



**giz** Deutsche Gesellschaft  
für Internationale  
Zusammenarbeit (GIZ) GmbH



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# UKRAINE FACILITY IN ACTION:

## PUBLIC DISCUSSION OF THE EMPLOYMENT STRATEGY 2030

# EMPLOYMENT STRATEGY ↔ UKRAINE FACILITY PLAN



**UKRAINE  
FACILITY**



**EMPLOYMENT  
STRATEGY**

- Ukraine Facility implementation indicator:**  
The Employment Strategy is one of the Indicators of the Human Capital Development section of the Corporate Facility Plan.
- Responding to the critical challenges identified in the Ukraine Facility:**  
Staff shortages, shadow employment, low productivity, mass emigration.
- Ensuring the implementation of the European integration course:**  
The strategy ensures approximation to EU standards in the field of employment - labor law, gender equality, labor inspection, and recognition of qualifications.
- Encouraging different groups of people to enter the labor market:**  
The Strategy creates conditions for the return of Ukrainians from abroad, reintegration of veterans, IDPs, etc.
- A management tool for achieving growth goals:**  
Without the implementation of the Strategy for Achieving Macro Indicators, Ukraine Facility will not be possible.



# MACROECONOMIC FORECAST SCENARIOS UNDER THE UKRAINE FACILITY PLAN



Indicator	Basic	Moderate (92 billion euros)	Positive (266 billion euros)
Average real GDP growth in 2024-34, %.	3,8	5,8	6,2
Total factor productivity, p.p.	2,5	3,2	4,0
Labor force, p.p.	0,8	1,0	1,1
Capital, p.p.	0,4	0,7	1,1

Source: Ukraine Facility Plan (Subsection 1.3.1. Macroeconomic forecast scenarios)



# PROGRESS IN THE PREPARATION OF THE STRATEGY. INVOLVEMENT OF THE EXPERT COMMUNITY

9

Working group meetings were held in two stages:

3

organizational meetings to launch the process

6

substantive sessions - discussing problems, finding solutions, setting goals

More than 300 specialists were involved in the development of the strategy, including:



30%

Representatives of public authorities



41%

Representatives of civil society organizations, research institutions and employers



29%

Representatives of international organizations and projects





# CONCEPT OF THE EMPLOYMENT STRATEGY

## Problem identification and prioritization

### Four clusters of questions were identified:



## European integration commitments in the field of employment

### 10 key problems have been identified



# DATA ON THE STRUCTURE OF THE POPULATION AGED 15+ IN UKRAINE

(ACCORDING TO VARIOUS SOURCES)



Category	Number of people	Source
● Population aged 15+	26,86 mln	<a href="#">Institute of Demography and Quality of Life Problems of the National Academy of Sciences of Ukraine</a>
● Employed (including a certain number of mobilized persons)	13,4 mln	<a href="#">Institute of Demography and Quality of Life Problems of the National Academy of Sciences of Ukraine</a>
● Formally employed (insured persons with accrued wages/income/assistance/compensation)	10,05 mln	<a href="#">Pension Fund of Ukraine as of January 01, 2025</a>
● Registered individual entrepreneurs	1,7 mln	<a href="#">SSSU as of 01.01.2025</a>
● Looking for a job	973,4 mln	<a href="#">Institute of Demography and Quality of Life Problems of the National Academy of Sciences of Ukraine</a>
● Officially registered unemployed	97,5 mln	SES
● Economically inactive population	12,53 mln	<a href="#">Institute of Demography and Quality of Life Problems of the National Academy of Sciences of Ukraine</a>
● Pension recipients	9,72 mln	<a href="#">Pension Fund of Ukraine as of January 01, 2025</a>
● Persons with disabilities	3 mln	<a href="#">Ministry of Social Policy</a>



# CURRENT SITUATION: STRUCTURE OF THE POPULATION AGED 15+ IN UKRAINE\*.

**26,86 mln**

Total population  
(aged 15+)

**13,4 млн**  
Employed

**973,4 тис.**  
Looking for a job

**12,53 mln**  
economically inactive population

\* Source: Institute of Demography and Quality of Life  
Problems of the National Academy of Sciences of  
Ukraine - [Revision: D2 Presentation of the APRP  
2025-04-17.pdf](#)

## Structure of the population aged 15+ in Ukraine

**50%**  
Employed  
13,4 mln

**3%**  
Looking for a job  
973,4 mln

**47%**  
Economically inactive  
population  
12,53 mln



**Number of Ukrainians who have moved abroad since 2022: 5.2 million\*\*.**

\*\*as of December 2024. Source: "Ukrainian refugees after three years abroad. The fourth wave of the study", CES

# CURRENT STATE & FORECAST: UNEMPLOYMENT RATE, 2022-2027, %.

## Unemployment rate, %. (ILO methodology):

**21,1%**  
2022 year

**10,9%**  
2025 year

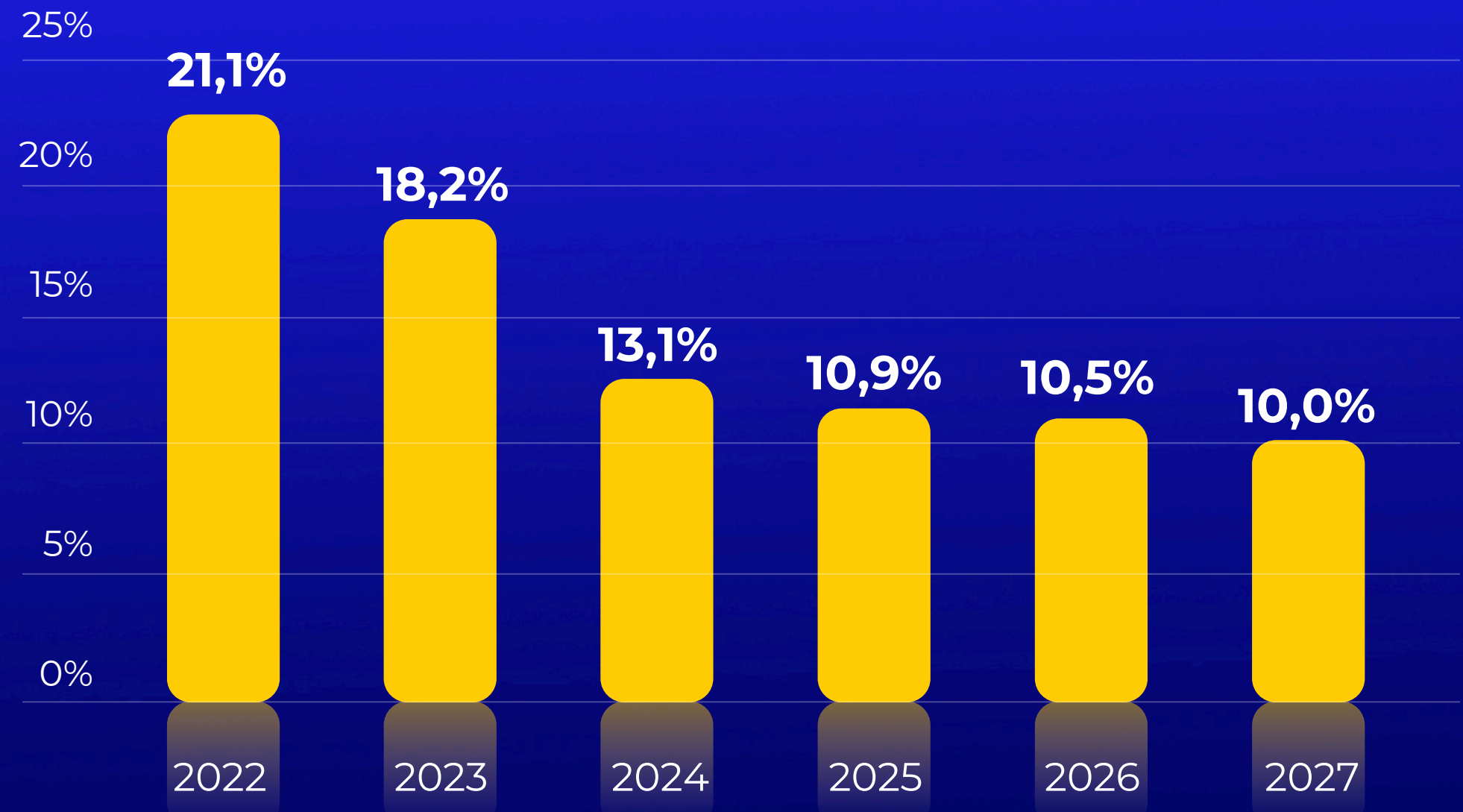
**18,2%**  
2023 year

**10,5%**  
2026 year

**13,1%**  
2024 year

**10,0%**  
2027 year

## Unemployment rate, % (ILO methodology):



according to the NBU Inflation Report, April 2025



# CURRENT STATUS & FORECAST:

Level of GDP to the number of working population in Ukraine under the baseline scenario of the macroeconomic forecast Ukraine Facility Plan

## Real GDP and employment in Ukraine



By **2040**, it is needed to attract **7 million** people

By **2030**, needs to attract **2 million** people

To achieve real GDP under the baseline scenario of the Ukraine Facility's macroeconomic forecast, Ukraine needs to have at least **20.4 million** employed people by 2040.

The main challenge is not only to create jobs, but also to engage the economically inactive population in labor, return Ukrainians from abroad, and increase labor productivity.

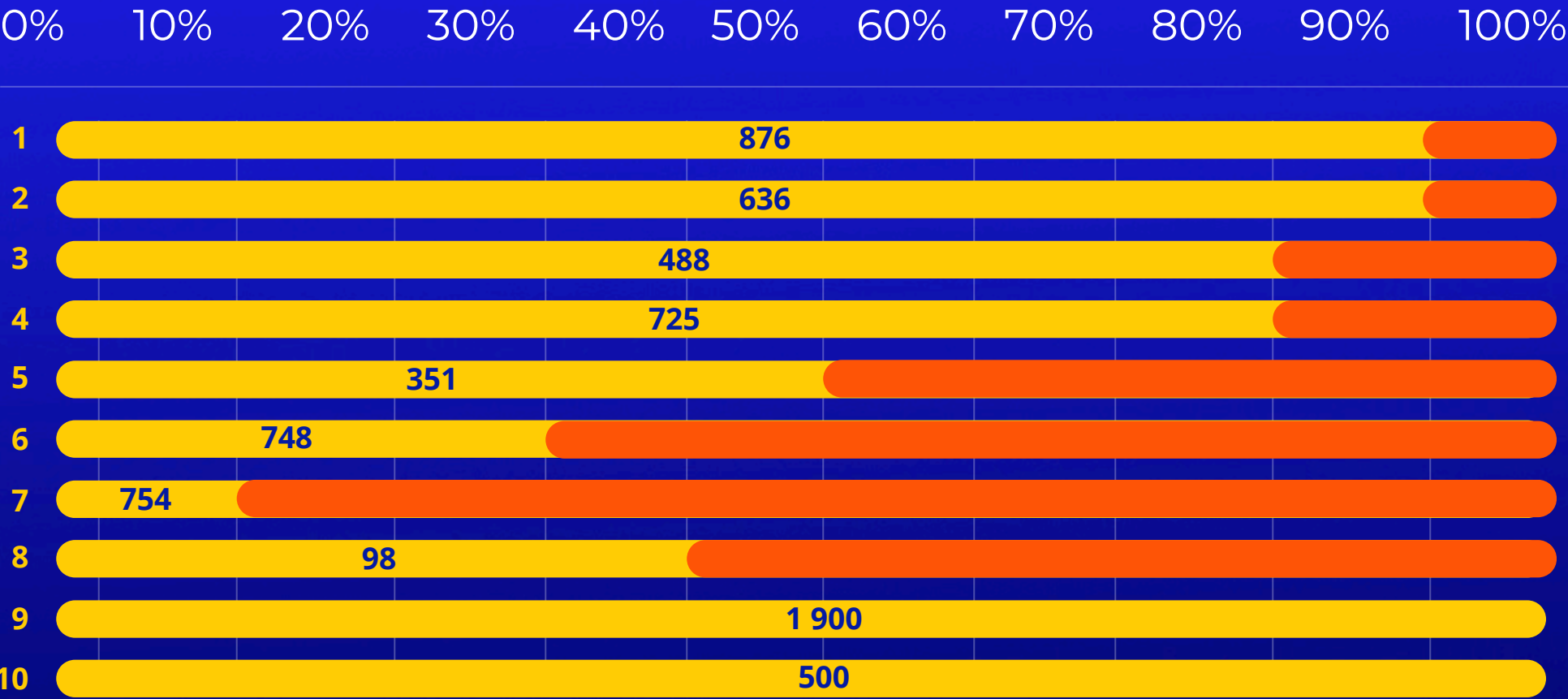
# THE STRATEGIC NEED FOR 7 MILLION NEW EMPLOYEES BY 2040: HOW TO COVER THE STAFFING GAP

By **2030** (implementation of the Strategy) - to engage more than **2 million** people to ensure sustainable economic growth.

By **2035** (cumulative effect of the Strategy implementation) - to attract about **2.3 million** more people to cover the growing demand for personnel due to demographic losses and population aging.

By **2035-2040** (cumulative effect of the Strategy implementation), there will be a **personnel deficit of 2.4 million people**, which will be compensated by external sources (return of Ukrainian citizens from abroad, controlled immigration of foreign workers).

## Potential for attracting additional labor (thousand people)



- 1 Persons looking for a job
  - 2 Available potential labor force
  - 3 Persons engaged in household activities
  - 4 Persons caring for other family members
  - 5 Persons with disabilities or diseases
  - 6 Students
- 7 Unemployed pensioners
  - 8 Other persons not included in the labor force
  - 9 Re-emigration
  - 10 Immigration (attracting foreigners)



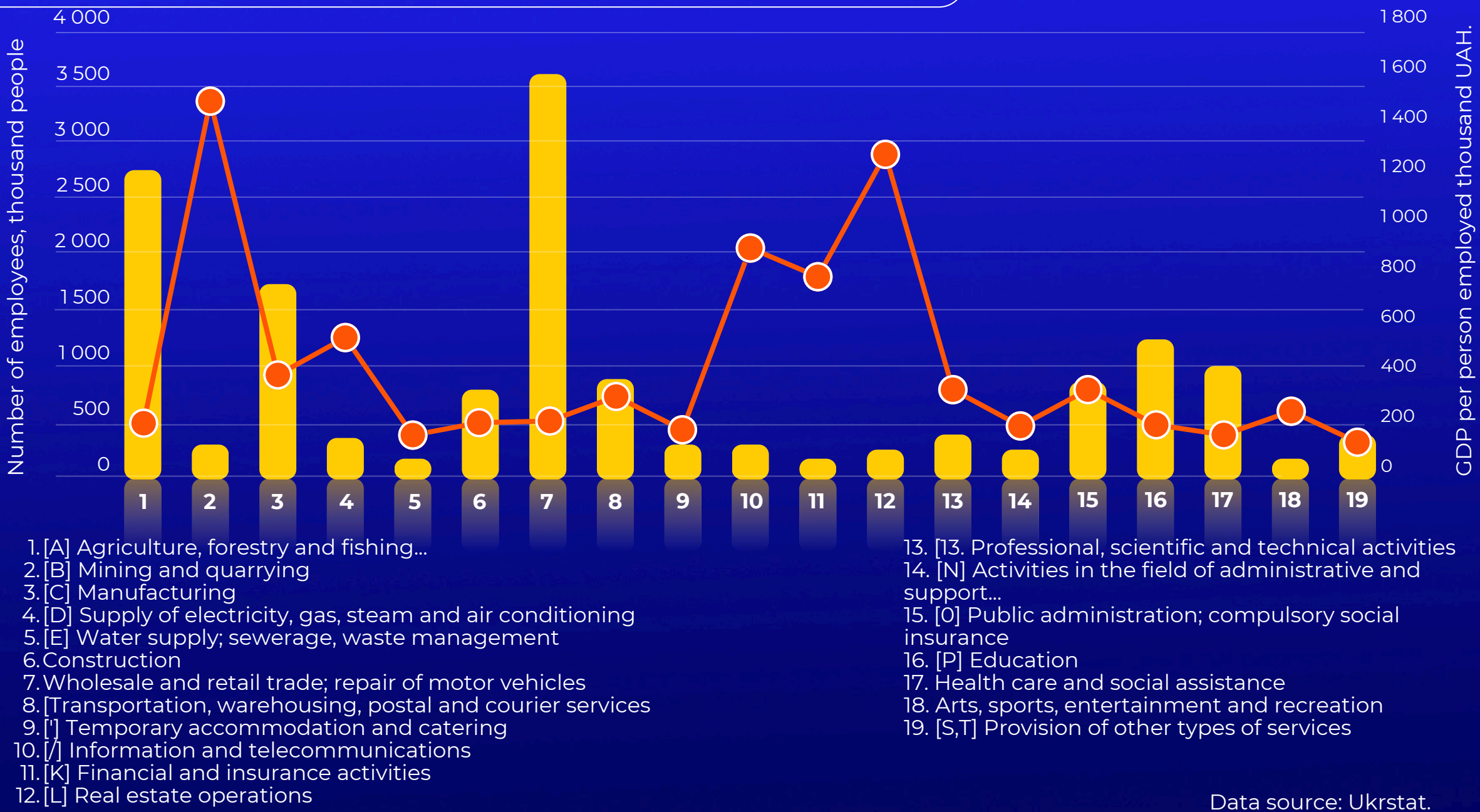
# DISTRIBUTION OF THE NUMBER OF EMPLOYED PERSONS BY SECTORS OF THE UKRAINIAN ECONOMY IN 2021

**Distribution of the number of employed persons by sectors of the Ukrainian economy in 2021**

● Number of employees, thousand people  
● GDP per person employed, UAH thousand/person

Labor productivity varies greatly between sectors of the Ukrainian economy. In 2021, labor productivity was significantly above average in the mining industry, real estate operations, IT and telecom, and financial and insurance activities. Significant level of labor productivity is also observed in the energy and manufacturing industries. The highest levels of informal employment were observed in agriculture and trade.

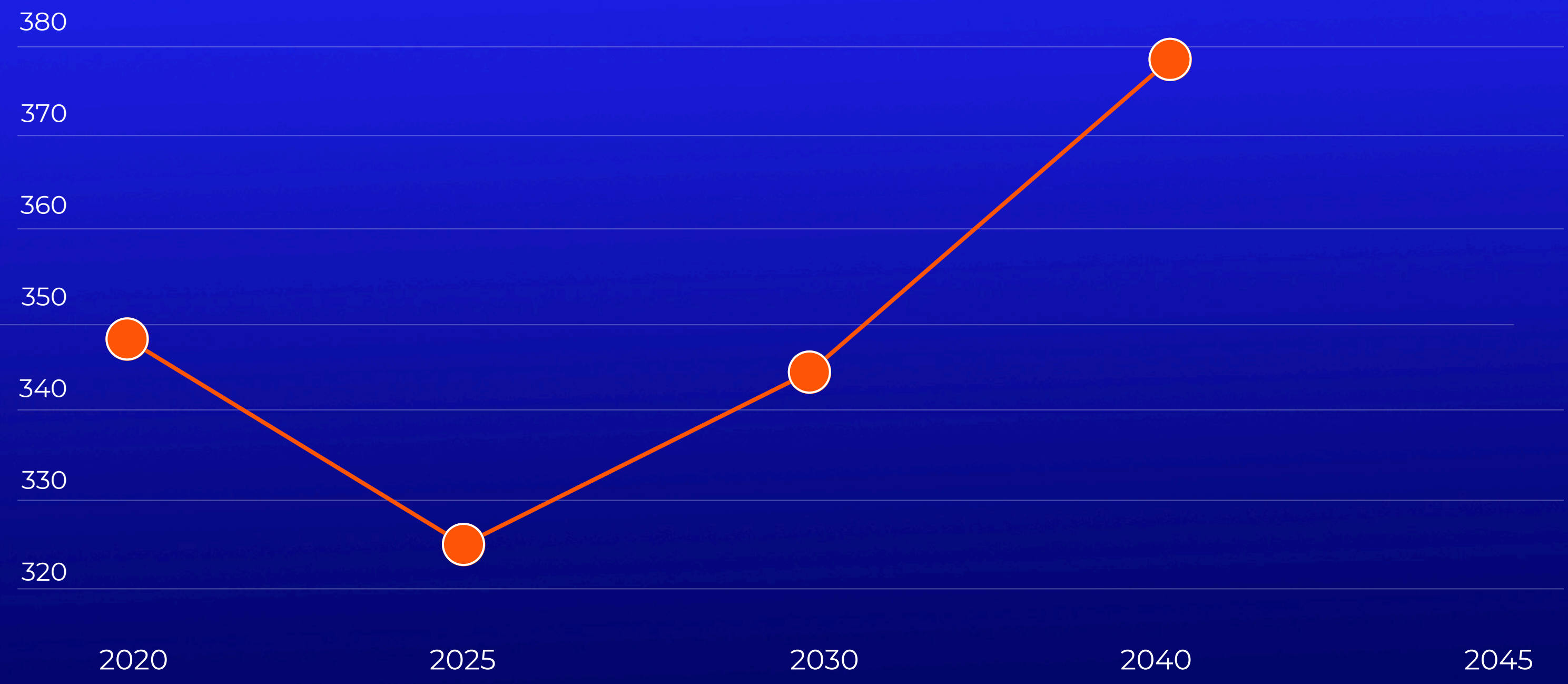
Development of the sectors identified as priorities under the Ukraine Facility will increase overall labour productivity by changing the structure of the economy.



Data source: Ukrstat.

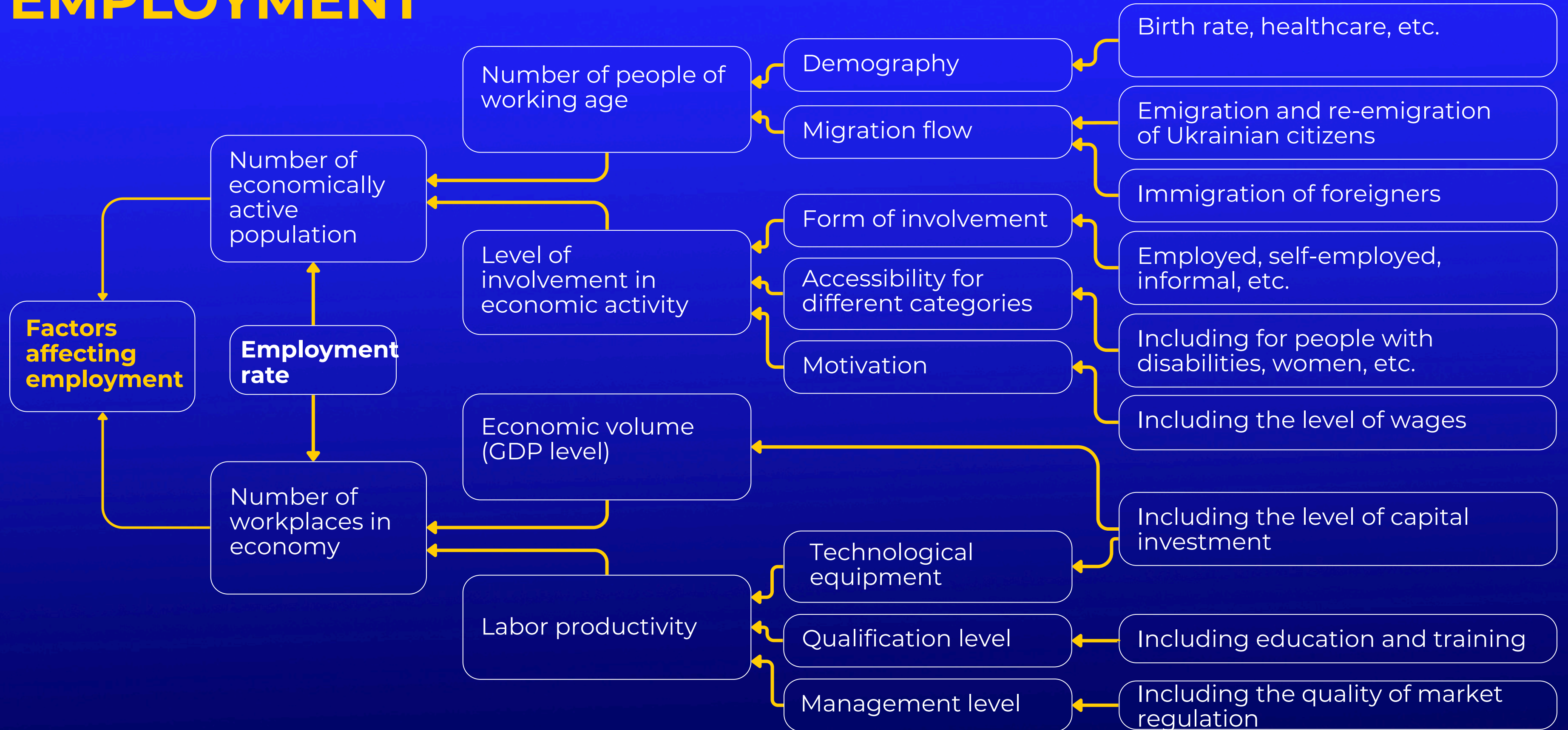
# LABOR PRODUCTIVITY GROWTH FORECAST

Real GDP (in constant prices of 2021) per person employed, thousand UAH/person





# FACTORS AFFECTING EMPLOYMENT



# KEY ACHIEVEMENT INDICATORS (BY 2040):



Indicator (absolute value)	2025	2040 forecast	Growth rate
GDP at constant prices in 2021 (UAH bln)	4 349	7 609	3,8% (annually)
Employment rate (population 15+, excluding pensioners), %.	69,1%	78%	Achievement of the target indicator
Number of employed persons, mln	~ 13,3	20,4	2,9% (annually)
Unemployment rate, %.	10,9%	8-9%	Decrease to the target range
Number of self-employed persons, mln	1,7	3	~ 4,5% (annually)
Labor productivity, UAH thousand/person (in constant prices of 2021)	326	373	0,9% (annually)



# OBJECTIVES



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МІНІСТЕРСТВО ЕКОНОМІКИ УКРАЇНИ

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## STRATEGIC GOALS:

## ACTIVITIES:

## Sectors

1

### Increase in economic activity of the population

- 1.1.** Creating favorable conditions for employment through tax incentives, minimizing administrative barriers to business, and supporting entrepreneurship.
- 1.2.** Reducing shadow employment and creating conditions for legalizing non-standard forms of labor relations.
- 1.3.** Stimulating the recovery of economic activity in the affected regions.
- 1.4.** Reducing barriers to entry into the labor market and expanding employment opportunities for specific groups: veterans, people with disabilities, women, IDPs, the elderly, youth, and those returning from abroad.
- 1.5.** Developing tools for attracting foreign talent and highly skilled immigration.



2

### Overcoming regional imbalances between labour supply and demand

- 2.1.** Alignment with the needs of the labor market and development of infrastructure for training in the priority sectors identified in the Ukraine Facility.
- 2.2. Developing a flexible system of training, retraining, re-qualification and recognition of micro-credentials for different categories of the population.**
- 2.3.** Internships, systematic career guidance for young people and adults in accordance with the needs of the labor market.
- 2.4.** Developing partnerships between education and business to adapt to the needs of the labor market.





# OBJECTIVES

## STRATEGIC GOALS:

## ACTIVITIES:

## Sectors

3

**Strengthening the institutional capacity of state bodies in the field of employment and implementing modern digital analytics tools and services**

- 3.1.** Modernization of the State Employment Service: digitalization of employment services, mobile services, big data, service quality improvement, public-private partnership, improvement of the quality of SES services, expanding access through private intermediaries.
- 3.2.** Reform of the State Labor Service (including inspection): combating informal employment, adaptation to EU standards.
- 3.3.** Modernization of the labor market based on demand analysis and periodic identification of employers' needs.
- 3.4.** Updating vocational education centers: short programs, micro-credentials, cooperation with employers.



4

**Integration of EU standards into employment policy.**

- 4.1.** Adaptation of labor legislation, occupational safety and health standards, gender equality, non-discrimination, social dialogue, social protection and inclusion to the EU acquis.
- 4.2.** Ensuring the attraction of EU funding for the implementation of active employment, vocational training and human capital development programs.
- 4.3.** Improving the mechanism for recognizing professional qualifications, adapting to the rules on free movement of workers and social security, creating conditions for controlled labor mobility, as well as expanding Ukraine's involvement in the European Employment Network (EURES), and cooperation with the ELA.





# EXAMPLE OF ACTIVITIES FOR AN OPERATIONAL PLAN (1 EXAMPLE)

Name of the goal	Name of activity	Duration of performance, years	Performance indicator	Responsible for implementation
Development of a flexible system of education, retraining, re-qualification and recognition of micro-credentials for different categories of the population	Introducing a system of grants for adult retraining	2029–2030	Legal acts adopted	Ministry of Economy, Ministry of Education and Science, State Employment Service
	Implementation of pilot short-term educational programs with a combination of theoretical and on-the-job training at enterprises	2026-2030	Number of successfully implemented programs - 30 (annually) Share of graduates employed after graduation - 70%.	Ministry of Economy, Ministry of Education and Science, State Employment Service

# EXAMPLE OF ACTIVITIES FOR AN OPERATIONAL PLAN (2 EXAMPLE)

Name of the goal	Name of activity	Duration of performance, years	Performance indicator	Responsible for implementation
Development of a flexible system of education, retraining, re-qualification and recognition of micro-credentials for different categories of the population	Support of the Draft Law of Ukraine "On Amendments to Certain Laws of Ukraine on Financing Higher Education and Providing State Targeted Support to its Applicants" (Reg. No. 10399)	2026	Support is provided	Ministry of Economy, Ministry of Education and Science
	Development and adoption of regulations aimed at implementing the Law of Ukraine "On Amendments to Certain Laws of Ukraine on Financing Higher Education and Providing State Targeted Support to its Applicants" (after its adoption).	2026	Legal acts adopted	Ministry of Economy, Ministry of Education and Science



# NEXT STEPS

1

## **Finalization of the draft Strategy**

Clarify the content and agree with key stakeholders

2

## **Development of an operational implementation plan**

Identification of implementation stages, activities and responsible authorities.

3

## **Holding a broad public discussion**

Engaging social partners, the public, and the expert community.

4

## **Discussion of the draft Strategy with the European Commission**

The strategy should be agreed with the European Commission as one of the elements of the European integration track and confirmation of Ukraine's commitments.

5

## **Presentation and approval of the Strategy**

Submission for consideration and approval by the Cabinet of Ministers of Ukraine.