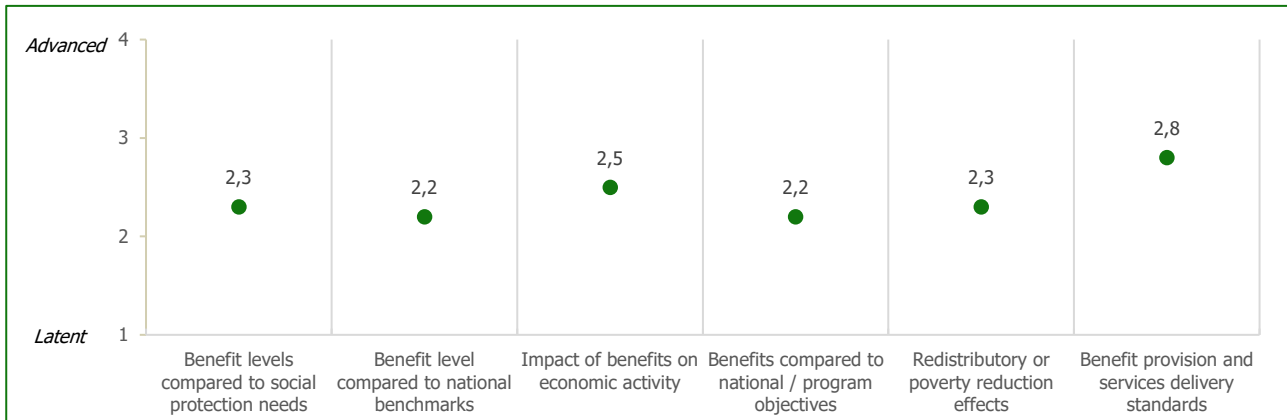


Figure 3. SPSU's adequacy assessment, an average score of 2.4. (Source: calculated by the authors based on surveyed experts)

Appropriateness (ISPA, 2014, p. 118-119) also got an average score of 2.4. While the majority of areas within EC 3, except for the formulation of objectives, targets, and timeframes, have average scores closer to 2, indicating that appropriateness is a weak aspect of the SPSU (Figure 4).

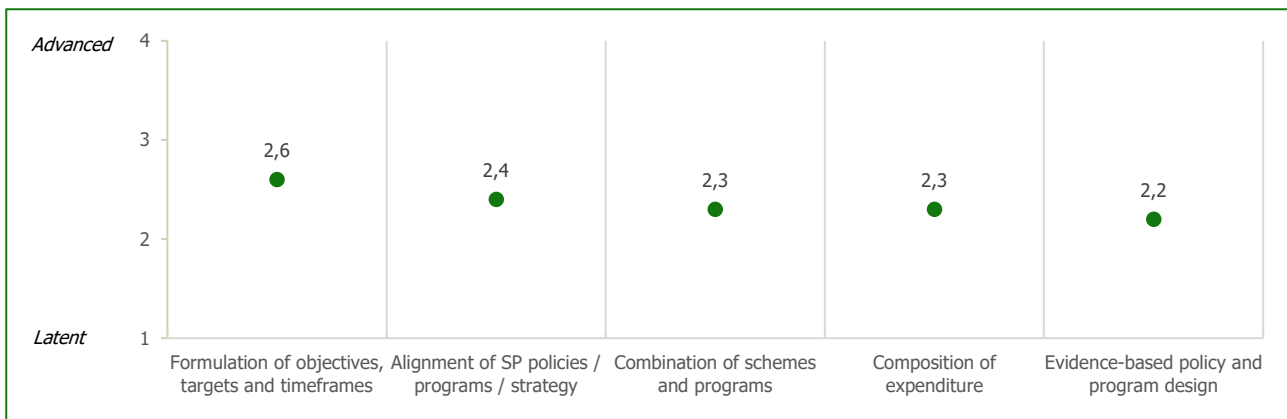


Figure 4. SPSU's appropriateness assessment, an average score of 2.4. (Source: calculated by the authors based on surveyed experts)

Respect for rights and dignity (ISPA, 2014, p. 120) with an average score of 2.7, is progressing towards a score of 3, indicating that this is a strong aspect of the SPSU (Figure 5).

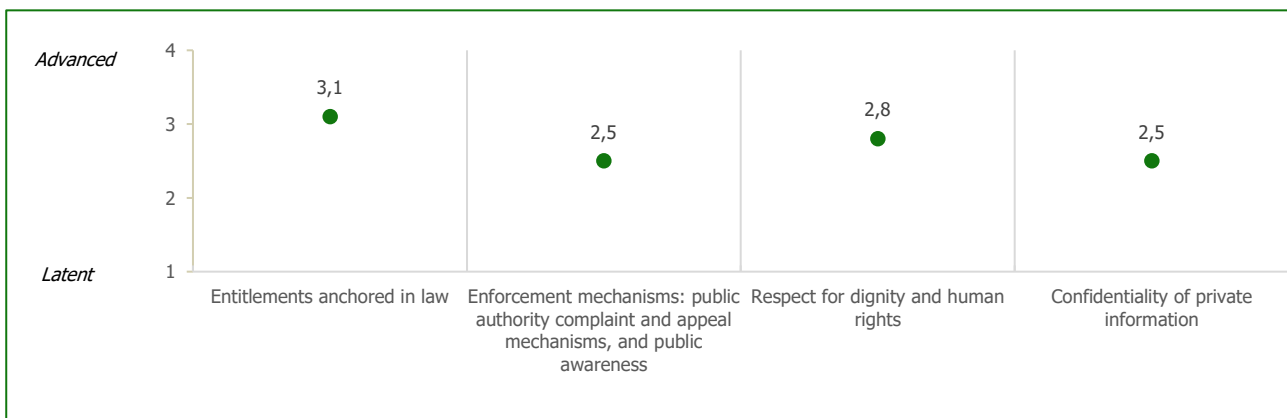


Figure 5. SPSU's respect for rights and dignity assessment, an average score of 2.7. (Source: calculated by the authors based on surveyed experts)

Governance and institutional capacity (ISPA, 2014, p. 121-122) has an average score of 2.7. At the same time, it is important to highlight the variation in scores. The highest scores are for reporting mechanisms, roles, and responsibilities anchored in law – 3.4, and program implementation guidelines/operational manuals stating reporting mechanisms, roles, and responsibilities with a score of 3.1. Enforcement mechanisms and staff implementation capacity are approaching a score of 3, both with a score of 2.6. However, other indicators are low, with particular concern raised by the 2.2 score for stakeholder participation (Figure 6).

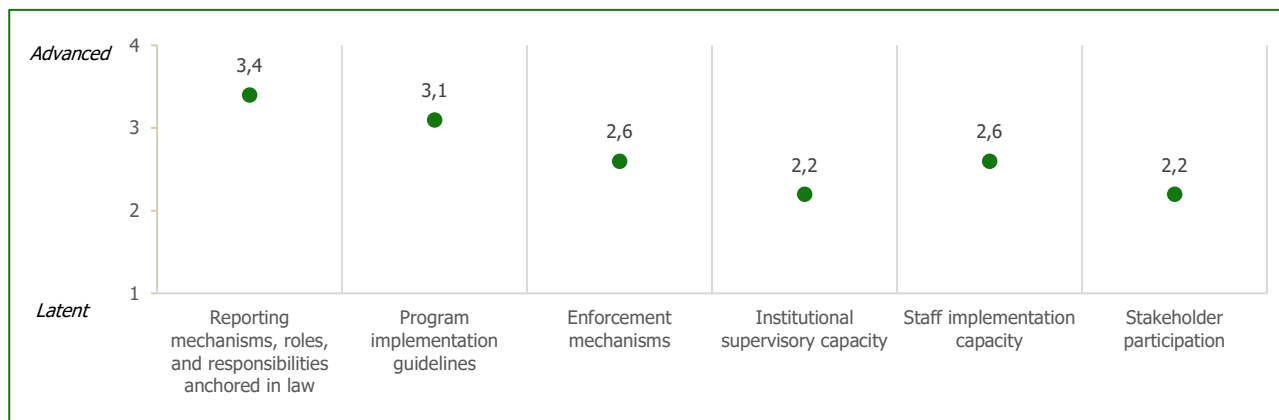


Figure 6. SPSU's governance and institutional capacity assessment, an average score of 2.7. (Source: calculated by the authors based on surveyed experts)

Financial and fiscal sustainability (ISPA, 2014, p. 123-124) is scored on average as 2.5. The alignment of budget allocation with policy priorities got an average score of 2.8 (Figure 7). This is a high score and indicates that resources are allocated according to priorities. Similarly, the reliability and progressivity of social protection financing received a high score of 3.1. However, there is considerable concern about long-term budget planning in line with demographic developments, which scored an average of 2. This suggests that few social protection programmes take into account projected economic and demographic developments (Balytska, M. et al., 2023). The war is already having an impact and will continue to do so in the future. Different groups of the population will need social protection, and with a significant deterioration in demographic indicators, expenditures will increase and need to be considered.

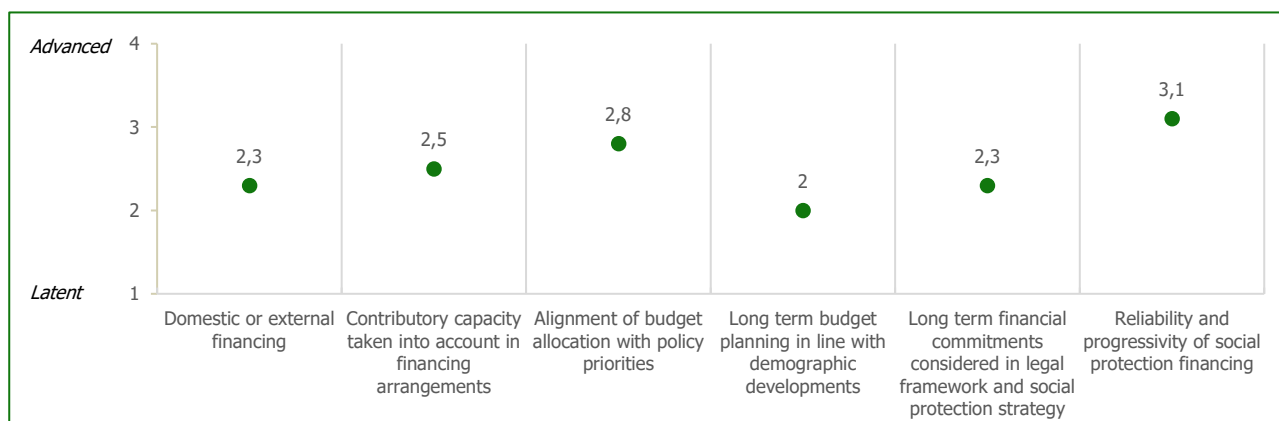


Figure 7. SPSU's financial and fiscal sustainability assessment, an average score of 2.5. (Source: calculated by the authors based on surveyed experts)

Coherence and integration (ISPA, 2014, p. 125-126) have an average score of 2.6. The complementarity of social protection policies has a score of 2.8. This is a high score, indicating that, for the most part, social protection policies complement each other, with only minimal overlap in responsibilities. However, it is important to note that the war introduces significant adjustments. A thorough evaluation of the responsibilities of Ukrainian social protection authorities is required, particularly in light of the post-war challenges that Ukraine will face, such as demographic decline, migration issues, the needs of veterans, and the challenges related to other vulnerable groups.

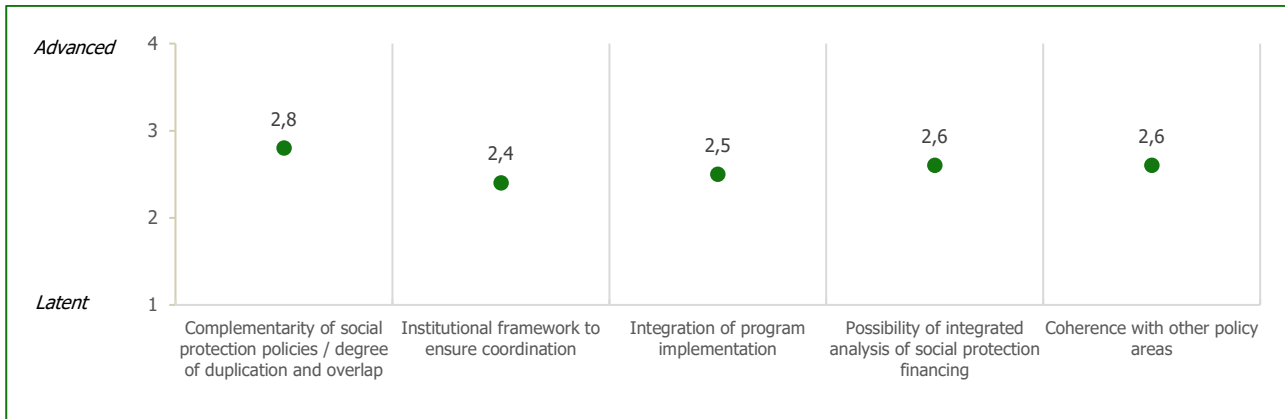


Figure 8. SPSU's coherence and integration assessment, an average score of 2.6. (Source: calculated by the authors based on surveyed experts)

Responsiveness (ISPA, 2014, p. 127-128) got the average score 2.5. This is not high, but we have to take into account the fact that Ukraine has been in a state of constant crisis: the complete overhaul of the SPS that began with the country's independence in 1991; the revolutions in 2004 and in 2013-2014; financial crises of varying duration and intensity in 1998, 2008, and 2014; the pandemic in 2020-2021; war conflict between Ukraine and Russia (2014–2024), including the full-scale invasion in 2022 and the illegal annexation of Crimea in 2014, as well as parts of the Luhansk, Donetsk, Zaporizhzhia, and Kherson regions in 2022.

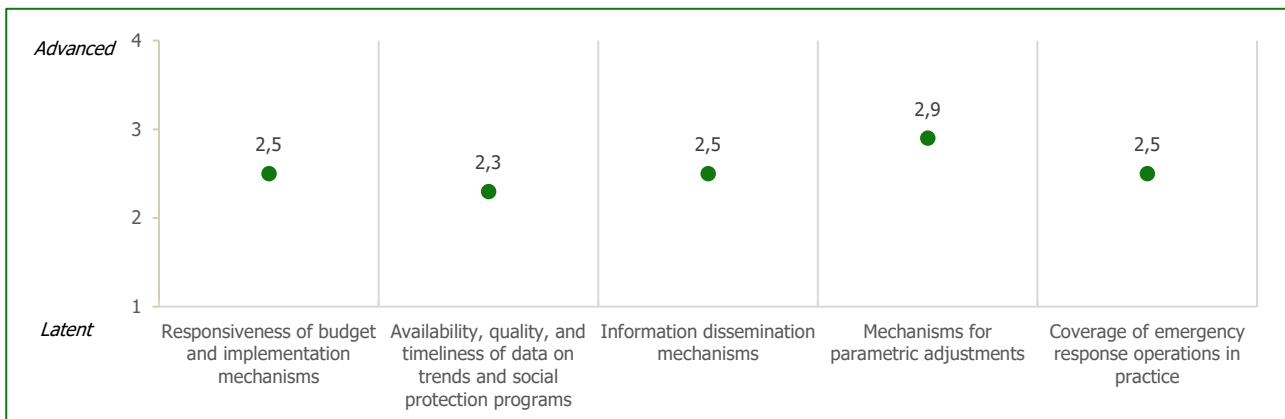


Figure 9. SPSU's responsiveness assessment, an average score of 2.5. (Source: calculated by the authors based on surveyed experts)

In summary, the total average score of the SPSU under challenging conditions is 2.5. This suggests that, while progress has been made, the SPSU still requires significant attention and actions toward further modernization.

DISCUSSION

This study's assessment of the SPSU stands out due to its application of the international CODI methodology, differentiating it from previous assessments (Pasichnyk & Sukach, 2022). Unlike earlier evaluations, this quantitative approach allows for a more nuanced understanding of the SPSU's strengths and weaknesses, providing a clearer basis for setting measurable goals and guiding future improvements.

Compared to other assessments of the SPSU, such as the study by Ignatyuk et al. (2023), which utilized the OECD's Social Protection System Review methodology (OECD, 2018), the CODI methodology offers distinct advantages. While the OECD tool evaluates SPSU across five modules as opposed to the three used by the ISPA tool, the CODI methodology provides a more detailed framework, from the design of the questionnaire to the data collection and reporting processes. Most notably, the CODI approach allows for a quantitative evaluation, which greatly aids in assessing and visualizing the SPSU's performance.

The implications of this study are significant for the modernisation of social protection systems. By identifying key weaknesses, policymakers can prioritise reforms to improve the adaptability and efficiency of the system. A limitation of this

study is that the evaluation involved primarily academic participants, which may have limited the diversity of perspectives. Future research should expand the assessment to involve a broader range of participants, including practitioners and policymakers directly involved in Ukraine's social protection system.

CONCLUSIONS

The SPSU has significant pressure during wartime. Its functioning is characterized by negative trends of the main economic, demographic, labour market and social indicators during 2019-2023.

The SPSU was assessed using the CODI tool of the ISPA. The total average estimation score is 2.5 out of 4. Used approach helped to identify the strong and weak sides of the system and to create a set of recommendations. So, one of the strengths is quite a developed social protection legislation framework with lots of regulations within existing laws. Another strong side is using of program-target method for implementation of budget programs with social dimensions. The weak sides of the system are the next:

1. Low level of social standards and it is necessary to make them higher and more realistic under modern economic situation and inflation pressure.
2. Lack of funds for financing social protection initiatives and it is needed to reconsider sources of financing of social protection programs and to make spending of funds more effective.
3. Social protection authorities could benefit from reorganization to enhance interaction and coherence between them.
4. The current system of information dissemination related to the implementation of social protection goals is inefficient. Modernizing the reporting system in the field of social protection is essential to supporting a more effective decision-making process.

Implementing these recommendations will contribute to building sustainable, adaptable and resilient SPS in Ukraine. The next stage of future research in this field relates to involving to such research Ukraine's social authorities and other stakeholders.

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ADDITIONAL INFORMATION

AUTHOR CONTRIBUTIONS

All authors have contributed equally.

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CONFLICT OF INTEREST

The Authors declare that there is no conflict of interest.

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КОНСТРУВАННЯ СТАЛОЇ СИСТЕМИ СОЦІАЛЬНОГО ЗАХИСТУ В УКРАЇНІ: КОМПЛЕКСНА ОЦІНКА

Соціальні цінності завжди важливі, особливо під час війни. Система соціального захисту України покликана допомагати незахищеним верствам населення, але відчуває брак ресурсів, більшість із яких була спрямована на воєнні цілі. Тому дуже важливо оцінити функціонування вказаної системи й розробити пропозиції, щоб зробити її більш стійкою та адаптивною.

Метою дослідження є оцінка системи соціального захисту в Україні та надання рекомендацій щодо усунення прогалин у її функціонуванні.

Для оцінки системи соціального захисту України було використано інструменти CODI на такому рівні, який був можливий за умов дефіциту інформації. Цей інструмент складається з чотирьох модулів, а саме: політика, розробка програми, впровадження програми, керівні принципи оцінки системи. Критерії оцінювання такі: інклюзивність, адекватність, відповідність, повага до прав і гідності, управління та інституційна спроможність, фінансова й фіскальна стійкість, узгодженість та інтегрованість, адаптивність. На основі цих критеріїв оцінювання була створена анкета, до опитування було залучено 13 експертів. Така оцінка системи соціального захисту України дозволяє виявити сильні та слабкі сторони системи.

Проведено оцінку системи соціального захисту України. Середня оцінка становить 2,5 бала з 4. До сильних сторін належать: досить розвинена законодавча база соціального захисту; використання програмно-цільового методу для реалізації бюджетних програм соціальної спрямованості. До слабких сторін належать: низький рівень соціальних стандартів; брак ресурсів; багато суб'єктів регулювання в царині соціального захисту; слабка система поширення інформації щодо реалізації цілей соціального захисту.

Для усунення прогалин у функціонуванні системи соціального захисту в Україні необхідно: зробити рівень соціальних стандартів вищим і реалістичним за сучасної економічної ситуації та поведінки споживчих цін; переглянути джерела фінансування програм соціального захисту й підвищити ефективність витрачання коштів; зробити систему звітності в царині соціального захисту більш сучасною, щоб додати результативності процесові ухвалення рішень. Реалізація таких рекомендацій допоможе побудувати адаптивну та стійку систему соціального захисту України.

Ключові слова: соціальна безпека, соціальний сталий розвиток, соціальне страхування, оцінка системи соціального захисту, соціальна інтеграція

JEL Класифікація: H53, H55, H75, I31