

KEY POLICY DEVELOPMENTS IN EDUCATION, TRAINING AND EMPLOYMENT – UKRAINE 2023

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EXECUTIVE SUMMARY

Following the full-scale Russian war on Ukraine on 24 February 2022, the country wasted no time and formally submitted its application to join the EU within just four days.

On 8 November 2023 the European Commission adopted the 2023 Enlargement Package recommending to open accession negotiations with Ukraine.

In the context of the political developments in Ukraine, President Volodymyr Zelenskyy has entrusted the government with a strategic mandate, placing a strong emphasis on the development of human capital. Education is recognised as the country's priority, coming immediately after the overarching goal of securing victory in the ongoing war.

This prioritisation of education is based on the fundamental political agenda that a strong educational system, fostering contemporary knowledge and skills, is essential for driving Ukraine towards its ambitious goal of attaining a GDP of one trillion US dollars.

The new Minister of Education and Science, Oksen Lisovyi, was appointed in April 2023. Presented in August 2023 together with the Ministry of Digital Transformation, a new vision for education places emphasis on key aspects, including educational optimisation and management, the role of educators, educational content, and digitalisation.

Ongoing reforms in vocational education and training (VET) underscores decentralisation, quality assurance and public-private partnerships as fundamental strategies to enhance the VET system, aligning it with international standards and promoting sustainable development.

Approximately 5 million internally displaced persons (IDPs) are in Ukraine, with an additional 6 million Ukrainian refugees primarily in Europe. The conflict's proximity, notably in eastern regions, increased the number of registered IDPs. The main drivers for displacement and return include conflict-related employment opportunities and the desire to reunite with family or friends. About 1 million current IDPs aim to return, emphasising the aspiration for normalcy and reintegration.

International financial agreements and the EU Commission's proposal of the Ukraine Facility in June 2023 underscores the global efforts to assist Ukraine in its recovery and modernisation, necessitating substantial funding. The estimated cost of Ukraine's reconstruction and recovery soared to USD 411 billion, surpassing twice the size of its pre-war economy. A decade-long recovery plan involving a combination of public and private funding is envisioned. Ukraine is simultaneously pursuing EU accession and facing complex challenges in both reconstruction and reforms. Therefore, the Ukraine Facility aims to provide consistent and flexible financial support of EUR 58 billion to Ukraine from 2024-2027.

Government restructuring has led to the establishment of the Ministry of Communities, Territories and Infrastructure Development, streamlining reconstruction efforts.

The ETF is actively supporting Ukraine, focusing on education and labour markets to foster economic growth and has announced a Comprehensive Plan maintaining close coordination with Ukrainian authorities and the European Commission. The plan is executed by ETF's Ukraine Task Force, and the support aligns with Ukrainian priorities and EU Commission objectives, aiding both immediate post-conflict and medium-term recovery efforts, linked to Ukraine's EU candidate status.

Furthermore, the ETF is overseeing and gathering information to monitor and assess how the invasion is affecting people's mobility, its repercussions on the workforce and labour market, and its impact on educational institutions.

1. KEY POLITICAL, DEMOGRAPHIC, ECONOMIC AND SOCIAL CHARACTERISTICS

Political developments

On 24 February 2022, Russia invaded Ukraine, stepping up the Russian-Ukrainian war that began in 2014. This has resulted in a devastating humanitarian crisis, causing widespread loss of life, destruction of infrastructure and human suffering.

Within the realm of significant political developments in Ukraine, President Volodymyr Zelenskyy has delegated a strategic mission to the Government, focusing on the advancement of human capital. Education has been identified as the nation's second priority, following the imperative of achieving victory in the ongoing war. The reasoning behind this prioritisation is clear: a well-educated population with contemporary knowledge and skills is instrumental in fulfilling Ukraine's aspiration to reach a GDP of one trillion US dollars (MoDT, August 2023).

On 23 June 2022, the European Parliament passed a resolution supporting Ukraine's candidacy for EU membership without delay. Following Ukraine's progress and ongoing reforms, the European Commission, in its recommendation made on 8 November 2023, advised the European Council to commence negotiations regarding Ukraine's accession to the EU (European Commission, November 8, 2023).

In government restructuring of December 2022, Ukraine underwent substantial changes in its ministries. The Ministry of Infrastructure and the Ministry of Communities and Territories Development were amalgamated, resulting in the formation of a new entity named the Ministry of Communities, Territories and Infrastructure Development. The amalgamation of these ministries aims to streamline the restoration process in the country, fostering better coordination and ensuring a more systematic approach to reconstruction, particularly in conflict-affected regions. Critical priorities for this consolidated ministry include finalising decentralisation reforms, implementing energy efficiency policies and maintaining a strategic focus on the transport sector. The latter entails transparent restoration efforts, enhancing logistics for exporters, and exploring various investment models in crucial infrastructure sectors, such as railways, roads, ports, aviation and postal services (Ukraine Government Portal, 1 December 2022).

During the Ukraine Recovery Conference 2023 held in London in June, agreements totalling more than EUR 800 million were signed by the European Commission, the European Investment Bank (EIB), the European Bank for Reconstruction and Development (EBRD), and the International Finance Corporation (IFC). These agreements aim to leverage private investment for the recovery and reconstruction of Ukraine's economy. Supported by the European Fund for Sustainable Development Plus, the financial branch of NDICI-Global Europe, these agreements emphasise the collective international dedication to engaging the private sector in Ukraine's recovery and reconstruction efforts.

On 20 June 2023, the Commission introduced a proposal to establish the Ukraine Facility, a dedicated financial mechanism aiming to provide consistent and foreseeable support to Ukraine during the period 2024-2027, focusing on recovery, reconstruction and modernisation. The Ukraine Facility is a collaborative effort involving EU Member States, European financial institutions under Team Europe and other international financial institutions. This partnership is coordinated through the Multi-Agency Donor Coordination Platform, involving key stakeholders such as civil society, the private sector and local authorities. With an allocation of up to EUR 50 billion in grants and loans, the Facility aims to assist Ukraine in maintaining macro-financial stability, fostering recovery, reconstructing and modernising the nation, and implementing crucial reforms necessary for its EU accession process during this period (EC, June 2023).

Demographics

According to the Ukrainian Statistical Services, there were 41.1 million inhabitants recorded in Ukraine in 2022.

There are approximately 5.1 million internally displaced persons (IDPs) within Ukraine and an additional 6.231 million Ukrainian refugees globally, with a significant concentration of 5.873 million in Europe. The displacement figures have seen a decline since early June, with changes in the calculation methodology. Proximity to conflict zones, particularly in eastern regions, has led to a notable increase in registered IDPs. Many have returned, especially in cities such as Kyiv, Kivska and Kharkivska, both from abroad and within Ukraine.

The war on Ukraine has regrettably resulted in 26 015 civilian casualties, including 9 369 fatalities and 16 646 injuries (30 July 2023). The use of explosive weapons, such as artillery shelling, rockets, missiles and air strikes, has been a major cause of these casualties. Ukrainian forces have maintained a counteroffensive stance, resulting in slight progress on the frontlines. Despite the Russian withdrawal from the Black Sea Grain Initiative, Odesa port infrastructure faced consecutive missile and drone attacks, causing significant damage to civilian infrastructure (OCHA, 31 August 2023).

The conflict and associated lack of employment opportunities are the main drivers for both displacement and returns, with a desire to reunite with family or friends also playing a significant role. Approximately 1.04 million current IDPs have expressed their intent to return to their region of origin, highlighting the aspiration for normalcy and reintegration into their communities (OCHA, August 2023). The situation remains fluid, necessitating continuous monitoring and support for those affected by the conflict.

Key economic developments

Ukraine's economy is anticipated to experience a 0.5 % growth this year after a severe contraction of 29.1 % in 2022 due to Russia's invasion. Despite the immense economic damage caused by the invasion, the reopening of Black Sea ports and the resumption of grain trade, along with significant donor support, have been instrumental in bolstering economic activity for the year. Recent estimates from the World Bank highlight that the cost of reconstruction and recovery in Ukraine has escalated to USD 411 billion, exceeding double the size of Ukraine's pre-war economy in 2021, (World Bank, April 2023).

The Collaborative Assessment Report by the Government of Ukraine, the World Bank Group, the European Commission and the United Nations indicates a substantial increase in the estimated cost of reconstructing and recovering Ukraine, which is reaching USD 411 billion (equivalent to EUR 383 billion). This estimate covers the period from Russia's invasion of Ukraine on 24 February 2022 to the first anniversary of the war on 24 February 2023. There is an urgent need for critical reconstruction and recovery investments in 2023, amounting to USD 14 billion. The funding requirement exceeds what the government has allocated in its 2023 budget, necessitating an additional USD 11 billion in financing to meet these essential needs, including unfunded budget needs and financing to support state-owned enterprises and to stimulate the private sector.

The Collaborative Assessment Report also emphasises the importance of continued support and investment in Ukraine to aid recovery and reconstruction, highlighting the significant impact on the nation's economy and society. The assessment portrays the extensive damage and its profound human toll, particularly on the impoverished and vulnerable segments of the population, with millions pushed into poverty and significant setbacks in various sustainable development goals (UN, March 2023).

Key social issues

In Ukraine, living conditions stabilised after initial war-induced disruptions, but faced setbacks in winter 2022/2023 due to widespread utility disruptions.

Livelihoods are significantly impacted, with job losses and reduced income affecting households, especially IDPs and returnees. Food security risks have emerged due to disruptions in agricultural markets, impacting production and trade. Vulnerable groups faced social inclusion challenges, worsened by social stigma (UN, June 2023).

The ongoing war in Ukraine impacts millions of women and girls, increasing gender-based violence and poverty. The UNFPA, which provides crucial reproductive health and protection services, urgently needs USD 99 million in 2023 to scale operations in Ukraine and neighbouring countries. The risk of gender-based violence has heightened during the conflict, necessitating better access to protection services (UNFPA, August 2023).

In terms of humanitarian access, safety concerns due to mines and explosive remnants of war are major barriers. While direct attacks on humanitarian personnel and infrastructure have declined, they haven't ceased. Hard-to-reach areas near the front line and those not under Ukrainian government control pose significant challenges. Certain groups, including older individuals, LGBTQI+ individuals, Roma, third-country nationals and rural residents outside of collective sites, struggle to access aid and information about humanitarian assistance (OCHA, March 2023).

2. EDUCATION AND TRAINING

2.1 Trends and challenges

Education strategy and legal framework for education

President Volodymyr Zelenskyy has set forth a crucial mission for the government, focused on nurturing human capital, particularly emphasising the development of an outstanding educational framework within Ukraine. The aim is to construct an educational system that can cultivate proficient and fulfilled individuals, who are thoroughly prepared to thrive in a rapidly evolving and innovative economy.

Education stands as the country's second top priority after winning the ongoing conflict. Educated individuals are viewed as key to achieving Ukraine's GDP goal of one trillion US dollars. To reach this, the Ministry of Education and Science is engaging with national stakeholders to ensure the vision aligns with educators' needs.

During the Annual Ukrainian Education Conference in August 2023, the Minister of Education and Science and the Deputy Prime Minister for Innovation, Education, Science and Technology presented a new vision for educational transformation. The main aspects of an educational transformation revolve around:

- educational management: principals are envisioned as proactive managers with innovative approaches;
- educators: the teaching profession should be reimagined, providing opportunities for growth, self-expression and fair compensation;
- educational space: schools should transform into modern spaces conducive to individual development and learning;
- content and meaning of education: educational programmes should focus on imparting knowledge and developing essential soft skills such as sociability, resilience, curiosity and creativity.

According to the EC-UA agreement from June 2023, both parties confirm their intention to:

- promote further cooperation between schools and provide support to education of displaced children.;
- raise awareness of the opportunities offered by the Erasmus+ programme by supporting the delivery of additional schoolbooks for Ukrainian learners and to promote greater involvement of Ukrainian organisations in Erasmus+ international actions.
- facilitate the recognition of qualifications for people fleeing Russia's war on Ukraine;
- enhance the participation of the MoES in working groups and peer learning activities under the European Education Area Strategic Framework.

The ongoing VET legislative reform in Ukraine, initiated by the Law on Education in 2017, provides a strategic framework for educational changes, including VET. This law introduces the concept of the New Ukrainian School and emphasises the National Qualifications Framework (NQF), lifelong learning and key competences in education. It also establishes the National Qualifications System (NQS), sectoral qualifications frameworks and partial qualifications.

The 'Modern Vocational Education' concept, which was adopted in 2019 and which will guide VET policy until 2027, focuses on three priorities: decentralising VET governance and financing, implementing quality assurance and fostering public-private partnerships in VET.

In 2019, Ukraine introduced 'The Potential of Competences (Foundations of the State Standard)' as part of its new education standards. This framework shapes state standards for various education levels, including VET (ISCED levels 2 and 3).

To enhance VET policy, the Council for VET Development, established in March 2021, complements regional VET councils under the Office of the President. Proper institutionalisation of this structure is anticipated to enhance policy relevance and coordination between national and regional levels, aligning with the decentralisation process.

Education expenditure

Despite the difficult situation, Ukraine demonstrates a strong financial commitment to education, allocating a notable percentage of its GDP. Public spending on education amounts to 6.0 % of GDP, with private expenditure adding an additional percentage point. This places Ukraine among the top countries globally in terms of education spending. Notably, this commitment is driven in part by legal requirements stipulated in the Law on Education, mandating the allocation of at least 7 % of GDP to the education sector. Moreover, the law emphasises increasing teachers' starting salaries fourfold by 2023. However, achieving this salary increase would lead to a rise in education spending, elevating it from 6 % to 8.8 % of GDP by 2023. This potential increase raises fiscal concerns for Ukraine (ETF, 2020).

The estimated cost for rebuilding Ukraine's education infrastructure stands at a significant USD 10.7 billion. This financial projection encompasses crucial aspects such as upgrading educational facilities, integrating modern technology, enhancing educational standards and providing necessary resources for the overall advancement of the education system. Investment in education is a foundational step towards building a skilled and knowledgeable workforce, essential for the nation's future growth and development. The allocation of these funds towards education will play a key role in revitalising the sector and empowering the youth with the tools they need to succeed (UN, March 2023).

Access, participation and early school leaving

As of 7 July 2023, 3 450 education facilities had been damaged or destroyed (11 % of the total), while 130 VET schools (18.2 % of the total) had been bombed or destroyed. In Donetsk, over 80 % of VET schools had been damaged or destroyed, compared to 56 % in Luhansk and more than one third in Kharkiv, Mykolayiv and Chernihiv (ETF, July 2023).

In September 2023, 85 % of VET institutions had resumed teaching, of which 27.8 % was held in-class, 36 % remotely and 46 % in a blended format. (ETF, July 2023).

In regions where internet access has been disrupted due to the war, students have found an alternative in accessing lessons through Ukrainian television. As of 1 June 2022, the 'New Ukrainian School Hub', supported by Ukraine, the European EdTech sector and EU funding, has been established. This hub brings together supplementary educational resources from European EdTech companies, curriculum-based support resources and Ukrainian e-learning tools and platforms. It is accessible in both English and Ukrainian, with machine translation available for other languages when possible. The Ukrainian Educational Hubs network, detailed on their website (<https://eduhub.org.ua/>), includes hubs within Ukraine (Vinnytsya, Lviv, Uzhgorod, Ivano-Frankivsk, Ternopil, Zhytomyr, Kyiv, Lutsk, Chernivtsi, Khmelnytsky, Rivne) and abroad (Warsaw, Geneva, Bratislava, Prague, Budapest, Sofia, Leipzig).

In May 2022, the Ministry of Education and Science (MoES) signed a partnership agreement with Google. This agreement encompasses the provision of computer equipment, software, content and digital skills training for Ukrainian teachers and researchers. UNESCO and other global development partners are providing support for this initiative. Google for Education, which has been actively involved since 2005 in addressing global education gaps through investments in projects and organisations that enhance learning accessibility, will also continue to update resources such as

'Teach Wherever You Are', a vital resource developed during the pandemic, offering information, advice, training and learning tools (MoES, May 2022).

Additionally, an educational chatbot named EducationUaBot is in development on platforms such as Telegram and Viber, supported by Switzerland as part of the DECIDE project. Training materials for this chatbot are continuously updated. Electronic content and training modules receive support from EU4Skills, Swiss Contact, ILO and the European Training Foundation. These materials will be hosted on the VET platform, developed by the ILO and managed by the MoES VET Directorate. Furthermore, the Ukrainian Education in Emergency website was created to aid ministries of education, international education managers and teachers in helping children adapt to new schools and curricula in foreign countries.

PISA results

The Programme for International Student Assessment (PISA) was introduced to Ukraine in 2018, marking the country's inaugural participation. Ukrainian students' performance in reading, mathematics and science lagged behind the OECD average. In comparison to the OECD average, a smaller percentage of Ukrainian students achieved the highest levels of proficiency (Level 5 or 6) in at least one subject. Simultaneously, a smaller fraction of students met the minimum proficiency level (Level 2 or higher) in at least one subject. Notably, girls in Ukraine demonstrated similar performance to boys in mathematics, while in OECD countries, boys outperformed girls by five score points. Likewise, in science, Ukrainian girls and boys showed comparable performance, whereas, on average across OECD countries, girls slightly outperformed boys by two score points (OECD, 2018).

In 2021, the Ukrainian Centre for Education Quality Assessment conducted a survey involving Grade 4 school students, evaluating reading and mathematics skills. The results, published in September 2022, revealed a decline in both mathematical and reading competencies among primary school graduates from 2018 to 2021. The primary attributed cause for this decline was the impact of the COVID-19 pandemic.

The main phase of the PISA 2022 international education quality assessment occurred in October 2022, involving more than 3 500 students from 175 educational institutions. Students were assessed in three domains: mathematics, reading and science. The final international report is expected to be released in December 2023.

In addition to the challenges in the education system caused by the ongoing war on Ukraine – Ukraine's education system faces challenges such as uneven resource distribution, outdated teaching methods, inadequate infrastructure and a need for curriculum reforms. Efforts are underway to modernise teaching, improve infrastructure and align education with global standards.

Young people not in employment, education or training (NEET)

While evaluating the present circumstances is challenging and the National Statistical Office stopped regular labour force surveys, there has been a consistent reduction in the percentage of young people aged 15-24 not engaged in employment, education or training (NEET). This figure declined from 17.6 % in 2019 to 14.3 % in 2021. The overall decrease primarily resulted from a decline in the proportion of young men falling into the NEET category, which reached 10 % in 2021. Conversely, the decline in the share of young women categorised as NEET has been notably slower, standing at 18 % in 2021.

2.2 Initial VET and adult learning

Strategic and legal framework for initial VET and adult learning

Access to lifelong learning in Ukraine is established based on the Recommendation of the European Parliament and of the Council of 18 December 2006 on key competences for lifelong learning

(2006/962/EC). Prior to Russia's invasion, Ukraine was actively enhancing its VET system through substantial reforms aimed at modernising the system and decentralising VET governance.

The VET policy document of December 2021, known as the Concept of the State Targeted Social Programme for Development of VET for 2022-2027, outlines the future programme with specific objectives:

- Increasing the responsibility of public authorities, local governments, businesses and partner organisations for priority task implementation within the programme. This involves promoting vertical and horizontal cooperation and fostering the exchange of expertise among them.
- Enhancing the skills of professionals at national and regional levels, along with building the capacity of VET institutions, civil society organisations and businesses to offer high-quality VET services. This includes institutions with specific training conditions.
- Establishment and advancement of supervisory boards for VET institutions.
- Implementation of an inclusive approach, ensuring equal rights and access to services, opportunities, and information for diverse categories of students, particularly individuals with disabilities.

In the realm of adult learning, legislation related to the qualifications system governs professional qualifications, validation of non-formal and informal learning, independent assessment of acquired skills by qualification centres, and the development of sectoral qualifications frameworks.

On 1 July 2022, Law No 2312-IX on Amendments to the Law of Ukraine on Vocational (Technical) Education came into effect. This law, which focuses on aspects of training skilled workers during martial law and economic recovery, primarily supports employers' interests and provides additional avenues to utilise state or local budgets for employee training.

Furthermore, Law No 2179-IX, on Amendments to Some Legislative Acts of Ukraine Regarding the Functioning of the NQF became effective on 17 June 2022. The key changes brought about by this law encompass updated definitions of crucial terms, changes to the development of occupational standards, empowering developers to independently approve occupational standards, reinforcing the role of the National Qualifications Agency (NQA) and updating regulations for industry councils, particularly concerning funding aspects.

VET governance and financing arrangements

The Ministry of Education and Science (MoES) in Ukraine is presently undergoing a transition as part of a comprehensive reform process. The state of the VET system is further complicated by its intricate structure, characterised by a wide array of VET institution types and levels, alongside a diverse range of support organisations, often with overlapping responsibilities. This complexity is amplified by a challenging political context, illustrated by the prolonged delay in adopting the new VET law, which has lasted more than three years (ETF, April 2021).

The ongoing decentralisation process and the establishment of the NQA necessitate the MoES to coordinate and incorporate contributions from a broader spectrum of stakeholders. Social partners play a vital role in ensuring skills development and employability, primarily by actively participating in the formulation of occupational standards, engaging in sectoral skills bodies and providing input to initiatives aimed at identifying skills needs. Notably, the formulation of occupational standards mandates the involvement of employers and trade union representatives. The amendments made to the Law on Education in April 2022 delineate the composition of sectoral skills bodies (councils) and advocate for the participation of social partners in these councils.

The transition of VET funding to the local level has presented numerous challenges, particularly due to the unpreparedness of regions for this change. Despite financial decentralisation leading to an augmentation of local resources, local funds currently suffice for only about 60 % of the VET financing needs in these regions, as reported by the MoES. Addressing these funding gaps is imperative for the effective implementation of the VET Strategy in the future. The VET system's intricate structure and

the intricate political landscape further exacerbate the situation, exemplified by the prolonged inability to pass the new VET law (ETF, April 2022).

Qualifications, validation and recognition

Ukraine is currently in the process of advancing its National Qualifications Framework (NQF) towards full operationalisation. The NQF holds a pivotal role in instituting an education and training system in Ukraine centred around competencies, aligning with the principles of the New Ukrainian School and Modern Vocational VET concepts. The assurance of high-quality qualifications through this framework has the potential to bring numerous benefits to Ukrainians, encompassing training providers and employers within Ukraine and the European Union.

Established in 2019, the NQA enjoys support from the government and social partners. In 2020, the NQF was streamlined from 10 to 8 levels to harmonise with the European Qualifications Framework. Looking to integrate with the European Higher Education Area, Ukraine initiated preparations for self-certification with the Qualifications Framework for the European Area for Higher Education in 2021. Concurrently, higher education institutions and programmes are undergoing the accreditation process.

The validation process for informal and non-formal learning (VNFIL) is in its early phases of development. The VNFIL is closely tied to the establishment of recognised professional qualifications and the standardisation of assessment criteria. This involves accrediting specific centres responsible for independent assessments of professional qualifications and the training of assessors, all of which are overseen by the NQA. The government has also greenlit regulations enabling educational institutions to recognise results from non-formal learning in workplace settings. Independent assessments based on qualification standards are anticipated to hold significant value in a decentralised education system, granting providers the autonomy to tailor provisions to local and learner-specific needs.

Quality and quality assurance

In Ukraine, learning outcomes and competences are closely related. Learning outcomes encompass a broad range of abilities, akin to competences. The terms 'learning outcomes' and 'competences' are sometimes used interchangeably and are key in Ukrainian education reforms. Learning outcomes have been gradually introduced since the early 2000s, but gained significant momentum after being legislated in 2014 and 2017 through higher education and education laws. Their use is mandatory for new qualifications, regulated by the Law on Education, aligning with state educational standards and NQF level descriptors.

Educational programmes and qualifications are derived from state educational standards, indirectly linked to the Ukrainian NQF. Learning outcomes are integrated into all standards. Qualification development procedures involve occupational standards, stakeholder involvement and external review by quality assurance bodies. The relevance of qualifications is ensured through the inclusion of modern occupational standards, evaluating learning outcomes based on knowledge, skills, communication, autonomy and responsibility.

For successful reform, a broader inclusion of stakeholders and educational institutions is imperative. Achieving this will demand increased capacity building, experimentation and guidance, particularly due to the reforms granting greater autonomy to educational providers (ETF, September 2021).

As of July 2023, 282 modern occupational standards are registered, with ongoing efforts in this regard. These standards group learning outcomes into labour functions. Learning outcomes assess professional qualifications and are utilised in developing VET and higher education qualifications. A methodology for levelling occupational standards has been established, assessing learning outcomes across four domains. Professional qualifications are granted by authorised awarding bodies based on occupational standards, considering formal, non-formal and informal learning achievements against relevant occupational standards. (ETF, September 2023).

Quality assurance principles are well-defined in the Higher Education Law of 2014 and the Education Law of 2017. Oversight and preservation of these principles are entrusted to two agencies: the

National Agency for Higher Education Quality Assurance (NAQA) and the NQA, both of which have been functioning effectively since 2019. Currently, programme accreditation is in place within higher education and plans are underway to extend it to vocational education, ensuring the programme's alignment with state educational standards.

Work-based learning arrangements

The Dual Vocational Education Regulations, officially endorsed in December 2019, aim to enhance the focus of vocational education and training (VET) on aligning with labour market demands and providing practical experience to all VET students alongside theoretical knowledge. Simultaneously, the Dual Education Action Plan, also ratified in December 2019, lays out the blueprint for establishing dual training clusters between 2020 and 2023.

An assessment by the MoES covering the timeframe from 2019 to the spring of 2022 indicates substantial progress. The number of VET institutions adopting dual education has surged by 240, with a noteworthy rise in the number of students engaging in dual education, which has increased by 14 030. Furthermore, businesses and institutions registered for dual education stood at nearly 1 400.

However, it is important to acknowledge that, due to the outbreak of the war, the implementation of work-based learning arrangements has been severely limited.

Digital education and skills

Digitalisation has emerged as a crucial economic catalyst in Ukraine. Over recent years, there has been a notable surge in online work arrangements, encompassing both web-based and on-location work. Ukraine is recognised as a significant exporter of platform labour in Europe and globally (ETF, 2021). Online work has persisted even after the full-scale Russian war on Ukraine, thanks to robust governmental and international efforts to maintain digital access.

The Ministry of Digital Transformation (MoDT) in Ukraine was established in 2019 to spearhead digitalisation initiatives. In July 2020, chief digital transformation officers (CDTOs) were appointed at the MoES, playing a key role in driving digital transformation within the education sector. Further bolstering these efforts, the Directorate of Digital Transformation in Education was established in 2021 and is dedicated to supporting CDTOs in digitising education.

President Zelenskyy announced in spring 2023 the development of a groundbreaking government app named MRIA, which means 'dream'. It aims to be a world-class educational app employing AI and emerging technologies, supporting citizens from kindergarten to graduation and beyond with personalised education services.

In May 2023, the Ministry of Digital Transformation initiated a significant project called Diia.Education, with support from Google.org and the Eastern Europe Foundation. This project aims to create a national edutainment platform that offers a wide range of contemporary knowledge and skills for individuals to study, all free of charge. It enables people to learn new professions and get acquainted with current job opportunities.

Diia.Education represents a step forward from the earlier Diia.Digital Education project that began in 2020, which primarily focused on enhancing digital skills and literacy.

The updated Diia.Education platform offers a diverse array of educational programmes, catering to various vocations and skills. These programmes encompass a wide range of disciplines, including landscape design, barista skills, graphic design, baking, project management, packaging and more. Moreover, the platform includes crucial modules focusing on digital literacy and cyber security, ensuring a well-rounded educational experience.

Since its inception, nearly 2 million Ukrainians have registered on the platform and about 75 % of users have completed their chosen courses and obtained certificates (Ministry of Digital Transformation, May). Importantly, all of these educational offerings are available free of cost, underscoring Ukraine's dedication to making learning accessible and inclusive for all.

Statistics on education and training

In July 2022, Ukraine passed Law No 2457-IX, focusing on the operation of integrated education information systems. This legislation facilitates digital interaction among education authorities, institutions and participants involved in the educational process throughout Ukraine.

Since the onset of the full-scale Russian war on Ukraine, the ETF has diligently monitored and gathered data from various sources. The objective is to observe and assess the invasion's impact on population movements, repercussions for the workforce and the job market, and effects on educational institutions. The information is regularly compiled into an updated report, offering a weekly overview of unfolding events and insights into potential future scenarios, including reconstruction costs, business sector recovery and the long-term implications for education.

Moreover, the Labour Market Information System (LMIS) furnishes user-friendly tools and methodologies to gather and analyse labour market data, aiding both strategic and operational planning of regional VET systems in the country. The LMIS generates trends in the labour market to forecast labour market needs for specific occupations and skill levels over the next one to three years. Supported by the EU4Skills programme, the LMIS methodologies and tools, including model-based statistical and economic analyses, graduate tracer studies, and employer surveys, have been developed and tested. Concurrently, the NQA has received assistance to integrate LMIS data into the ongoing enhancement of occupational standards.

3. LABOUR MARKET AND EMPLOYMENT

3.1 Trends and challenges

Labour market characteristics

The Russian aggression has disrupted the Ukrainian labour market, augmenting already existing challenges of shrinking labour force and the geographical and sectoral mismatch between the supply and demand of labour and skills. In order to offset the impact of the war, the government has intensified labour market measures and significantly increased financial allocation on support to the unemployed. Notwithstanding those efforts, there has been a noticeable decrease of almost 25 % in registrations with the State Employment Service (SES) from 2021 to 2022. While the total number of registered unemployed has been declining since 2020, such a sharp decrease suggests a strong shift from employment search towards inactivity.

The biggest shares of this total expenditure on labour market services were allocated to training measures and to compensation for labour costs for each employed person from among internally displaced persons as a result of war. Priority was also given to public and other temporary work and employment in new jobs with compensation covered by the Single Social Contribution. The smallest share of the budget was directed to professional orientation for job seekers. (SES data, ETF ALMP data collection, 2023)

The SES has identified a significant demand for skilled workers, particularly in labour-intensive roles such as locksmiths, electricians, drivers, tractor operators, salespeople, cooks, janitors, cleaners, accountants, educators and nurses (State Employment Service in Visit Ukraine, 19 May 2023).

Competition for available positions is intense, with four applicants per vacancy within the SES e. The finance and insurance sector are experiencing the most competition, with an astonishing 24 specialists vying for a single vacancy. Major vacancies are concentrated in significant regions such as Kyiv, Lviv, Dnipropetrovsk, Khmelnytskyi, and Odesa.

Observations on the Work.ua platform suggest that the labour market had nearly returned to 2021 levels by April 2023, with reduced competition among job seekers. Sectors with the highest vacancies include security, hotel and restaurant business, service, construction, retail trade, finance, specialised trades, logistics, transport, beauty, and sports.

There is a notable skill mismatch in the market, causing challenges for almost 50 % of internally displaced persons (IDPs) in finding suitable employment. Positions offering remote work face the highest competition.

The IT sector, which once experienced rapid growth, is now gradually slowing down. Leading companies are downsizing globally, impacting a substantial number of jobs. However, the sector remains poised for rapid development and a return to pre-war levels as individuals engage in upskilling through various courses.

After the war, the demand for builders is anticipated to surge, creating significant opportunities across related industries. Professions in the energy sector and in the agriculture and processing industries will also be in high demand. The report underscores the need for assistance in transitioning to new roles, particularly for individuals impacted by the conflict.

The economic landscape in 2023 poses uncertainties regarding stabilisation. The trade sector anticipates significant growth, even predicting increased employment for the first time since January 2022. Other sectors will continue layoffs, albeit at a slower pace. The report projects a reduction in the unemployment rate by the end of 2023, though it may not reach pre-war levels.

Understanding these labour market dynamics is critical for effective policymaking and strategic planning. Adapting to these shifts is essential for both job seekers and employers in order to navigate the dynamic post-conflict employment landscape.

Statistics on and labour market and employment

The ongoing war has resulted in a significant reduction in employment, estimated at 30 % by the International Labour Organization (ILO, May 2023), although a reliable labour force survey data is not available. A survey conducted by the ILO in Ukraine in October 2022 revealed that 37 % of the population employed prior to the war remained jobless (compared to 41 % in April). Notably, women faced higher unemployment rates than men, with 45 % of women versus 27 % of men being unemployed. Among the pre-war employed population, 36 % remained in their existing jobs, while only 6 % managed to secure new employment. Younger individuals, particularly those aged 18-35, had a better chance of finding new jobs (10 % compared to 3 % for those aged 51 and above). Additionally, women faced greater challenges in finding new employment, with 9 % compared to 4 % for men (ETF, 14 October 2022).

Even before the Russian invasion, Ukraine's labour market was grappling with challenges. The COVID-19 pandemic had a significant impact on employment, leading to a nearly 3 % decline between 2019 and 2021, resulting in an employment rate of 55.7 % for the 15-70 age group, with a gender gap of over 10 %. Of the employed population, 83.7 % held employee status. Informal employment rose to 19.5 % in 2021, primarily self-employed individuals. The activity rate saw a decline from 63.4 % in 2019 to 62.1 % in 2020 and further to 61.8 % in 2021 (15-70 age group), with a 12 % difference in male and female participation in the labour force. Urban and rural areas exhibited a more even split in this regard.

The unemployment rate increased from 8.8 % in 2018 to 9.5 % in 2020 and further to 9.9 % in 2021. The number of jobseekers rose from 1.4 million in 2019 to 1.7 million in 2021, with 25 % categorised as long-term unemployed. The average job search duration was 6-7 months in 2020-2021. In 2021, one in five young people aged 15-24 were categorised as NEET, mostly falling into the 'inactive' category. Young women were particularly at risk of falling into the NEET category (ETF, 2021).

3.2 Employment policy and institutional settings

Strategy and legal framework in the employment policy field

In spite of the ongoing war initiated by the Russian Federation against Ukraine, the nation remains resolute in its commitment to modernise employment, social protection and associated labour legislation. These transformative reforms are pivotal for Ukraine's prospective accession to the European Union.

A paramount reform objective for the government pertains to the modernisation of the antiquated Labour Code, which has been in place for over 50 years. Originating from 1971, during Ukraine's affiliation with the Soviet Union, the current Labour Code has undergone incremental modifications since Ukrainian independence. However, these changes have yielded a disparate amalgamation of legal provisions, hindering consistent application. The government is strategically aiming to enact the new code in 2023.

An analogous circumstance is observed in the imperative for contemporary legislation concerning occupational safety and health, designed to enhance labour conditions and fortify the social welfare of Ukrainian workers. The ongoing legislative endeavours present an opportune moment to effectively tackle the gender pay gap.

A forthcoming project is designed to support the adoption of the new Labour Code and address outstanding components of labour legislation regarding occupational safety and health and equal pay. The primary goal is to align these legal frameworks with the International Labour Standards (ILS) and the EU Acquis Communautaire. The ILO-led initiative will provide expert technical insights regarding the alignment of national legislation with the ILS. It will offer recommendations concerning data collection, analysis and reporting on ILSs ratified by Ukraine. Additionally, comprehensive online training modules will be made available for judges and labour law practitioners, focusing on the

International Labour Standards ratified by Ukraine and the ensuing obligations for the national legal system (ILO, May 2023).

The LMIS utilises methodologies and tools such as model-based statistical and economic analyses, graduate tracer studies and employer surveys to generate labour market trends and produce a 1-to-3-year forecast of labour market needs based on occupation and skill level. These mechanisms were introduced in 2021. The Ministry of Economy has formulated a draft resolution for the Cabinet of Ministers of Ukraine regarding the implementation of an experimental project, focusing on employing the LMIS to monitor labour market development indicators. Despite the ongoing war, efforts to implement the LMIS in Ukraine are being resumed, with planned ongoing collaboration with the ILO for the establishment of a labour market forecasting system.

The State Employment Service (SES) operates a large network of employment centres across the country, delivering a wide array of activation programmes, job orientation, employment prospects, (re)training opportunities and placements for unemployed individuals. It also offers specialised services to employers. The SES gathers, processes and disseminates administrative data concerning workforce demand and supply in the labour market. Additionally, it conducts analyses on supply and demand indicators, provides labour market development and contributes to the formulation and implementation of the state's medium-term employment policy and regional employment programmes.

To enhance accessibility and the spread of information, the SES has introduced an educational hub. This portal provides the latest updates on labour market trends, employers' requirements, job search tips and employment regulations. It offers learning opportunities to registered unemployed individuals, allowing them to acquire or enhance their knowledge and skills, including essential competencies. The platform also offers details on current training courses and relevant institutions. Furthermore, the SES facilitates an online platform for professional guidance and career development, meeting career counselling needs remotely. These services are free for all users interested in career choices, job transitions, future training, self-assessment of abilities and soft skills, entrepreneurial potential, self-improvement, and related areas.

In response to the ongoing war, changes in legislation have been made to assist individuals in securing employment and ensure the prompt distribution of unemployment benefits. Despite the challenges brought by the war, the SES has persisted in aiding jobseekers in their pursuit of employment. However, significant obstacles remain, notably the considerable gap between the high number of unemployed individuals and the limited job openings available. Additionally, individuals residing in occupied territories face difficulties in registering with the SES, posing a significant hindrance in the employment support landscape.

Initiatives to boost employment

The full-scale war by the Russian Federation in Ukraine on 24 February 2022, prompted the implementation of the Ukrainian Law on Organisation of Labour Relations under Martial Law (No 2136-IX). This legislation significantly impacted various aspects of labour laws, including the validity of employment agreements, the definition of essential working conditions, new guidelines regarding job relocations, employee engagement beyond the terms of the individual employment contract at the employer's request during martial law, the integration of remote work from foreign locations, an extension of standard weekly working hours from 40 to 60 and several other notable modifications to labour laws for the duration of the conflict in Ukraine.

In response to the martial law, a substantial update of existing legislation was undertaken to align with the altered employment landscape. The primary objectives included job preservation, ensuring access to state employment services for all citizens, even in conflict-affected and occupied territories, guaranteeing the disbursement of unemployment benefits across Ukraine and, crucially, facilitating effective job placement for the unemployed, particularly IDPs. Additional measures relate to provision of psychological support to unemployed and inactive.

Furthermore, new measures are being implemented with a view to resilience and adaptability to challenging circumstances. There has been a fundamental shift to distance working and learning and

the government is currently working on new legislative frameworks and new support measures. There is an emphasis on reactivating economic activity in the country, particularly through fostering development of micro and small and medium enterprises, including newly formed start-up companies. A special voucher scheme will facilitate upskilling and reskilling, and a new specific programme to reactive economic activity in re-gained territories is on the way (ETF, May 2023).

Initiatives to increase the capacity of the public employment services

Starting from 2020, there has been a significant shift towards enhancing the SES and emphasising lifelong learning as a central component of a modernised VET system. The objective of these reforms is to embrace approaches that prioritise the needs of clients, diversify services linked to active labour market programmes and support for self-employment, and bolster the role of the SES in furnishing labour market information, including the ability to forecast market trends. New services tailored to jobseekers have been introduced, including the provision of career advisors, while services for employers have been upgraded to encompass employer consultants, e-services and more.

As of November 2021, employment centres have been providing services with a stronger focus on clients and with the aim of ensuring consistent approaches in organising the services provided by the SES. This encompasses prompt service delivery, facilitating the transition back to legal employment, and facilitating the integration of registered unemployed and jobseekers into the labour market.

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UKRAINE: STATISTICAL ANNEX

The Annex includes annual data from 2010, 2015, 2019, 2020, 2021 and 2022 or the last available year.

	Indicator	2010	2015	2019	2020	2021	2022 ⁽¹²⁾	
1	Total Population ('000) ⁽¹⁾	45 870.7	45 154.0	44 386.2	44 132.0	43 792.9	38 000.0	
2	Relative size of youth population (age group 15-24 and denominator age 15-64, %) ^{(1)C}	19.9	15.9	14.1	14.0	13.9	11.8	
3	GDP growth rate (%)	4.1	-9.8	3.2	-3.8	3.4	-29.1	
4	Gross value added by sector (%)	Agriculture	7.4	12.1	9.0	9.3	10.9	8.2
		Industry	25.6	21.7	22.6	20.8	23.2	19.2
		Services	55.5	51.2	54.5	55.8	51.9	60.8
5	Public expenditure on education (as % of GDP)	7.4	5.7	5.4	5.4	M.D.	M.D.	
6	Public expenditure on education (as % of total public expenditure)	15.2	13.3	13.2	13.1	18.7	M.D.	
7	Adult literacy (%) ^C	99.9 ⁽⁶⁾	M.D.	M.D.	M.D.	100.0	M.D.	
8	Educational attainment of total population (aged 15+) (%) ⁽⁸⁾	Low ⁽²⁾	M.D.	M.D.	10.2	10.0	9.6	M.D.
		Medium ⁽³⁾	M.D.	M.D.	45.2	45.6	45.5	M.D.
		High ⁽⁴⁾	M.D.	M.D.	44.6	44.4	44.9	M.D.
9	Early leavers from education and training (aged 18-24) (%)	Total	M.D.	M.D.	M.D.	M.D.	M.D.	M.D.
		Male	M.D.	M.D.	M.D.	M.D.	M.D.	M.D.
		Female	M.D.	M.D.	M.D.	M.D.	M.D.	M.D.
10	NET enrolment rates in secondary education (ISCED level 2-3) (%)	M.D.	M.D.	M.D.	M.D.	M.D.	M.D.	
11	Share of VET students in upper secondary education (ISCED level 3) (%)	28.6	29.4	28.6	27.0	26.8	M.D.	
12	Low achievement in reading, mathematics and science – PISA (%)	Reading	N.A.	N.A.	25.9 ⁽⁷⁾	N.A.	N.A.	N.A.
		Mathematics	N.A.	N.A.	35.9 ⁽⁷⁾	N.A.	N.A.	N.A.
		Science	N.A.	N.A.	26.4 ⁽⁷⁾	N.A.	N.A.	N.A.
13	Activity rate (aged 15-70) (%) ^{(9) (10)}	Total	63.7	62.4	63.4	62.1	61.8	M.D.
		Male	69.6	69.2	69.9	68.5	68.1	M.D.
		Female	58.4	56.2	57.5	56.3	56.1	M.D.

	Indicator		2010	2015	2019	2020	2021	2022 ⁽¹²⁾
14	Inactivity rate (aged 15-70) (%) ^{(9) (10)}	Total	36.3	37.6	36.6	37.9	38.2	M.D.
		Male	30.4	30.8	30.1	31.5	31.9	M.D.
		Female	41.6	43.8	42.5	43.7	43.9	M.D.
15	Employment rate (aged 15-70) (%) ^{(9) (10)}	Total	58.5	56.7	58.2	56.2	55.7	M.D.
		Male	63.1	62.2	64.0	61.8	61.5	M.D.
		Female	54.4	51.7	52.9	51.2	50.4	M.D.
16	Employment rate by educational attainment (aged 15-70) (%) ^{(9) (10)}	Low ⁽²⁾	33.6	16.7	17.8	15.6	14.8	M.D.
		Medium ⁽³⁾	56.2	52.5	54.4	52.3	51.6	M.D.
		High ⁽⁴⁾	69.6	67.5	67.7	66.2	65.7	M.D.
17	Employment by sector (%) ^{(9) (10)}	Agriculture	20.2	15.3	13.7	14.0	13.9	M.D.
		Industry	25.5	24.7	25.1	24.8	25.5	M.D.
		Services	54.3	60.0	61.2	61.2	60.6	M.D.
18	Incidence of self-employment (aged 15-70) (%) ^{(9) (10)}		18.9	15.9	16.3	16.4	16.3	M.D.
19	Incidence of vulnerable employment (aged 15-70) (%) ^{(9) (10)}		17.9	14.7	15.0	15.0	14.9	M.D.
20	Unemployment rate (aged 15-70) (%) ^{(9) (10)}	Total	8.1	9.1	8.2	9.5	9.9	M.D.
		Male	9.3	10.1	8.5	9.9	9.6	M.D.
		Female	6.8	8.1	7.9	9.1	10.2	M.D.
21	Unemployment rate by educational attainment (aged 15-70) (%) ^{(9) (10)}	Low ⁽²⁾	7.5	12.1	13.9	15.9	15.0	M.D.
		Medium ⁽³⁾	9.1	10.0	9.3	11.0	10.7	M.D.
		High ⁽⁴⁾	7.3	8.2	7.1	8.0	9.1	M.D.
		VET ⁽⁵⁾	M.D.	10.4	9.2	10.8	10.2	M.D.
22	Unemployment rate (aged 15-24) (%) ^{(9) (10)}	Total	17.4	22.4	15.4	19.3	19.1	M.D.
		Male	17.8	22.7	15.5	19.9	18.0	M.D.
		Female	16.7	21.9	15.3	18.5	20.3	M.D.
23	Proportion of people aged 15–24 not in employment, education or training (NEETs) (%) ^{(9) (10) (11)}	Total	17.6	17.2	15.6	15.5	14.3	M.D.
		Male	15.2	14.6	11.5	12.7	10.8	M.D.
		Female	20.2	19.8	19.9	18.4	18.0	M.D.

	Indicator		2010	2015	2019	2020	2021	2022 ⁽¹²⁾
24	Participation in training/lifelong learning (% aged 25-64) ⁽⁹⁾	Total	M.D.	0.8	0.7	0.5	0.5	M.D.
		Male	M.D.	0.7	0.7	0.5	0.5	M.D.
		Female	M.D.	0.9	0.7	0.4	0.4	M.D.
25	Human Development Index		0.764	0.774	0.786	0.775	0.773	M.D.

Last update: 14/07/2023

Sources:

Indicators 1, 2, 3, 4, 5, 6, 7: The World Bank, World Development Indicators database

Indicators 7, 11: UNESCO, Institute for Statistics

Indicators 8, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24: Ukrstat (data received)

Indicator 12: OECD PISA 2018 Results (Volume I) Annex B1

Indicator 25: UNDP

Notes:

⁽¹⁾ Estimation.

⁽²⁾ Low – General basic, primary and low

⁽³⁾ Medium – General secondary, professional-technical

⁽⁴⁾ High – incomplete tertiary, (basic and full) tertiary

⁽⁵⁾ VET – professional-technical

⁽⁶⁾ applies to 2012

⁽⁷⁾ applies to 2018

⁽⁸⁾ 2019-2021: Data without the population of Autonomous Republic of Crimea and Sevastopol and part of the conflict zone

⁽⁹⁾ 2015-2021: Data without the population of Autonomous Republic of Crimea and Sevastopol and part of the conflict zone

⁽¹⁰⁾ 2014: Data without the population of Autonomous Republic of Crimea and Sevastopol

⁽¹¹⁾ Participation in education in the week prior to the survey is considered

⁽¹²⁾ In line with Ukraine's law on protection of interests of entities that submit reporting and other documents during the period of martial law or state of war, due to Russia's military aggression against Ukraine, starting from February 2022 the state statistics authorities are not conducting sample population/households surveys including the labour force survey. Therefore, data for 2022 are not available.

Legend:

C = ETF calculations

N.A. = Not Applicable

M.D. = Missing Data

ANNEX: DEFINITIONS OF INDICATORS

	Description	Definition
1	Total population ('000)	The total population is estimated as the number of people having their usual residence in a country on 1 January of the respective year. When information on the usually resident population is not available, countries may report legal or registered residents.
2	Relative size of youth population (age group 15–24) (%)	This is the ratio of the youth population (aged 15–24) to the working-age population, usually aged 15–64 (or 15–74 or 15+).
3	GDP growth rate (%)	Annual percentage growth rate of GDP at market prices based on constant local currency. Aggregates are based on constant 2010 U.S. dollars. GDP is the sum of gross value added by all resident producers in the economy plus any product taxes and minus any subsidies not included in the value of the products. It is calculated without making deductions for depreciation of fabricated assets or for depletion and degradation of natural resources.
4	Gross value added by sector (%)	<p>The share of value added from Agriculture, Industry and Services.</p> <p>Agriculture corresponds to ISIC divisions 1–5 and includes forestry, hunting, and fishing, as well as cultivation of crops and livestock production. Value added is the net output of a sector after adding up all outputs and subtracting intermediate inputs. It is calculated without making deductions for depreciation of fabricated assets or depletion and degradation of natural resources. The origin of value added is determined by the International Standard Industrial Classification (ISIC), revision 3 or 4.</p> <p>Industry corresponds to the International Standard Industrial Classification (ISIC) tabulation categories C-F (revision 3) or tabulation categories B-F (revision 4), and includes mining and quarrying (including oil production), manufacturing, construction, and public utilities (electricity, gas, and water).</p> <p>Services correspond to ISIC divisions 50-99 and they include value added in wholesale and retail trade (including hotels and restaurants), transport, and government, financial, professional, and personal services such as education, health care, and real estate services. Also included are imputed bank service charges, import duties, and any statistical discrepancies noted by national compilers as well as discrepancies arising from rescaling.</p>
5	Public expenditure on education (as % of GDP)	<p>Public expenditure on education expressed as a percentage of GDP.</p> <p>Generally, the public sector funds education either by directly bearing the current and capital expenses of educational institutions, or by supporting students and their families with scholarships and public loans as well as by transferring public subsidies for educational activities to private firms or non-profit organisations (transfer to private households and enterprises). Both types of transactions together are reported as total public expenditure on education.</p>
6	Public expenditure on education (as % of total public expenditure)	<p>Public expenditure on education expressed as a percentage of total public expenditure.</p> <p>Generally, the public sector funds education either by directly bearing the current and capital expenses of educational institutions, or by supporting students and their families with scholarships and public loans as well as by transferring public subsidies for educational activities to private firms or non-profit organisations (transfer to private households and enterprises). Both types of transactions together are reported as total public expenditure on education.</p>

	Description	Definition
7	Adult literacy (%)	Adult literacy is the percentage of the population aged 15 years and over who can both read and write a short simple statement on his/her everyday life, and understand it. Generally, 'literacy' also encompasses 'numeracy' – the ability to make simple arithmetic calculations.
8	Educational attainment of total population (aged 15+) (%)	<p>Educational attainment refers to the highest educational level achieved by individuals expressed as a percentage of all persons in that age group.</p> <p>This is usually measured in terms of the highest educational programme successfully completed, which is typically certified by a recognised qualification. Recognised intermediate qualifications are classified at a lower level than the programme itself.</p>
9	Early leavers from education and training (aged 18-24) (%)	Early leavers from education and training are defined as the percentage of the population aged 18–24 with at most lower secondary education who were not in further education or training during the four weeks preceding the survey. Lower secondary education refers to ISCED 1997 levels 0–2 and 3C short (i.e. programmes lasting under two years) for data up to 2013 and to ISCED 2011 levels 0–2 for data from 2014 onwards.
10	NET enrolment rates in secondary education (ISCED level 2-3) (%)	This indicator covers the enrolments in a in a given level of education of children/youths belonging to the official age group corresponding to the given level of education.
11	Share of VET students in upper secondary education (ISCED level 3) (%)	Total number of students enrolled in vocational programmes at a given level of education (in this case, upper secondary), expressed as a percentage of the total number of students enrolled in all programmes (vocational and general) at that level.
12	Low achievement in reading, maths and science – PISA (%)	Low achievers are the 15-year-olds who are failing to reach level 2 on the PISA scale for reading, mathematics and science.
13	Activity rate (aged 15-70) (%)	The activity rate is calculated by dividing the active population by the population of the same age group. The active population (also called 'labour force') is defined as the sum of employed and unemployed people. The inactive population consists of all people who are classified as neither employed nor unemployed.
14	Inactivity rate (aged 15-70) (%)	The inactivity/out of the labour force rate is calculated by dividing the inactive population by the population of the same age group. The inactive population consists of all people who are classified as neither employed nor unemployed.
15	Employment rate (aged 15-70) (%)	The employment rate is calculated by dividing the number of employed people by the population of the same age group. Employed people are all people who worked at least one hour for pay or profit during the reference period or were temporarily absent from such work. If a different age group is used, this should be indicated.
16	Employment rate by educational attainment (aged 15-70) (%)	<p>The employment rate is calculated by dividing the number of employed persons by the population of the same age group. Employed persons are all persons who worked at least one hour for pay or profit during the reference period or were temporarily absent from such work. If a different age group is used, this should be indicated.</p> <p>Educational levels refer to the highest educational level successfully completed. Three levels are considered: Low (ISCED level 0–2), Medium (ISCED level 3–4) and High (ISCED 1997 level 5–6, and ISCED 2011 level 5–8).</p>
17	Employment by sector (%)	This indicator provides information on the relative importance of different economic activities with regard to employment. Data are presented by broad branches of economic activity (i.e. Agriculture/Industry/Services) based on the International Standard Industrial Classification of All Economic Activities (ISIC). In Europe, the NACE classification is consistent with ISIC.

	Description	Definition
18	Incidence of self-employment rate (aged 15-70) (%)	The incidence of self-employment is expressed by the self-employed (i.e. employers + own-account workers + contributing family workers) as a proportion of the total employed.
19	Incidence of vulnerable employment rate (aged 15-70) (%)	The incidence of vulnerable employment is expressed by the own-account workers and contributing family workers as a proportion of the total employed.
20	Unemployment rate (aged 15-70) (%)	The unemployment rate represents unemployed people as a percentage of the labour force. The labour force is the total number of people who are employed or unemployed. Unemployed people comprise those aged 15–64 or 15+ who were without work during the reference week; are currently available for work (were available for paid employment or self-employment before the end of the two weeks following the reference week); are actively seeking work, i.e. had taken specific steps in the four-week period ending with the reference week to seek paid employment or self-employment, or had found a job to start later (within a period of, at most, three months).
21	Unemployment rate by educational attainment (aged 15-70) (%)	The unemployment rate represents unemployed people as a percentage of the labour force. The labour force is the total number of people who are employed or unemployed. Unemployed people comprise those aged 15–64 or 15+ who were without work during the reference week; are currently available for work (were available for paid employment or self-employment before the end of the two weeks following the reference week); are actively seeking work (had taken specific steps in the four-week period ending with the reference week to seek paid employment or self-employment, or had found a job to start later (within a period of, at most, three months)). Educational levels refer to the highest educational level successfully completed. Three levels are considered: low (ISCED level 0–2), medium (ISCED level 3–4) and high (ISCED 1997 level 5–6, and ISCED 2011 level 5–8).
22	Unemployment rate (aged 15-24) (%)	The unemployment rate represents unemployed people as a percentage of the labour force. The labour force is the total number of people who are employed or unemployed. Unemployed people comprise those aged 15–24 who were without work during the reference week; are currently available for work (were available for paid employment or self-employment before the end of the two weeks following the reference week); are actively seeking work, i.e. had taken specific steps in the four-week period ending with the reference week to seek paid employment or self-employment, or had found a job to start later (within a period of, at most, three months).
23	Proportion of people aged 15–24 not in employment, education or training (NEETs) (%)	The indicator provides information on young people aged 15–24 who meet the following two conditions: first, they are not employed (i.e. unemployed or inactive according to the ILO definition); and second, they have not received any education or training in the four weeks preceding the survey. Data are expressed as a percentage of the total population of the same age group and gender, excluding the respondents who have not answered the question on participation in education and training.
24	Participation in training/lifelong learning (% aged 25-64)	Participants in lifelong learning refers to persons aged 25–64 who stated that they received education or training in the four weeks preceding the survey (numerator). The denominator is the total population of the same age group, excluding those who did not answer the question on participation in education and training. The information collected relates to all education or training, whether or not it is relevant to the respondent's current or possible future job. If a different reference period is used, this should be indicated.
25	Human Development Index	The index is a summary measure of average achievement in key dimensions of human development: a long and healthy life, being knowledgeable and have a decent standard of living.

KEY DONOR PROJECTS IN EDUCATION, TRAINING AND EMPLOYMENT

The European Commission proposed in June 2023 the establishment of a dedicated financing instrument, the Ukraine Facility, to provide coherent and flexible support to Ukraine from 2024-2027, acknowledging the severe impact of Russia's aggression.

The Facility aims to offer up to EUR 50 billion in grants and loans for Ukraine's recovery, reforms and modernisation efforts, supporting Ukraine's journey towards EU membership. The Facility is structured into three pillars: financial support to the state, an investment framework to attract public and private investments, and technical assistance. The ETF is currently working actively to ensure that resources to education and training are guaranteed.

The European Parliament and the Council will review and potentially adopt the proposal, ushering in the next steps of support for Ukraine.

Recognising the key role of Ukraine's schools in shaping its future, the EU has committed EUR 100 million to support the restoration of schools that have been damaged.

In December 2021, a financial agreement was signed enabling a loan of EUR 58 million from the European Investment Bank for the development of centres of professional excellence. A grant of EUR 8.5 million for the development of vocational education from the Neighbourhood Investment Platform of the European Union was ratified by the Ukrainian Parliament in July 2022.

The European Bank for Reconstruction and Development (EBRD) met its target of disbursing EUR 3 billion in financial support to Ukraine's real economy in 2022-23 to counter the impact of Russia's war. The EBRD, Ukraine's largest institutional investor, increased its support following the Russian invasion, with a focus on energy security, essential infrastructure, food security, trade, and the private sector. They are also working with the European Investment Bank (EIB), the World Bank, and the Council of Europe Development Bank to enhance Ukraine's institutional capacity and streamline procurement processes.

In August 2022, a significant agreement was made, securing EUR 20 million. The parties involved were the Cabinet of Ministers of Ukraine, represented by the Ministry of Education and Science, the Ukrainian Social Investment Fund (UFSI) and KfW from Frankfurt am Main. This pivotal agreement is the driving force behind the Vocational Education and Training in the Eastern Partnership programme, with a key focus on establishing centres of professional excellence.

The three-year Skills4Recovery project funded by the German government with EUR 10 million started in September 2023. The project supports skills development in key economic sectors in six selected regions (Kyiv, Lviv, Chernivtsi, Vinnytsia, Poltava and Dnipro).

ABBREVIATIONS

EBRD	European Bank for Reconstruction and Development
EC	European Commission
ETF	European Training Foundation
EIB	European Investment Bank
EU	European Union
GDP	Gross domestic product
ILO	International Labour Organization
IMF	International Monetary Fund
IOM	International Organisation for Migration
ISCED	International Standard Classification of Education
ISIC	International Standard Industrial Classification
MoES	Ministry of Education and Science
MoEDTA	Ministry of Economic Development, Trade and Agriculture
NEET	Not in education, employment or training
NQA	National Qualifications Agency
NQF	National Qualifications Framework
NQS	National Qualifications System
PISA	Programme for International Student Assessment
SES	State Employment Service
UNHCR	United Nations Refugee Agency
USD	US dollar
VET	Vocational education and training

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