

UKRAINE HUMAN CAPITAL CHARTBOOK

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EXECUTIVE SUMMARY

- **Ukraine’s human capital profile is becoming more “dependent”, increasing pressure on public finances.** In 2025, employment declined to 10.7 mn while the number of pensioners reached 10.2 mn, narrowing the contributor–beneficiary base. At the same time, displacement remained high (4.6 mn IDPs) and the veteran number expanded to 1.7 mn, and the number of persons with disabilities reached 3.6 mn, increasing demand for support services. Total resources for social protection and security (incl. Social Security Contributions, SSC) amounted to \$28.2 bn in 2025 (+6%), increasing fiscal space for support; however, risks of post-war contraction remain high.
- **The labour market is tightening despite still-elevated unemployment, reflecting acute workforce shortages and structural mismatches.** Between 2022 and 2025, unemployment fell from 20.6% to about 10-11%, while the average wage rose to ~\$625 in 2025. Shortages can coexist with high unemployment, as geographic and skill displacement is combined with a mobilization pressure from official jobs. The policy remains fragmented and narrowly focused on retraining: only 21.8% of veterans who applied to the Public Employment Service (PES) in 2025 were employed, pointing to the need for broader inclusive-employment measures and barrier removal.
- **Inflation and currency pressures continue widening the gap between legal social standards and actual living costs.** With inflation at 11.2% in 2025, the estimated actual subsistence minimum increased to \$228, far above the legislated one (\$70) and the minimum wage (\$192). Rising costs for food, faster than the general inflation, harms households with lower salaries as their share of income spent on food is larger. Wide mismatches between average salaries in different sectors play a role as well. Pension are still below the basic social standards: the median pension was \$104 and the minimum \$57, leaving a most of the pensioners far below the cost of living.
- **Large-scale permanent return appears unlikely; refugee stocks are stabilising but remain fluid.** Around 5.9 mn Ukrainians remained abroad in 2025, including 5.3 mn in Europe. Women (44%) and children (30.5%) account for nearly 75% of Ukrainians abroad, implying losses in both current labour supply and future demographic potential. In the EU, 4.4 mn people remained under temporary protection, alongside high cross-country mobility (697k new decisions and 593k withdrawals in 2025). Policy should therefore complement return initiatives with long-term integration support, sustained engagement with citizens abroad, and circular-mobility pathways.
- **Education is stabilising after the 2022 shock, but recovery is incomplete and skills risks are rising.** In 2025, nominal education funding remained below 2021 levels (82.6% of the 2021 level) and was highly decentralised (local budgets up to 83%), making predictable intergovernmental transfers essential. Student numbers also declined (to 87.8% of 2021 levels), while weaker participation in science subjects signals a narrowing STEM pipeline and growing misalignment with reconstruction labour needs – strengthening the case for sustained investment and targeted learning recovery.
- **In 2026, the government is preparing a package of structural reforms to respond to these pressures.** A new Labour Code is expected to improve labour-market inclusion of vulnerable groups, including women with children. Pension reform aims to strengthen adequacy and reduce poverty risks. An updated living-wage methodology is anticipated to better reflect actual cost-of-living dynamics and improve the calibration and targeting of social benefits.

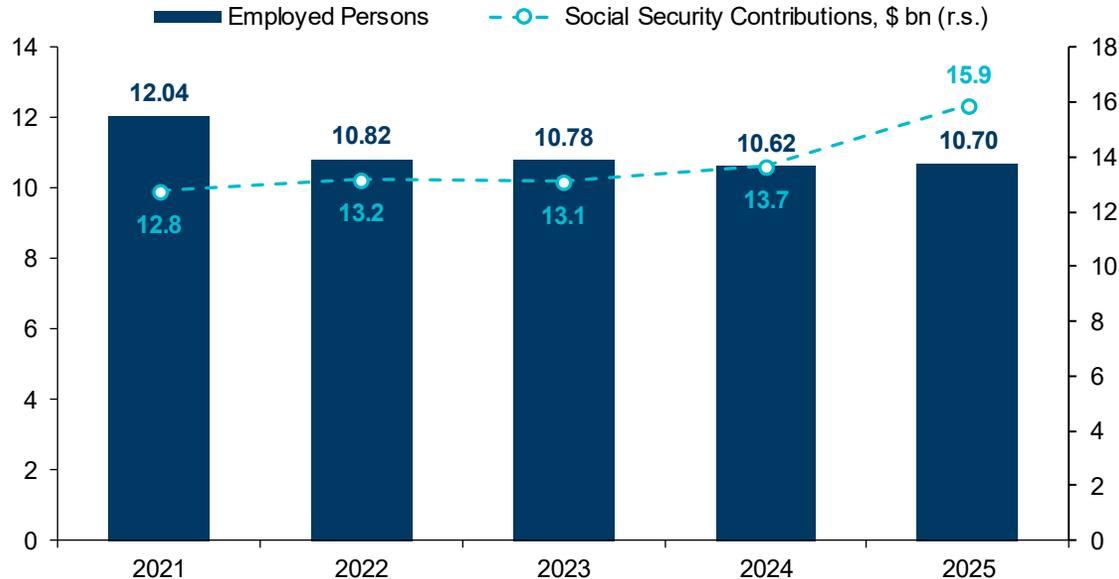
Key challenges persisted – a narrowing fiscal base, rising social needs, and growing regional imbalances in social burdens amid war-related pressures and demographic decline



Declining employment limits recovery potential and creates long-term fiscal risks

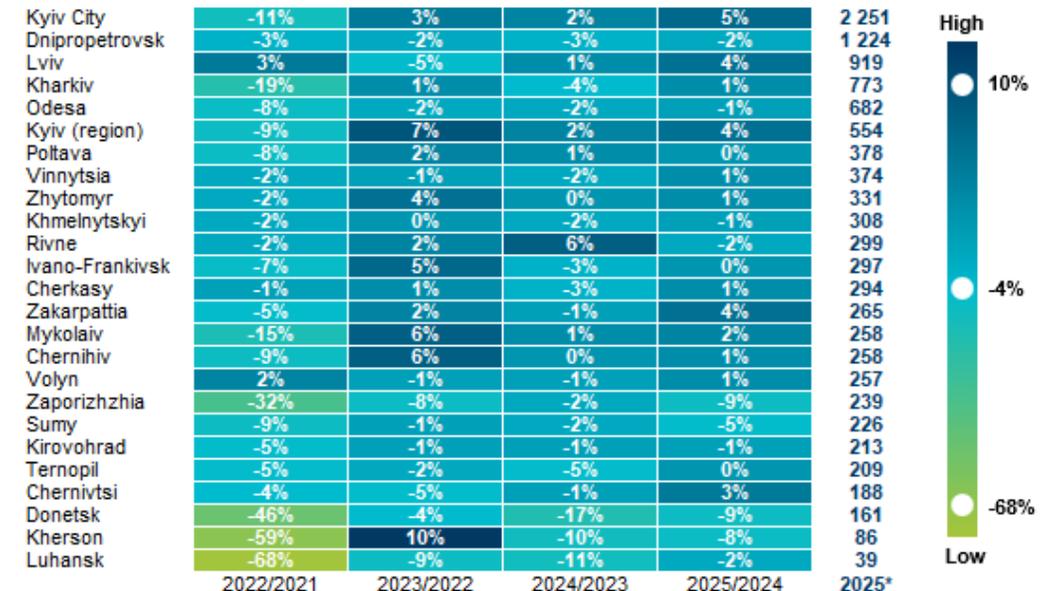
- Employment base remains structurally lower than pre-war levels. The number of employed persons paying SSC declined from **12.0 mn** in 2021 to **10.7 mn** in 2025 (-11%), with persistent losses in eastern and frontline regions (Donetsk -61%, Luhansk -75%, Kherson -63%). This narrows the contribution base, increases regional imbalance, and weakens long-term labour supply for Ukraine's recovery.
- Despite employment stagnation, SSC revenues increased to **\$15.9 bn** in 2025 (vs **\$12.8 bn** in 2021), reflecting higher wages, particularly in the defence sector. This improves short-term fiscal resilience but increases dependence on war-related income and limits sustainable pension financing during the post-war period.

Dynamics of Employed Persons Paying SSC, mn
as of December



Source: Pension Fund of Ukraine (PFU), KSE Institute

Employed Persons Paying SSC by Region
as of December



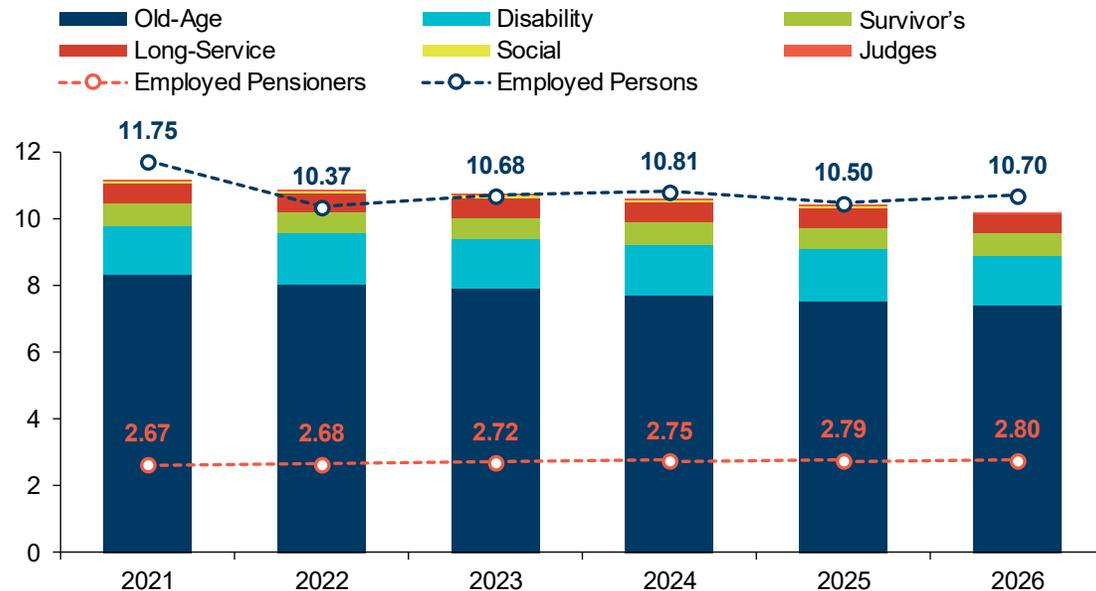
Source: PFU, KSE Institute

* Data are presented in thousand persons as of the end of December 2025

The number of pensioners decreased, while new workers enter the labor market, but pension system pressure remains

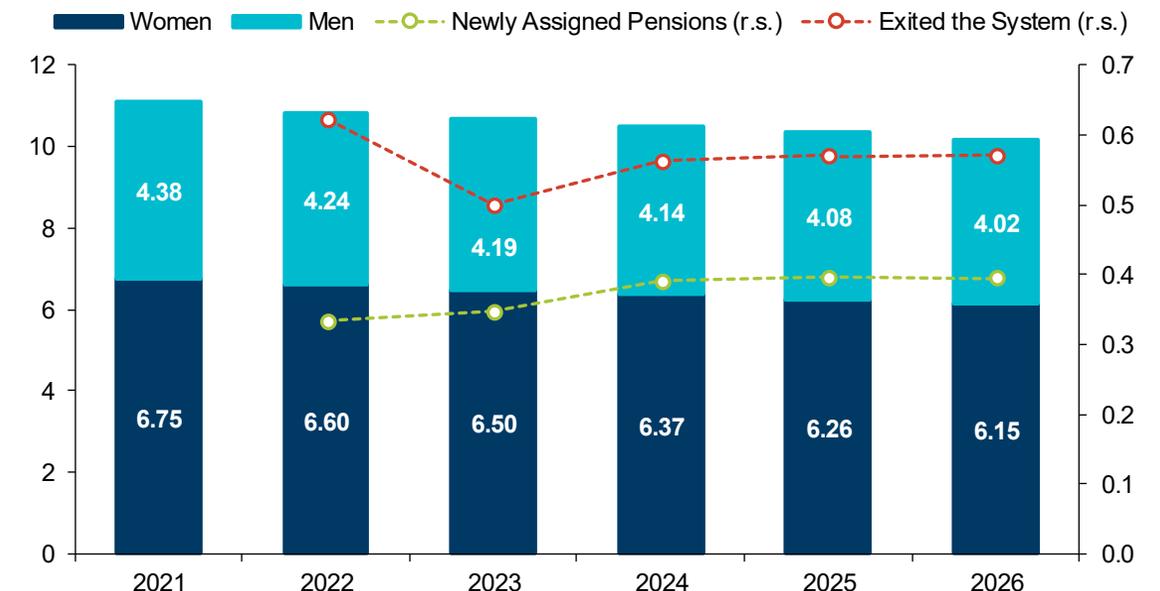
- The number of pensioners fell by **176K (-1.7%)** to **10.2 mn**, driven by **572K** exits from the pension system (mainly due to mortality and loss of eligibility) versus **396K** newly assigned pensions, with declines among both women (**-110K**) and men (**-66K**). However, fiscal pressure on the pension system remained largely unchanged, as pension indexation and higher average benefits offset the decline in the number of recipients.
- The number of employed persons increased from **10.5 mn** as of 1 January 2025 to **10.7 mn** as of 2026 (**+204K, +1.9%**), however, this growth remains insufficient to meaningfully reduce pressure on the pension system. The number of employed pensioners rose to **2.8 mn**, accounting for around **27.6%** of all pensioners, suggesting that many retirees need to continue working due to low pension incomes.

Structure of Pensioners and Employed Persons, mn
as of January



Source: PFU, KSE Institute

Number of Pensioners and Pension Assignments, mn
as of January

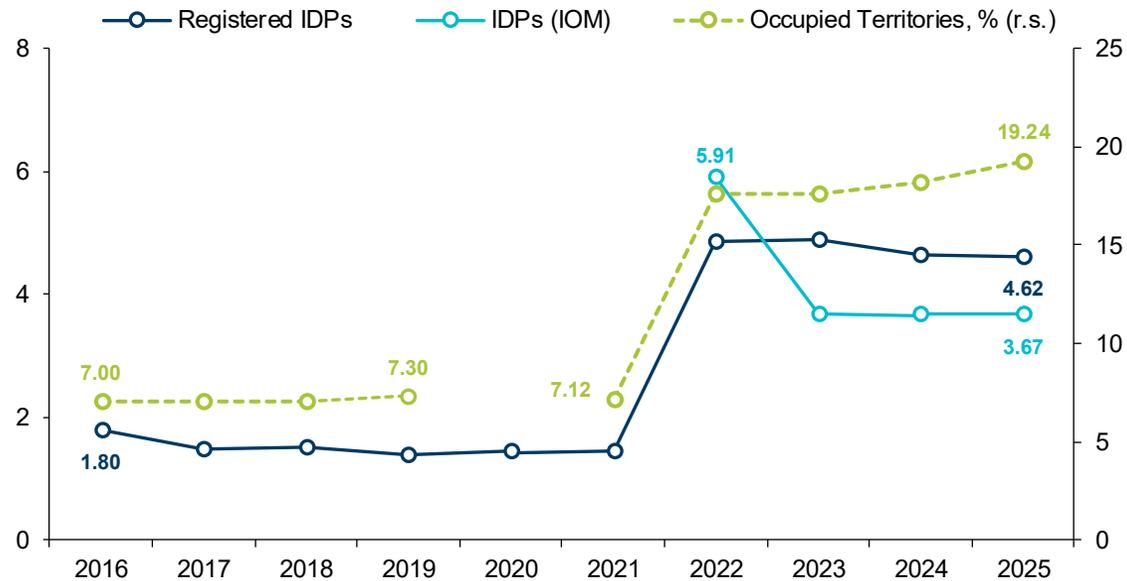


Source: PFU, KSE Institute

The number of IDPs has stabilised due to registry exits and exhausted displacement potential

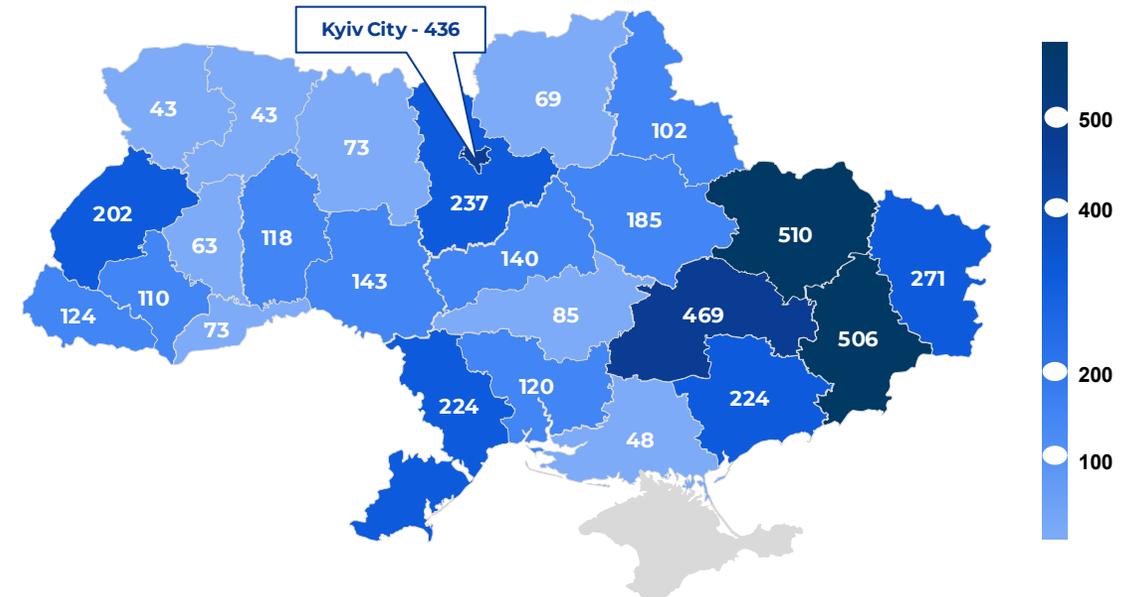
- The number of registered IDPs remained broadly stable at **4.6 mn**, while the share of occupied territories, and frontline territories consequently, increased from **18.1%** to **19.2%**. Some IDPs exit the registry, the potential for new displacement is exhausted, and part of the population has adapted to living in risk areas due to limited housing and income opportunities in host communities.
- According to IOM estimates, the number of IDPs was **3.7 mn** in 2025 - almost **1 mn** lower than official figures. The gap between the registry and IOM estimates shows that some registered IDPs no longer require support, so policy should shift from universal payments to targeted housing and integration assistance.

Trends in IDP Numbers (mn) vs. Occupied Territories (% r.s.)
as of December



Source: Ministry of Social Policy, Family and Unity of Ukraine, IOM, KSE Institute

IDPs by Region of Ukraine, thsd
as of December

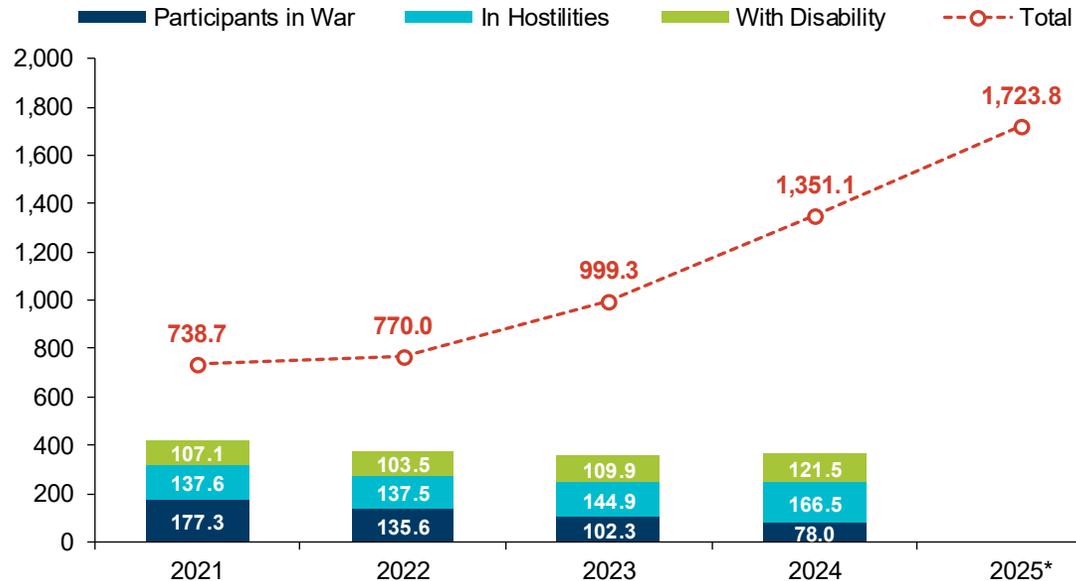


Source: Ministry of Social Policy of Ukraine, Family and Unity of Ukraine, KSE Institute

The number of veterans continues to grow, which signals long-term, regionally uneven pressure on social protection

- Between 2021 and 2025, the number of veterans grew **2.4-fold**, from **739K** to **1.7 mn.** Despite this growth, the number of pensioner-veterans remains much lower, as most veterans are still in active service. Generational replacement is also lowering the average age of pensioner-veterans, while their numbers are rising again, increasing long-term demand for pensions, healthcare, and social support.
- Veteran pensioners are increasingly concentrated in central regions (Zhytomyr **+9.5%**, Vinnytsia **+8.6%**, Dnipro **+6.1%**) and declining in frontline areas (Donetsk **-12.6%**, Luhansk **-12.4%**), largely due to displacement, shifting the social-service burden and requiring central regions to adapt.

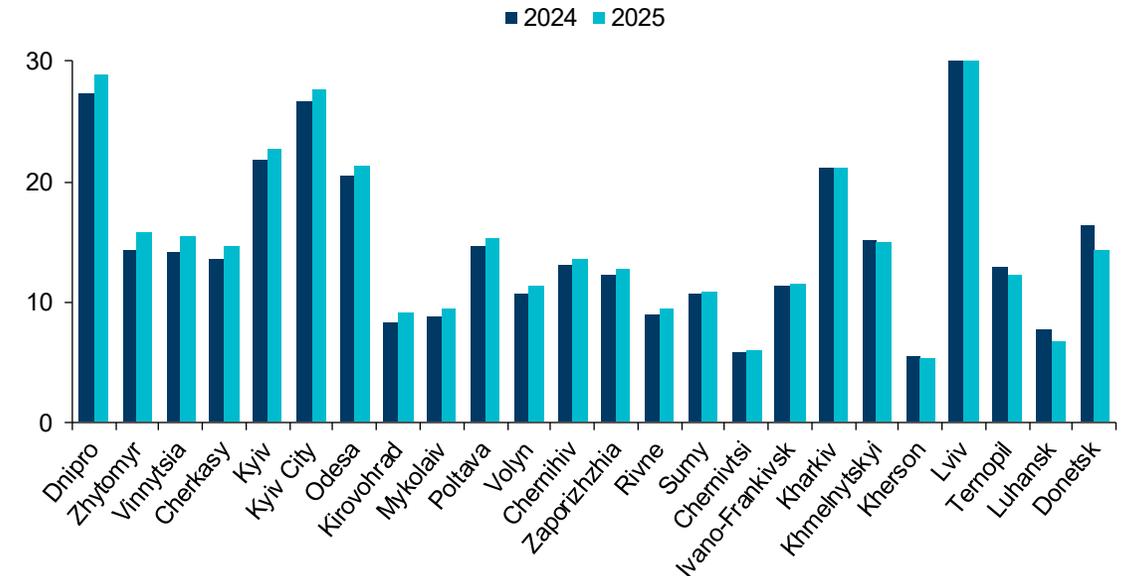
Total Veterans vs Veterans Receiving Pensions, thsd



Source: Ministry of Veterans Affairs of Ukraine, State Statistics Service of Ukraine (SSSU), KSE Institute

Veteran Pensioners by Region, thsd

as of 01.01



Source: SSSU, KSE Institute

* Data on veterans' pensions for 2025 will be available in July 2026

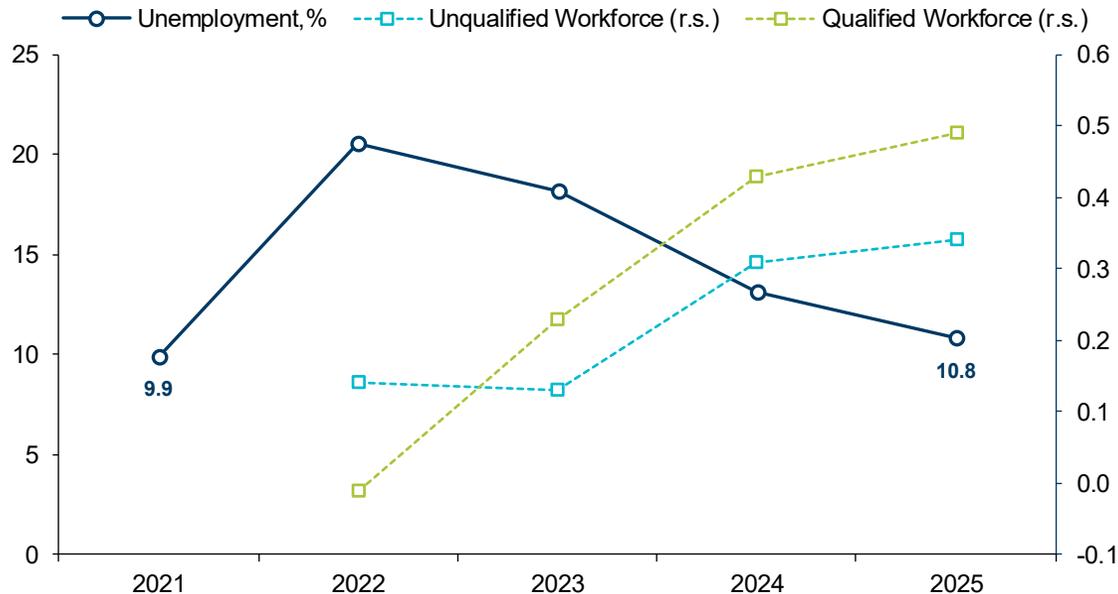
Labour shortages and uneven employment recovery reveal structural and gender barriers that hinder the use of existing labour potential and require comprehensive policy measures on productivity, inclusiveness and labour support



Tightening labour market drives wage growth amid severe personnel shortages

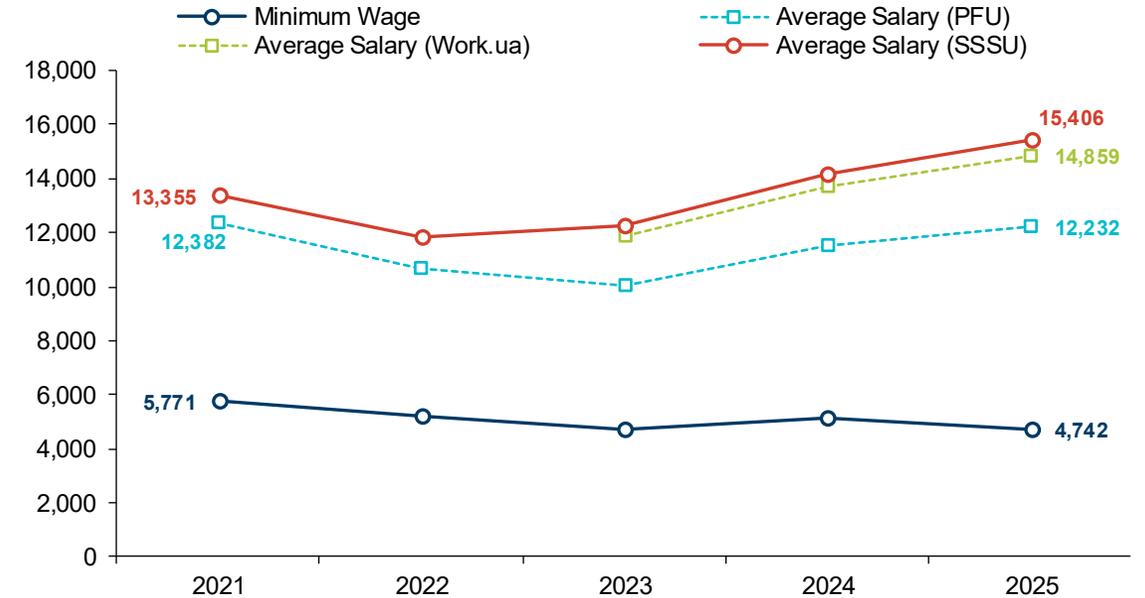
- Even with the unemployment rate corrected from its 2022 peak of 20.6% to estimated 10-11% in 2025, recruitment challenges surged to record highs, with the difficulty index for the qualified workforce jumping from -0.01 to 0.49 and the unqualified workforce rising from 0.14 to 0.34. As a result of migration and mobilization, this scarcity across all skill levels signals a critically tight labor market where businesses are forced to compete aggressively for a shrinking talent pool.
- While robust nominal wage growth has successfully outpaced persistent inflation to deliver positive real-term gains, the real minimum wage has stagnated. The upward shift in the overall salary structure is a significant driver for fiscal stability, as the expanded wage fund generates substantial gains in personal income tax and social security contributions, providing a boost to the state budget, however pushing the government salaries up as well, otherwise their competitiveness would flee.

Unemployment Rate and Recruitment Challenges Indices



Source: SSSU, IER, Info Sapiens, KSE Institute

Real Salary Dynamics (in Prices of 2021)

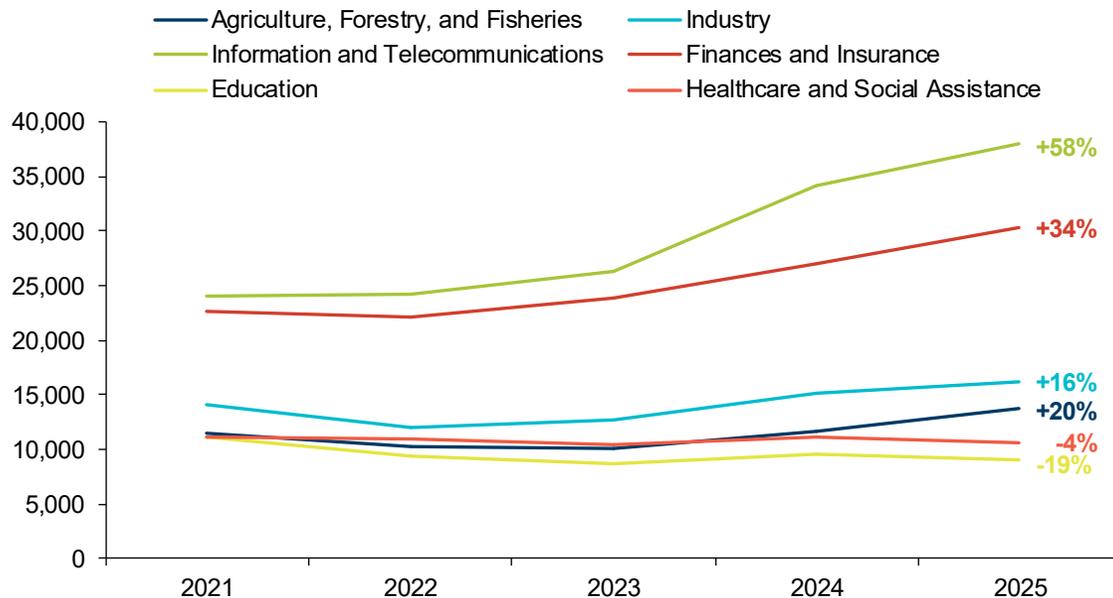


Source: SSSU, PFU, Ministry of Finance of Ukraine, Work.ua, KSE Institute

Rising nominal wages struggle to outpace surging food costs for households working in low-income sectors

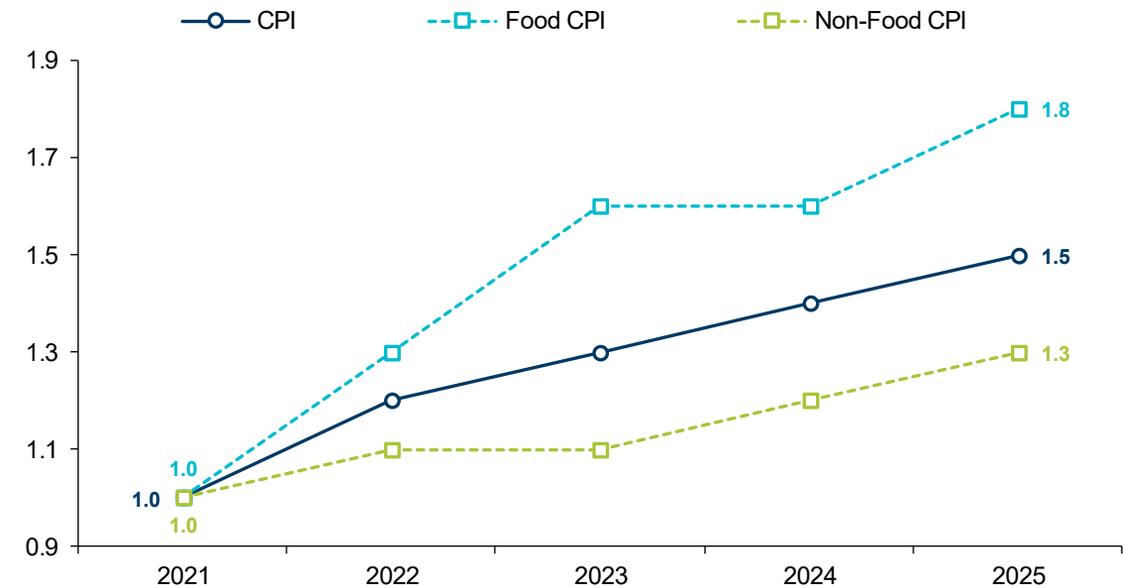
- Real wage growth is concentrating in high-productivity sectors like IT and Finance. This creates a labor market where professionals in high-income domains gain purchasing power, while low-income workers face real-term stagnation, leading to increasing inequality.
- The surge in food prices, which have effectively doubled since 2021, significantly outpaces non-food inflation and general CPI trends. This rapid escalation creates a regressive economic burden, as lower-income households, who spend a greater share of their earnings on basic staples, see their disposable income and purchasing power eroded much more severely than high earners, increasing the purchasing power gap even more.

Real Salary Dynamics by Domain (in Prices of 2021)



Source: SSSU, KSE Institute

Consumer Price Index Dynamics (in Prices of 2021)

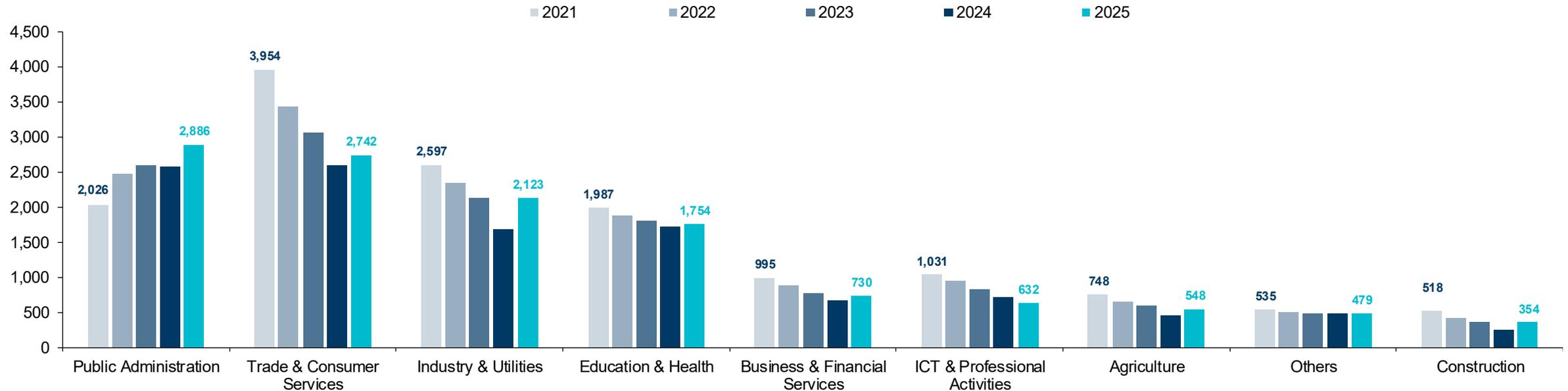


Source: SSSU, KSE Institute

Employment recovery remained uneven, with growth concentrated in defense and rebound in production sectors

- After the decline of 2022–2024, employment recovered mainly in production sectors: industry & utilities (+437K, +25.9%), construction (+92K, +34.9%), and agriculture (+91K, +19.9%). The only sector steadily growing since 2022 is public administration (+310K, +12% in 2025), primarily due to an increase in military personnel. It reflects defense priorities, reconstruction labor demand, and workers moving into critical occupations.
- The knowledge-intensive sector declined - ICT & professional activities (-88K, -12.2%), market services grew slowly (trade +5.6%, finance +8.4%), and education & health stagnated (+29K, +1.7%). This indicates a shift in employment toward construction, industry, and defense.

Number of Employed by Economic Sector, thsd

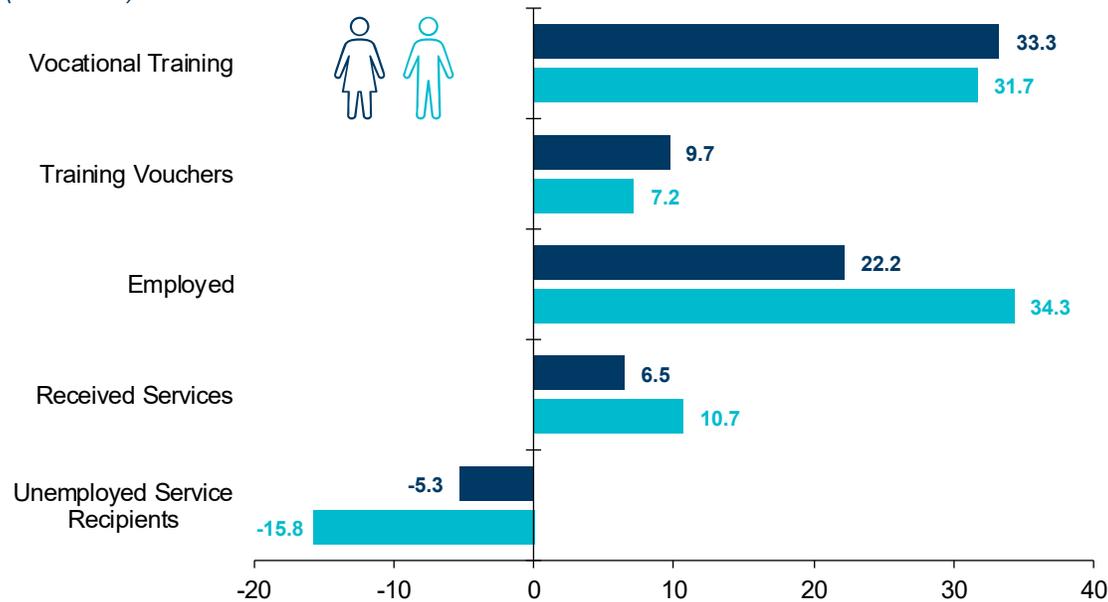


Source: PFU, KSE Institute

Gender barriers in the labour market persist: women retrain more often, while men secure employment faster

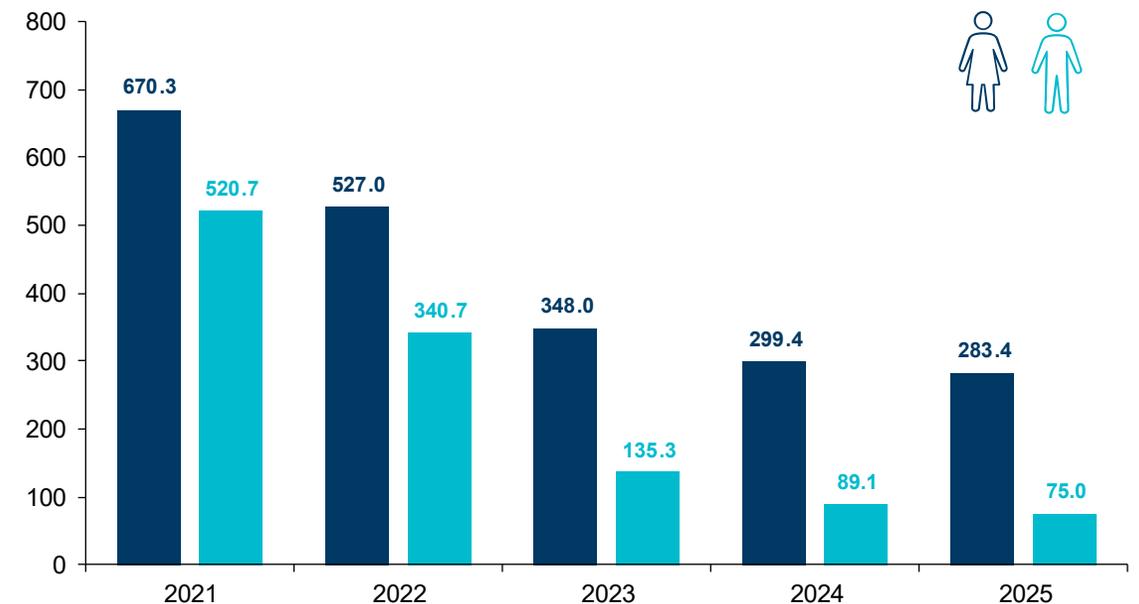
- After a sharp decline in registered unemployed at employment centres in **2022-2023**, especially among men (**-60%** vs **-34%** for women), the decrease slowed in **2025**, mainly among women (**-5%** vs **-16%**), which pointing to persistent structural constraints in women’s employment recovery.
- Greater participation of women in retraining (**+33.3%** vs **+31.7%** for men) does not lead to faster employment (**+22%** vs **+34%**), highlighting the limitations of retraining without all-round support and development of social infrastructure.

Dynamics of Changes in Indicators of Employment Support by Gender, %
(2024-2025)



Source: State Employment Service of Ukraine (SESU), KSE Institute

Registered Unemployed by Gender, thsd

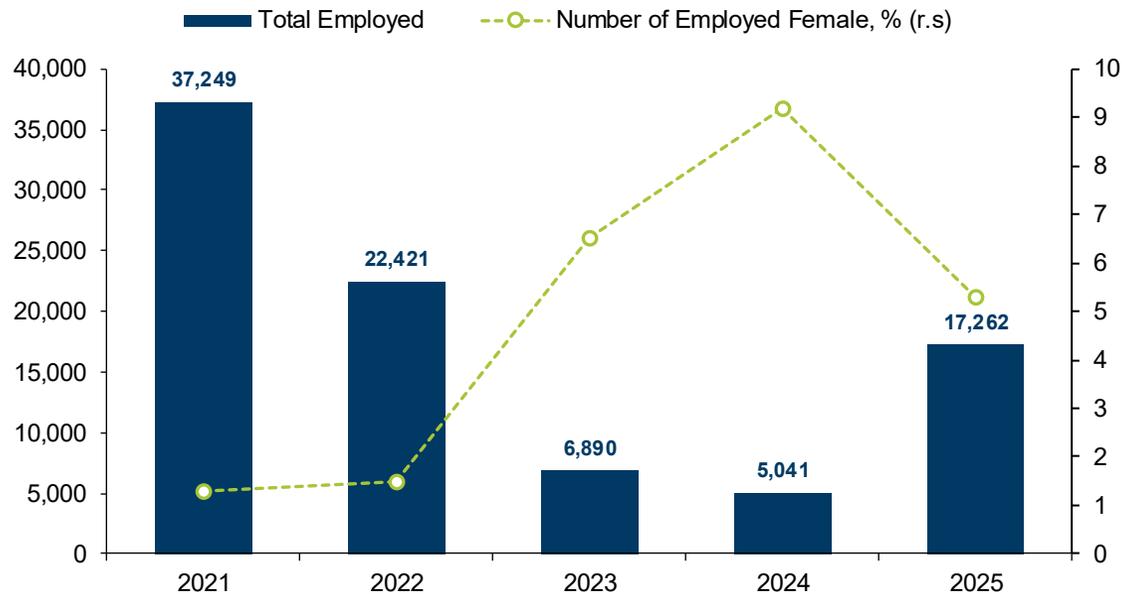


Source: SESU, KSE Institute

Women have become active labour market participants, but barriers prevent real economic equality

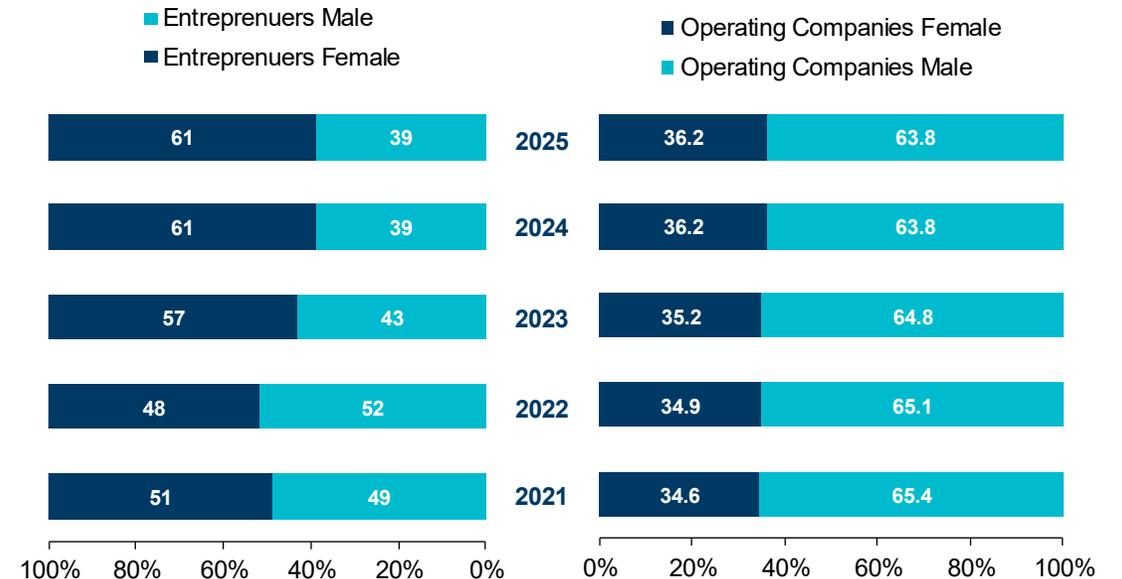
- The number of women employed by PES in traditionally “male” professions increased from **492** to **907** through employment programs. However, their share among all those employed in these professions **in 2025** decreased from **9.2%** to **5.3%**, which may indicate a weakening of gender shifts against the backdrop of overall employment growth.
- Women continue to dominate among newly registered individual entrepreneurs (**61%**), but account for only **36%** of managers of operating companies, indicating that barriers to access to management positions in large businesses remain.

Employment of Female in Traditionally "Male" Professions, persons



Source: SESU, KSE Institute

Gender Profile of Private Business, %

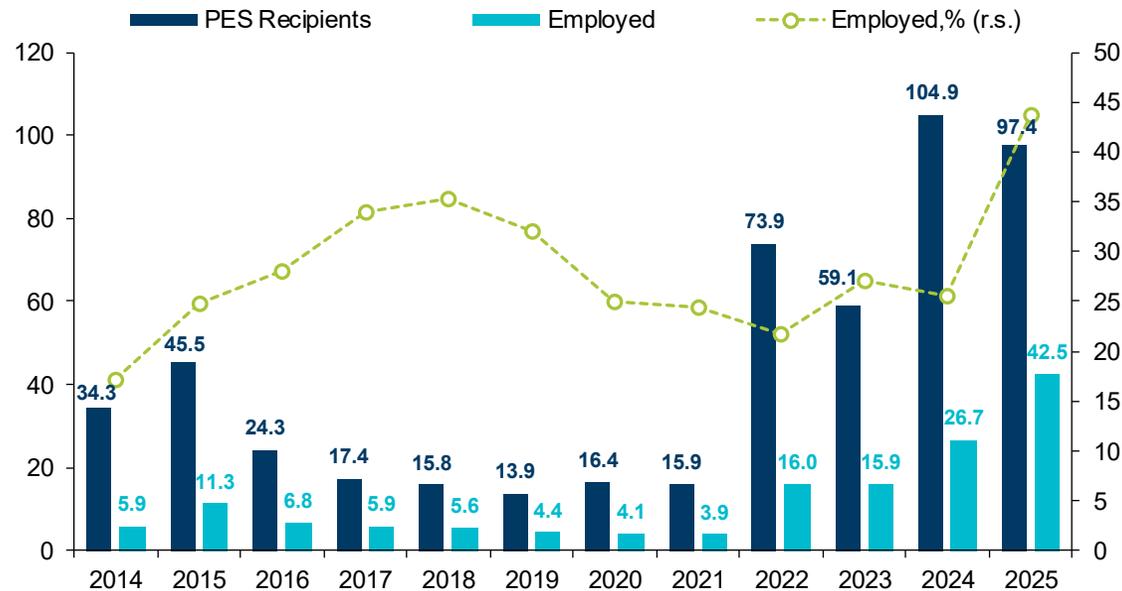


Source: The Unified State Register of Enterprises and Organisations of Ukraine, Opendatabot, KSE Institute

The integration of IDPs into the labour market increased due to internal remigration

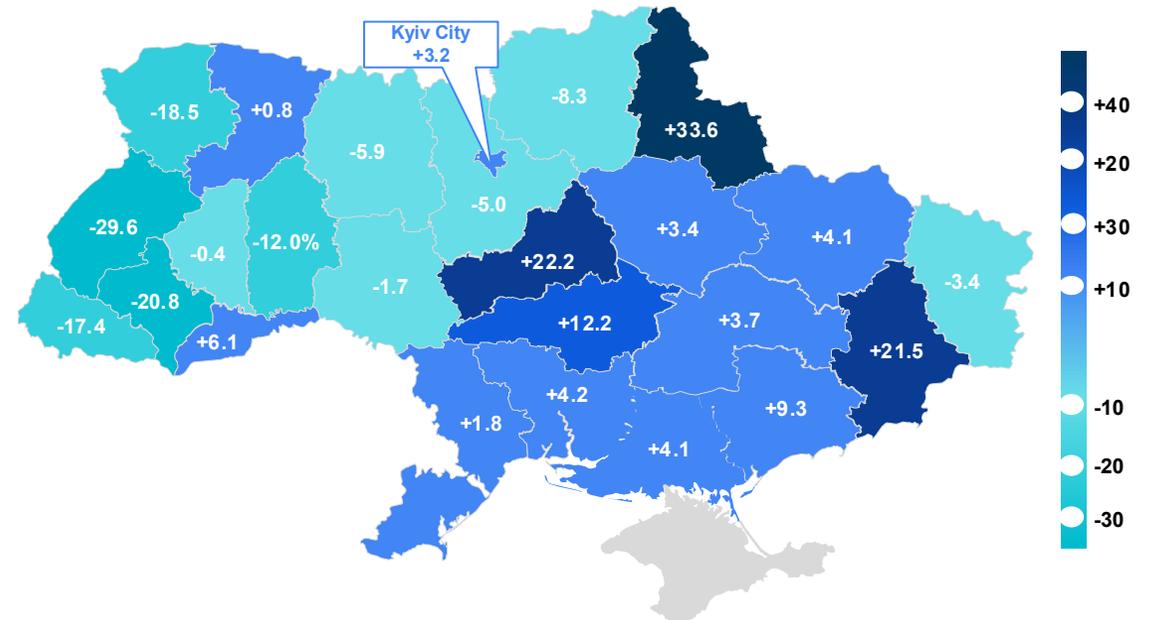
- The effectiveness of state support for IDPs almost doubled compared to **2023 (21.7%)**. In **2025**, IDP employment through PES rose to **43.7%**, the highest level since **2014**, despite a decrease in the number of applications to **97.4K**.
- IDP integration shifted regionally: growth in the central and eastern regions (**+21- 34%**) and a sharp decline in the western regions (**-17...-30%**) indicate internal remigration and the loss of the west's role as a temporary labour market for IDPs.

IDP Applications and Employment through Employment Centres, thsd



Source: SESU, KSE Institute

IDP Labour Market Integration Dynamics by Region (2024-2025), %

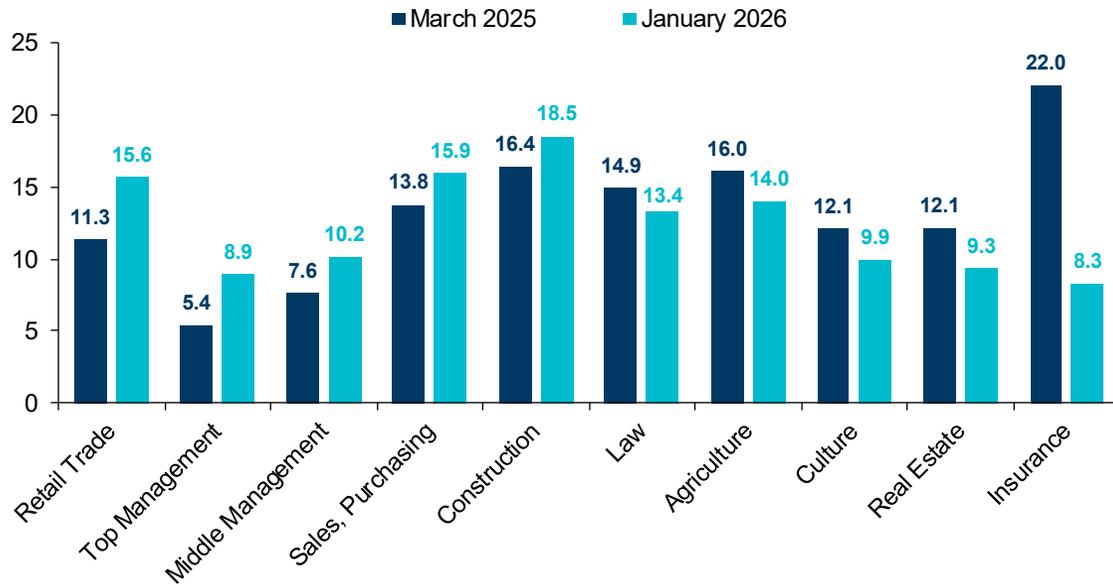


Source: SESU, KSE Institute

Employment of people with disabilities remains limited due to uneven readiness among employers to adapt

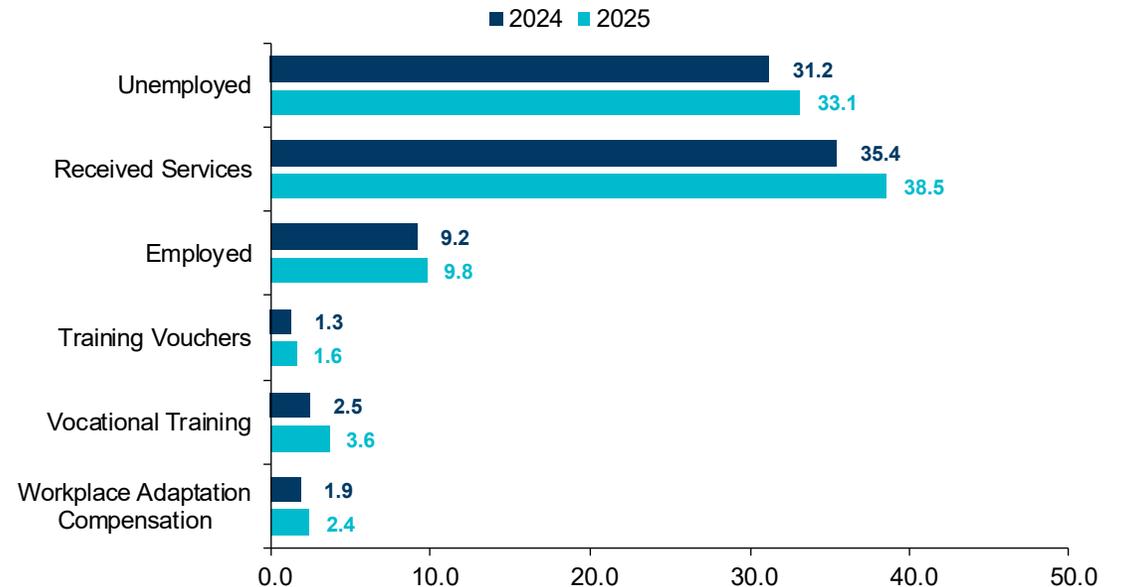
- The share of vacancies for persons with disabilities increased in retail (+4.3 p.p.) and management positions (Top +3.5, Middle +2.5), which indicate a growing corporate focus on the inclusion of persons with disabilities in more management roles amid shrinking labour market.
- Despite an increase in retraining (+47%) and compensation for workplace adaptations (+28%), employment among people with disabilities rose only slightly (+6.4%), indicating the labour market's limited ability to translate support into employment in a context of workforce reduction.

Largest Changes in Disability Vacancy Share by Sector, %



Source: Work.ua, KSE Institute

Comparative Trends in Key Disability Support Indicators, thsd

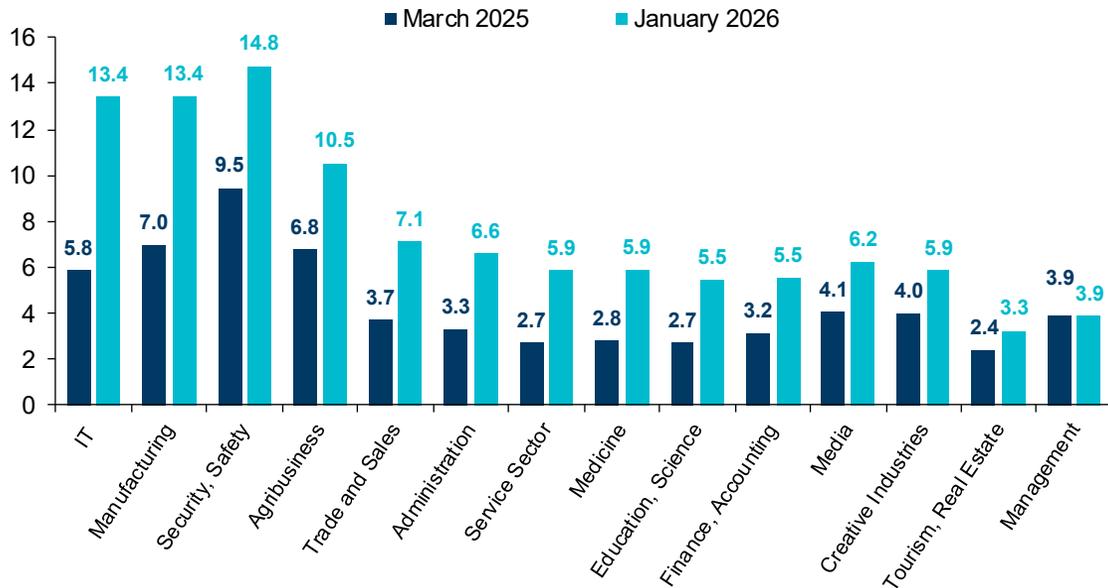


Source: SESU, KSE Institute

Veterans increasingly favour careers in growth civilian sectors and public service over returning to defence

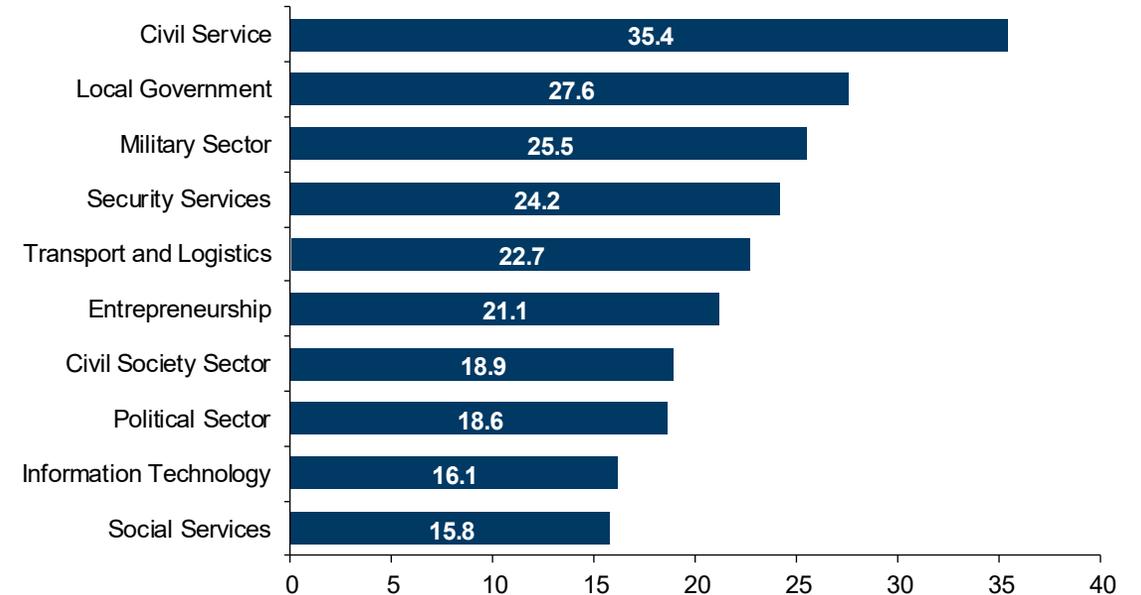
- Demand for veterans is shifting toward civilian growth sectors: vacancies in IT increased from **5.8%** to **13.4%**, and in manufacturing and infrastructure from **7.0%** to **13.4%**, signalling a transition beyond traditional security roles.
- Most veterans do not plan to return to the defence sector after discharge: **35.4%** prefer civil service, **27.6%** local government, and **21.1%** entrepreneurship. Only **25.5%** consider a military career, indicating a preference for civilian integration and employment outside the security sector*.

Growth Dynamics of Vacancies for Veterans by Sector, %



Source: Work.ua, KSE Institute

Top 10 Preferred Employment Sectors Among Veterans, %



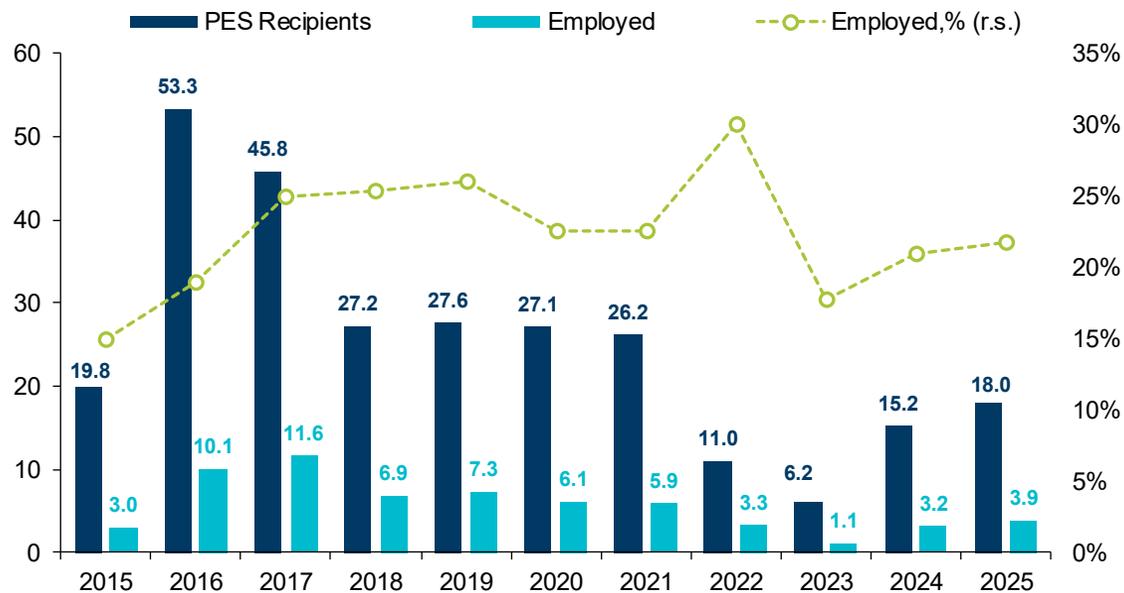
Source: Employment of Veterans: Barriers and Reintegration Challenges, Survey, 2025, KSE Institute

* Based on the 2025 survey Employment of Veterans: Barriers and Reintegration Challenges

Despite expanded support measures, veterans' employment outcomes remain constrained by systemic barriers

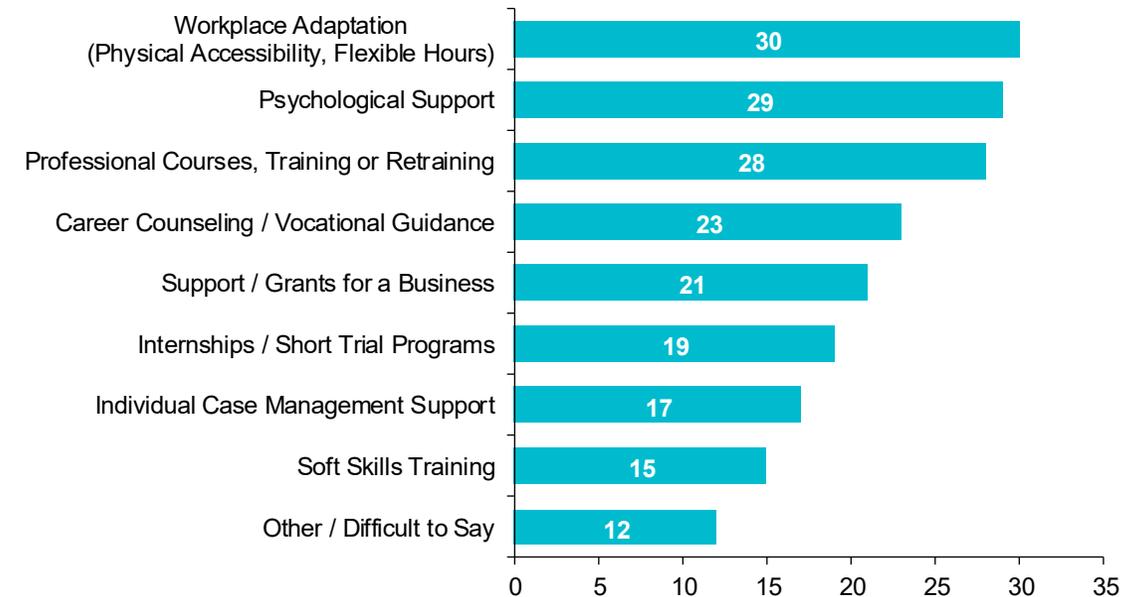
- Veteran retraining programmes remain largely ineffective. Despite their expansion, the percentage of employed applicants dropped from **26%** in **2017-2019** to **21.8%** in **2025**. The gap reflects structural barriers beyond skills: insufficient workplace adaptation, limited employer readiness to provide psychological support and flexibility.
- Along with skill development, changes in the working environment are needed: veterans cite workplace adaptation (**30%**) and psychological support (**29%**) as key measures of support in the labour market, along with retraining (**28%**)*.

Dynamics of Applications and Employment of Veterans, thsd



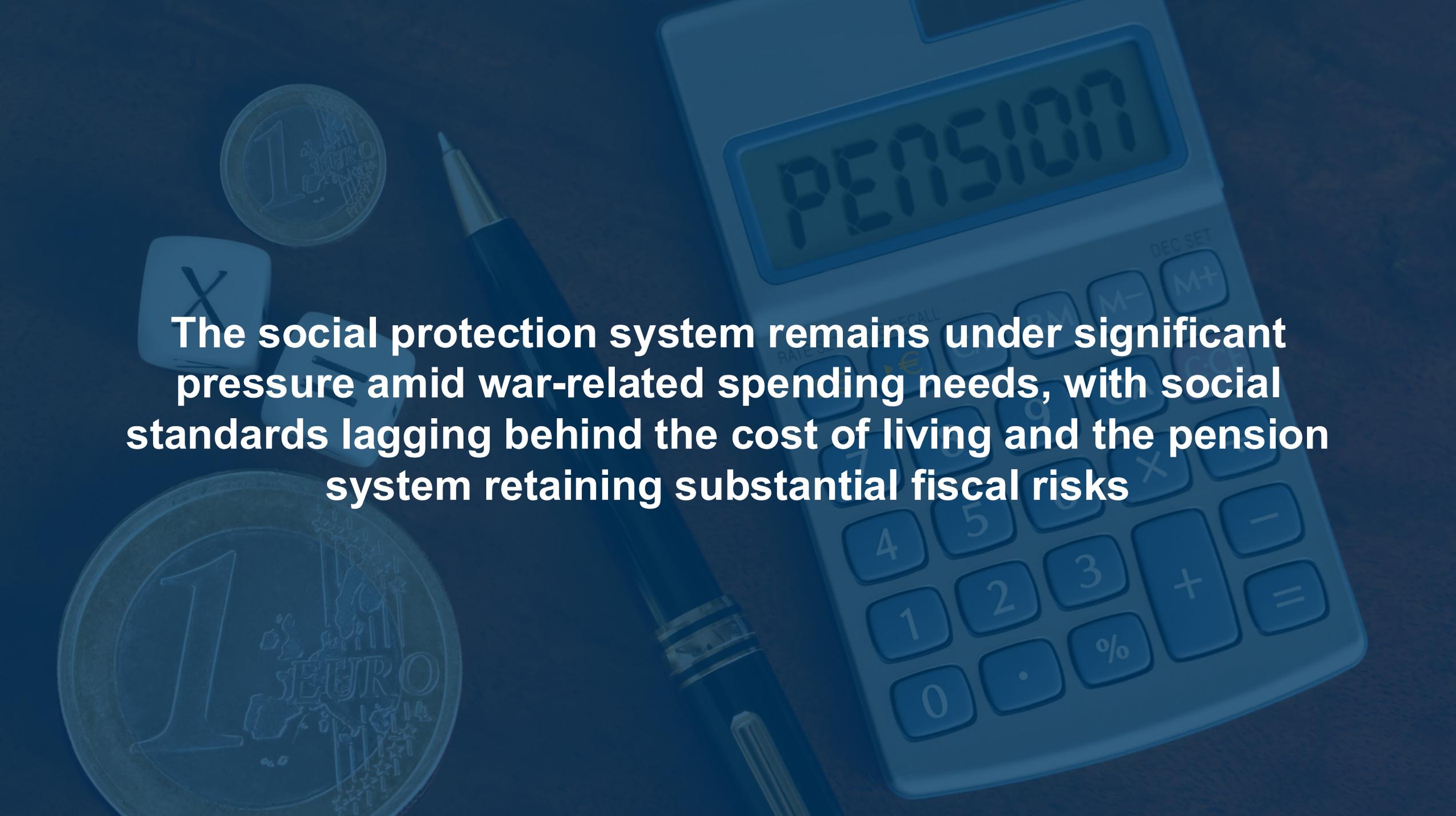
Source: SESU, KSE Institute

Priority Support for Veterans in the Labor Market, %



Source: KSE Institute, Veterans Survey, January 2026, 144 respondents

* Based on KSE Veteran Survey, January, 2026

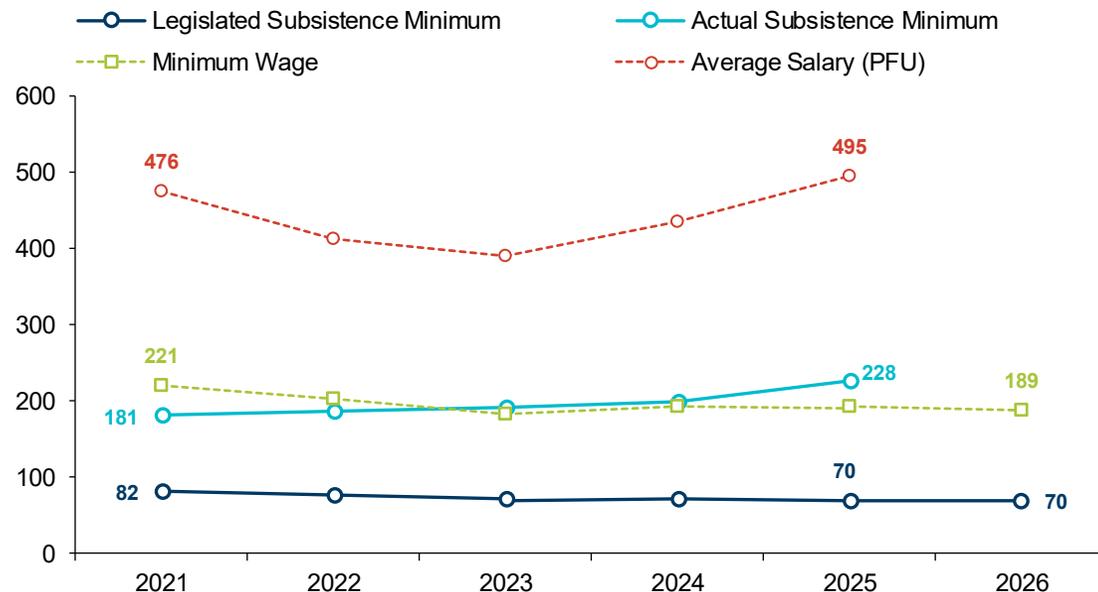


The social protection system remains under significant pressure amid war-related spending needs, with social standards lagging behind the cost of living and the pension system retaining substantial fiscal risks

Half of pensioners are below the actual subsistence minimum due to the gap between social standards and living costs

- Inflation and hryvnia devaluation widened the gap between official social standards and the actual cost of living in both real terms and USD equivalent. The actual subsistence minimum rose to **\$228**, while the legislated subsistence minimum (**\$70**) and the minimum wage (**\$192**) lagged behind in real purchasing power terms, deepening the disparity between statutory benchmarks and actual living costs.
- More than half of pensioners receive pensions at least twice below the actual minimum cost of living. The median pension remained unchanged at **\$104**, the minimum pension stayed at **\$57**, far below the actual subsistence minimum (**\$228**), widening the gap between pension incomes and basic living needs.

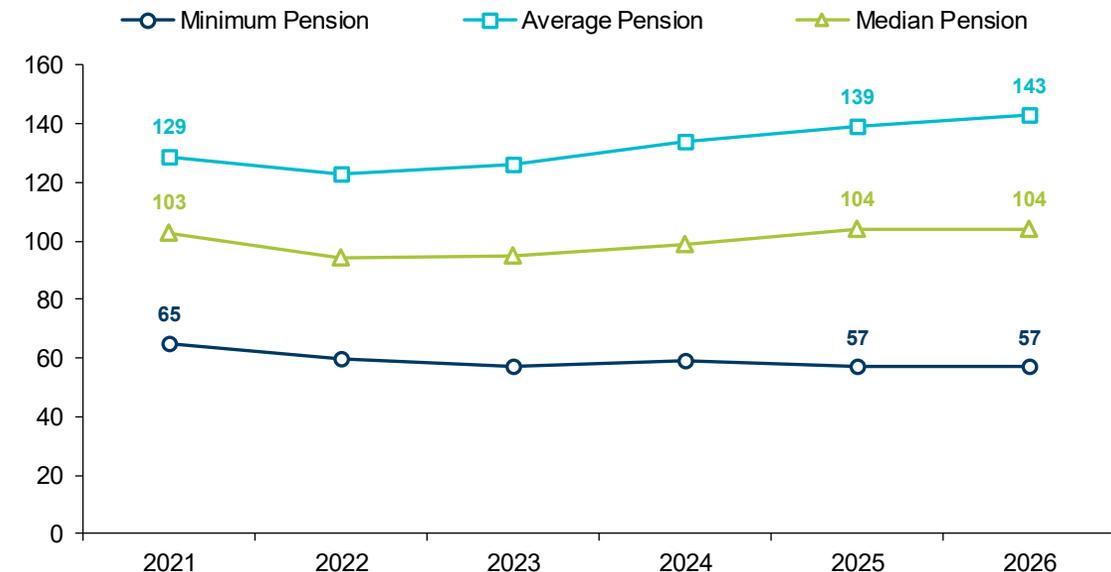
Subsistence Minimum and Wage Levels, \$



Source: Laws of Ukraine On the State Budget for 2021-2026, Ministry of Social Policy, Family and Unity of Ukraine, PFU, KSE Institute

Key Indicators of Pension Amounts, \$

as of 01.01



Source: PFU, KSE Institute

Regional and structural pension disparities persisted, further deepening the inequality and need for social support

- Average pensions are highest in eastern and industrial regions reflecting historically higher industrial wages, while western have lower pensions due to the dominance of lower-paid sectors. Destruction and occupation of territories with high-wage companies will erode the pension contribution base and widen regional disparities.
- In 2025, pension growth remained uneven across benefit types and largely reflected the consequences of the war. The fastest growth was in disability (+9.7%) and survivor's pensions (+5.7%), primarily driven by indexation. At the same time, the war altered the structure of beneficiaries — the share of military pensioners and war-related disability recipients with relatively higher benefits increased, further raising the average level.

Average Pension by Region, \$

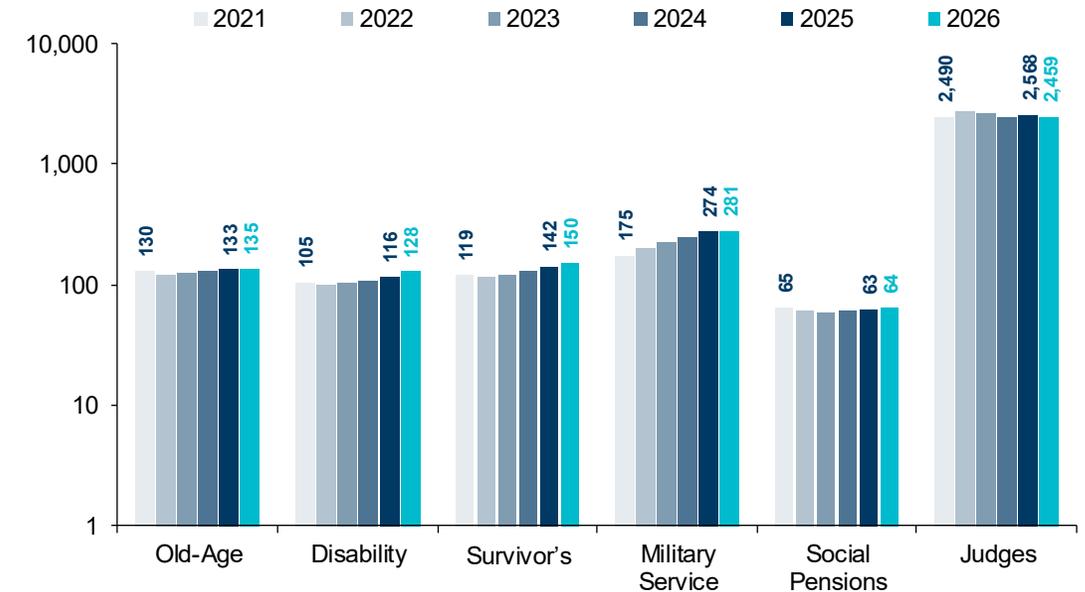
as of 01.01

Region	2021	2022	2023	2024	2025	2026
Kyiv City	175	169	173	181	192	197
Donetsk	166	157	159	165	172	175
Luhansk	154	146	147	158	161	164
Dnipropetrovsk	145	138	140	147	155	159
Kyiv (region)	131	128	131	138	146	152
Zaporizhzhia	135	129	131	139	146	148
Kharkiv	131	125	127	133	140	143
Zhytomyr	113	113	135	148	128	142
Poltava	126	121	123	129	137	141
Rivne	108	105	122	169	124	140
Odesa	123	119	121	127	135	138
Mykolaiv	120	116	118	125	133	137
Volyn	109	105	106	123	122	133
Chernihiv	116	113	115	121	129	133
Sumy	117	112	114	120	127	131
Lviv	117	112	114	120	127	131
Kirovohrad	115	110	112	118	126	129
Cherkasy	115	110	111	116	123	127
Vinnytsia	110	106	107	113	121	125
Khmelnitskyi	109	105	106	112	120	124
Ivano-Frankivsk	111	106	107	112	120	123
Kherson	111	106	107	113	120	121
Zakarpattia	103	99	101	106	113	116
Chernivtsi	104	100	102	106	112	115
Terнопil	101	96	97	101	108	111

Source: PFU, KSE Institute

Average Pension Amount by Type, \$

as of 01.01

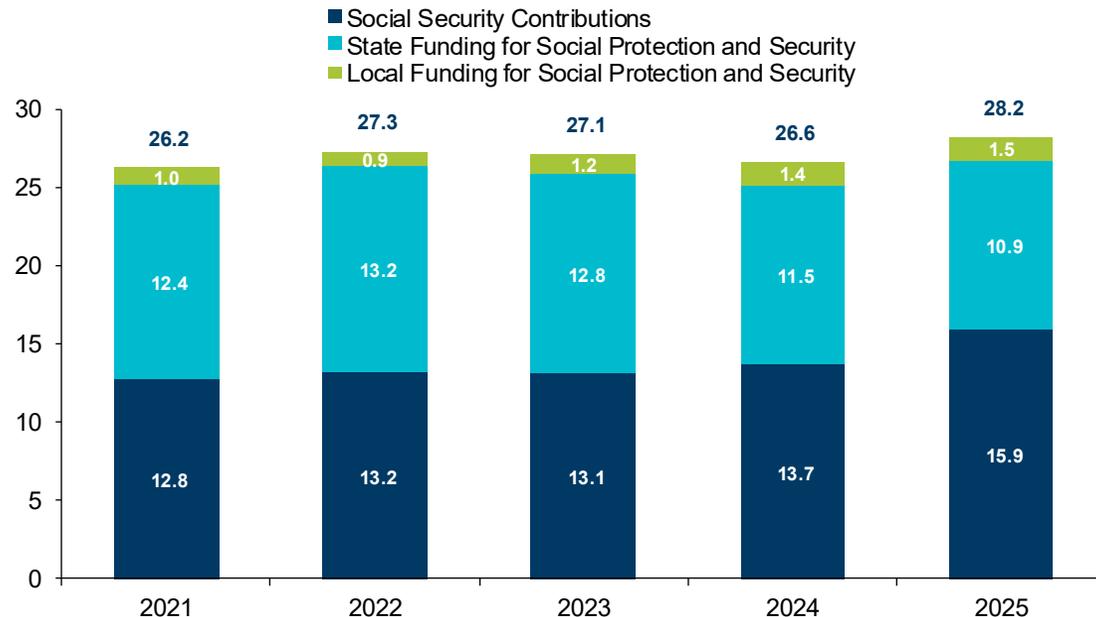


Source: PFU, KSE Institute

Despite higher social security contributions (SSC) in 2025, fiscal risks in the pension system persisted

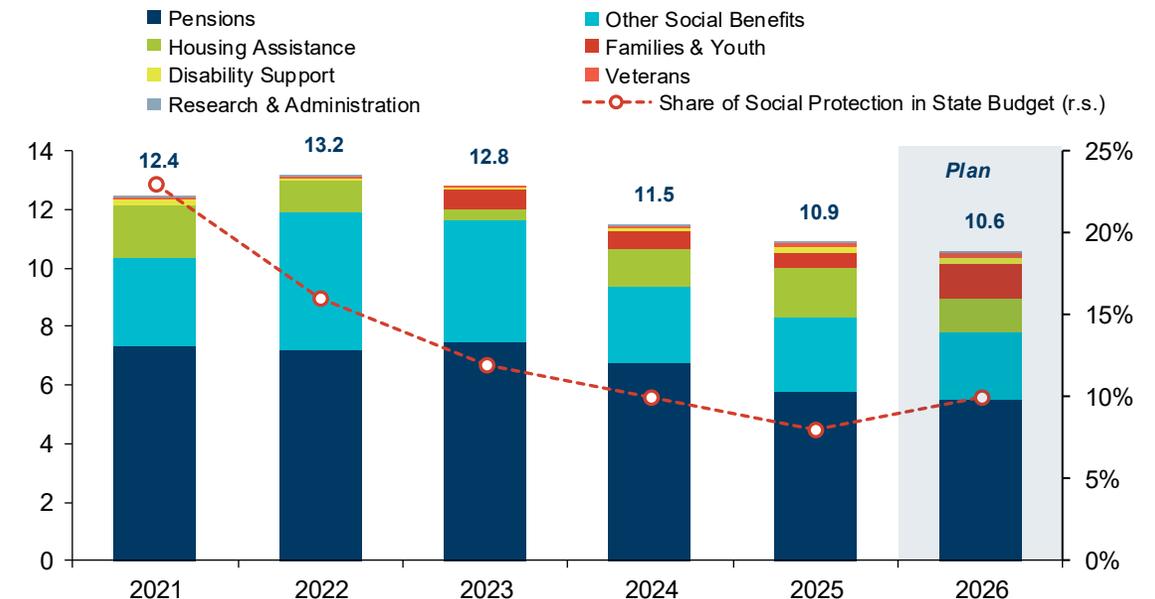
- In 2025, SSC revenues increased by **16.3%** compared to 2024, reaching **\$15.9 bn**, primarily driven by contributions from military wages. An additional factor was the increase in the maximum SSC base (from **15** to **20** minimum wages for most of the year). At the same time, state funding declined to **\$10.9 bn (-5.4%)**, while local funding rose only marginally to **\$1.5 bn (+3.7%)**, reflecting a more targeted allocation of budget resources amid fiscal constraints.
- In 2025, state budget funding for pensions declined by **14.3%** to **\$5.8 bn**, remaining the largest item of social protection spending (**53.3%**) and a key fiscal risk due to demographic pressure, a shrinking contributor base, and high reliance on budget transfers.

State Funding and Social Security Contributions, \$ bn



Source: openbudget.gov.ua, State Tax Service of Ukraine, KSE Institute

Structure of Budget Expenditures on Social Protection and Social Security, \$ bn

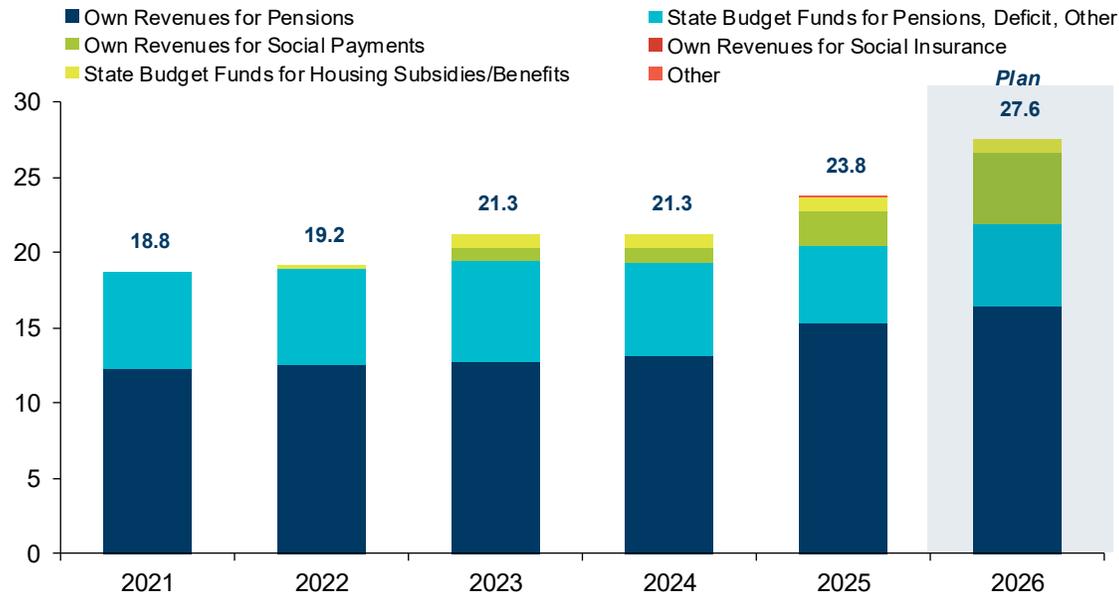


Source: openbudget.gov.ua, KSE Institute

The Pension Fund completed its transformation from a pension institution into a key administrator of social benefits

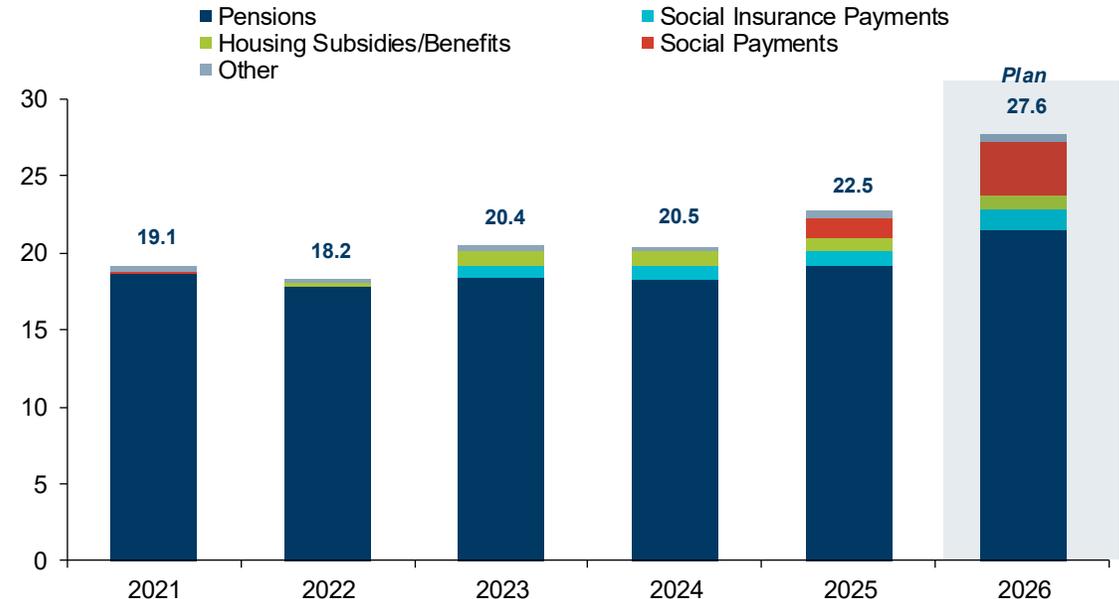
- In 2025, The PFU revenues increased by **11.7%** to **\$23.8 bn**, driven mainly by SSC (including from military wages), while state budget transfers for pensions declined by **16.1%** to **\$5.2 bn**, easing pressure on the state budget.
- From the second half of 2025, the PFU began administering over **40** types of social benefits, including the IDP subsistence allowance, benefits for families with children, disability-related payments, among others, allocating **\$1.2 bn** for them.

Revenues of the Pension Fund of Ukraine, \$ bn



Source: PFU, KSE Institute

Expenditures of the Pension Fund of Ukraine, \$ bn

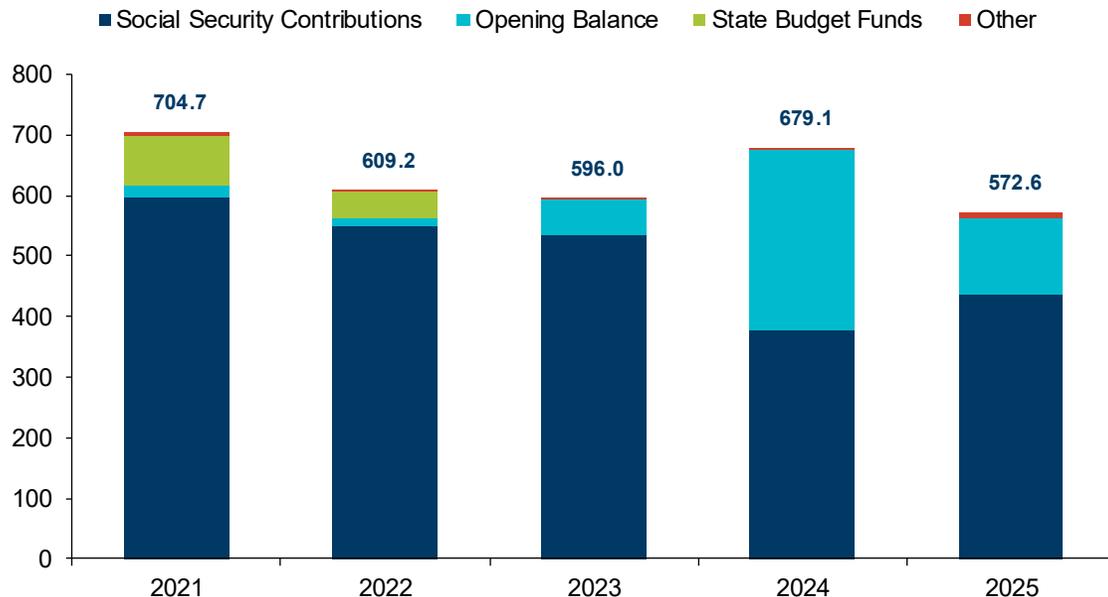


Source: PFU, KSE Institute

The Unemployment Insurance Fund promotes employment programmes, while surplus revenues go to the budget

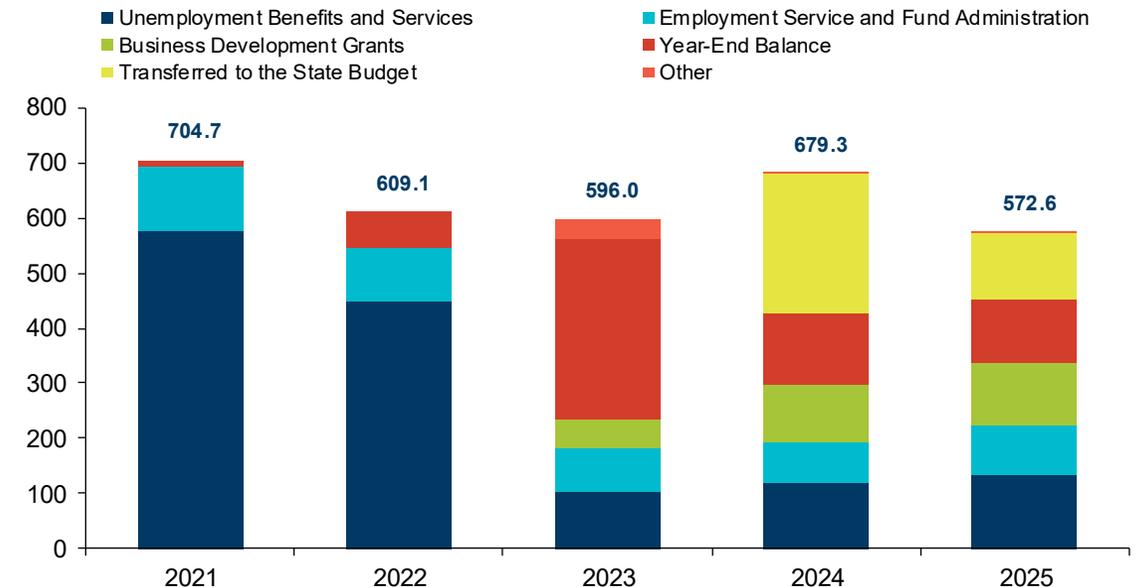
- In 2025, spending on unemployment benefits and services rose by **13.3%** (to **\$135 mn**) but remained well below pre-war levels, while funding for business development grants increased by **11.1%** (to **\$114 mn**), reinforcing the shift toward active labour market policies. Lower pre-war level expenditures on unemployment benefits are driven by a decline in the number of registered unemployed and shorter benefit duration.
- For the second consecutive year, the opening balance of the UIF was transferred to the budget, primarily accumulated due to surplus SSC with **\$120 mn** in 2025 vs **\$249 mn** in 2024. Repeated transfers of the UIF surplus to the budget indicate growing fiscal pressure and signal a shift from insurance-based reserve accumulation toward using SSC funds to support budget needs, weakening the fund’s financial autonomy.

Unemployment Insurance Fund Revenues, \$ mn



Source: Budget Execution Reports - Unemployment Insurance Fund (2021-2024), SESU, KSE Institute

Unemployment Insurance Fund Expenditures, \$ mn



Source: Budget Execution Reports - Unemployment Insurance Fund (2021-2024), SESU, KSE Institute

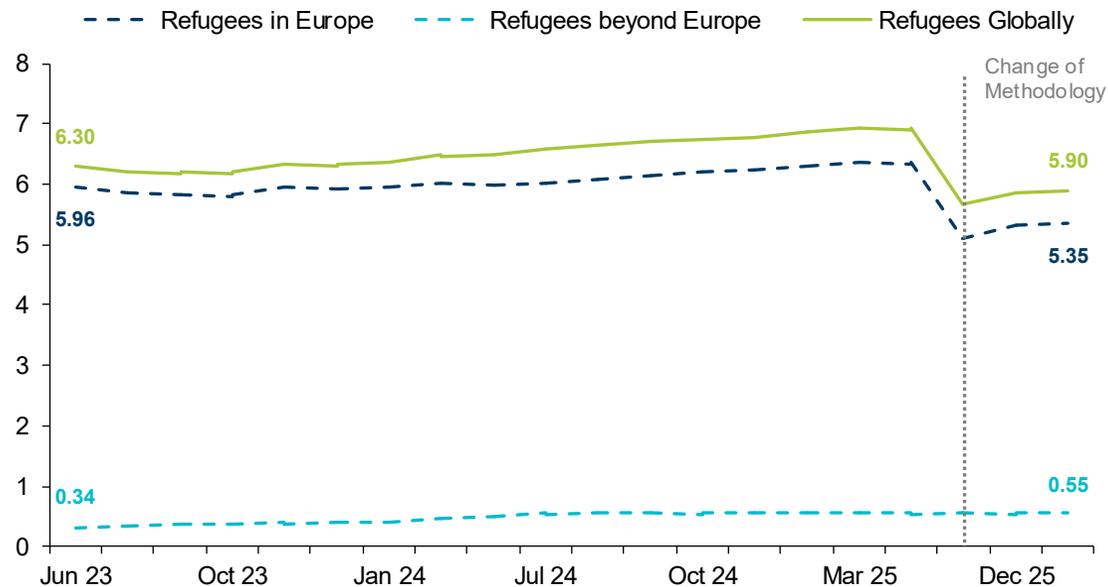


Over 90% of Ukrainian refugees are in Europe, with numbers still high in 2025 at around 5.3 mn there and 5.9 mn worldwide, while high cross-country mobility limits prospects for rapid large-scale return

High refugee numbers constrain labour market recovery and demographic stabilization

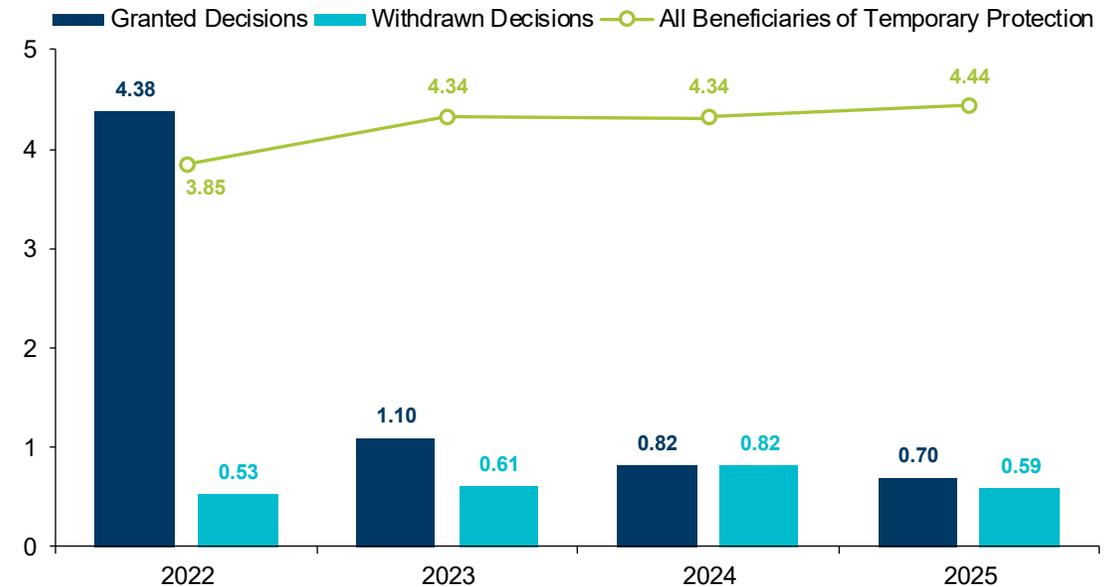
- The number of refugees in Europe fluctuated between **5.1-6.4 mn** during 2023-2025, while the number beyond Europe remained broadly stable at around **0.6 mn**, reflecting returns to Ukraine, status changes, and statistical revisions. Out of **5.9 mn** refugees worldwide, around **2.6 mn** are women, **1.5 mn** are men, and **1.8 mn** are children.
- In 2025, the number of people under temporary protection in the EU+* remained stable at around **4.4 mn**, while **697K** new decisions were granted and **593K** withdrawn, indicating high mobility between countries. The number of Ukrainians under temporary protection in the EU+ increased by **103K**. Refugee numbers are stabilizing but remain fluid, so rapid mass return is unlikely, and policy should shift from return incentives to long-term integration and circular mobility.

Refugees from Ukraine: Europe, Beyond Europe, and Global Total, mn



Source: UNHCR, KSE Institute

Beneficiaries of Temporary Protection, mn



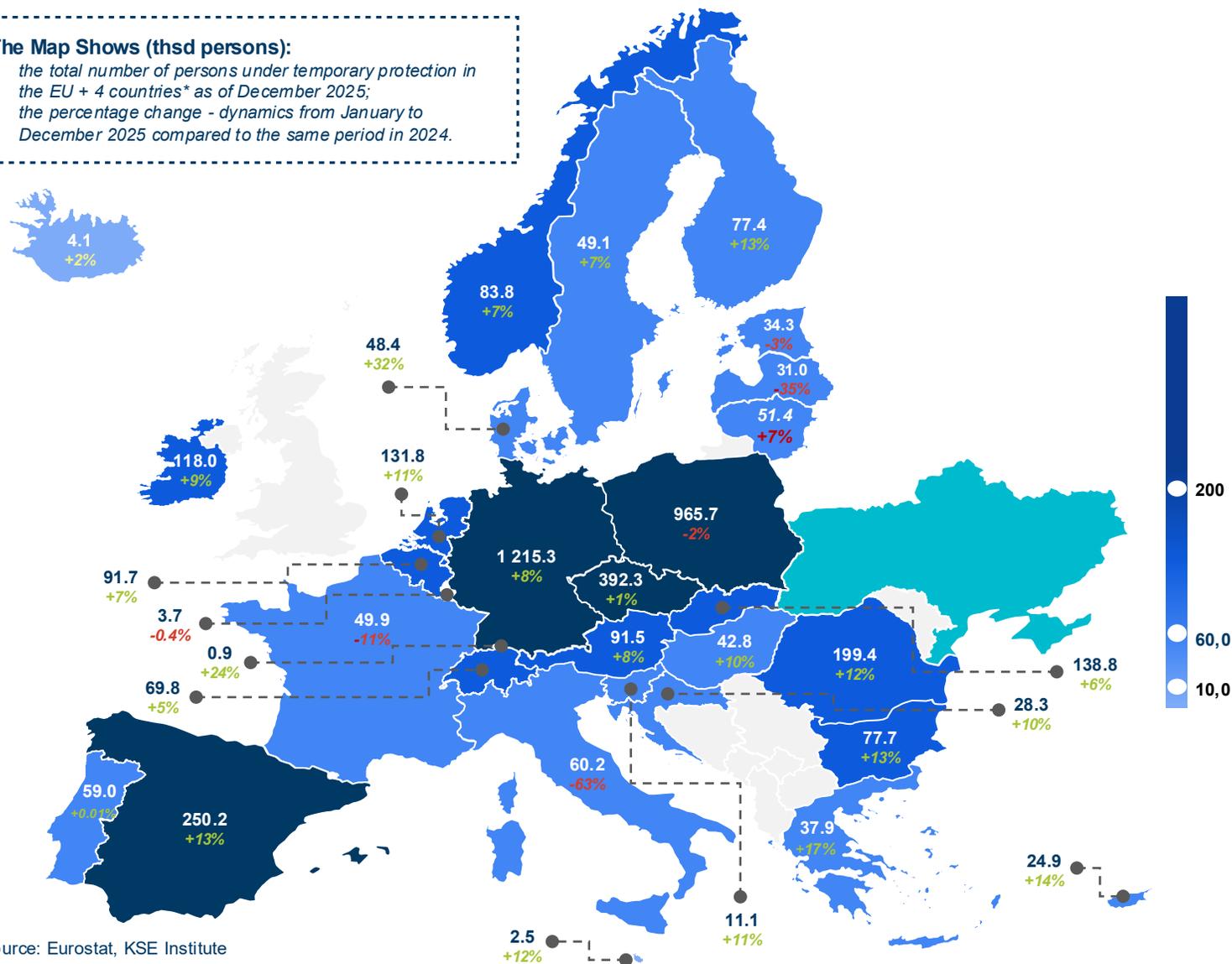
Source: Eurostat, KSE Institute

* Temporary protection is also granted by four non-EU countries: Iceland, Liechtenstein, Norway, and Switzerland

Secondary movements reshaped the geography of temporary protection in 2025

The Map Shows (thsd persons):

- the total number of persons under temporary protection in the EU + 4 countries* as of December 2025;
- the percentage change - dynamics from January to December 2025 compared to the same period in 2024.



- While the overall number of beneficiaries remained broadly stable, large reallocations occurred across countries: Italy (-102K), Latvia (-17K), and Poland (-21K) recorded declines, while Germany (+89K), Spain (+28K), Romania (+21K), the Netherlands (+13K) saw the largest increases. This indicates secondary migration within the EU and a lower likelihood of rapid return to Ukraine.
- Five main host countries - Germany, Poland, Czech Republic, Spain, and Romania - together host about 68% of all beneficiaries, reflecting labour-market opportunities, existing diaspora networks, and more generous social-support systems that attract secondary movements within Europe.

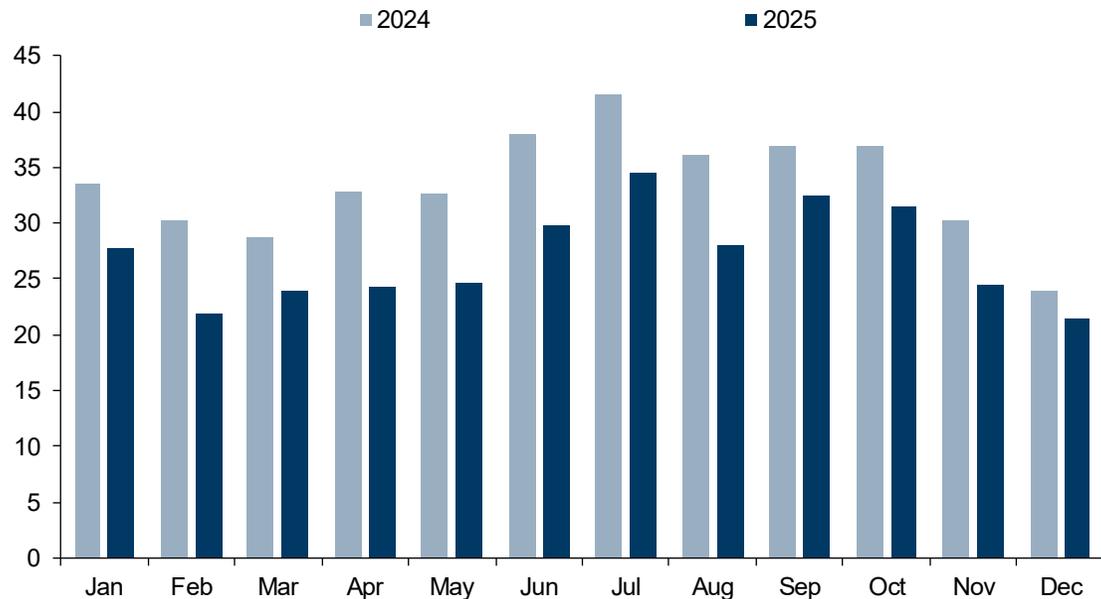
Source: Eurostat, KSE Institute

*Temporary protection is also granted by four non-EU countries: Iceland, Liechtenstein, Norway, and Switzerland

Temporary protection trends indicate stabilization of female migration and rising mobility among men

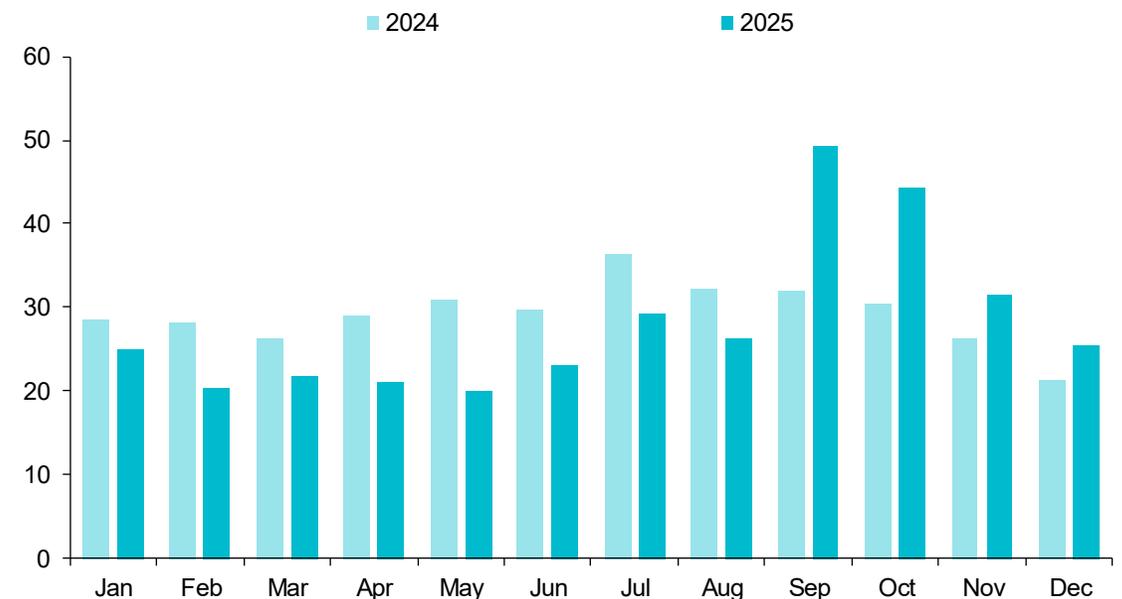
- In January-August 2025 the number of new temporary protection decisions was **~22%** lower for both sexes - indicating stabilization of departures: the main wave of forced migration had already occurred, and further movements were more reactive and depended on the current security situation. For women, decisions declined by **21.5% (-89K)** to **326K**, with decreases recorded in nearly all months. This indicates stabilization of female migration and the absence of a new wave of mass departures.
- After the permission on 28 August 2025 allowing men aged 18–22 to travel abroad, a sharp increase occurred among men: in September-October decisions for men rose by **~50%**, in November–December remained about **~20%** higher. Implication for Ukraine: the outflow of men aged 18-22 intensified - reducing future labour supply and mobilization potential and increasing long-term demographic losses.

Temporary Protection Decisions – Females, thsd



Source: Eurostat, KSE Institute

Temporary Protection Decisions – Males, thsd

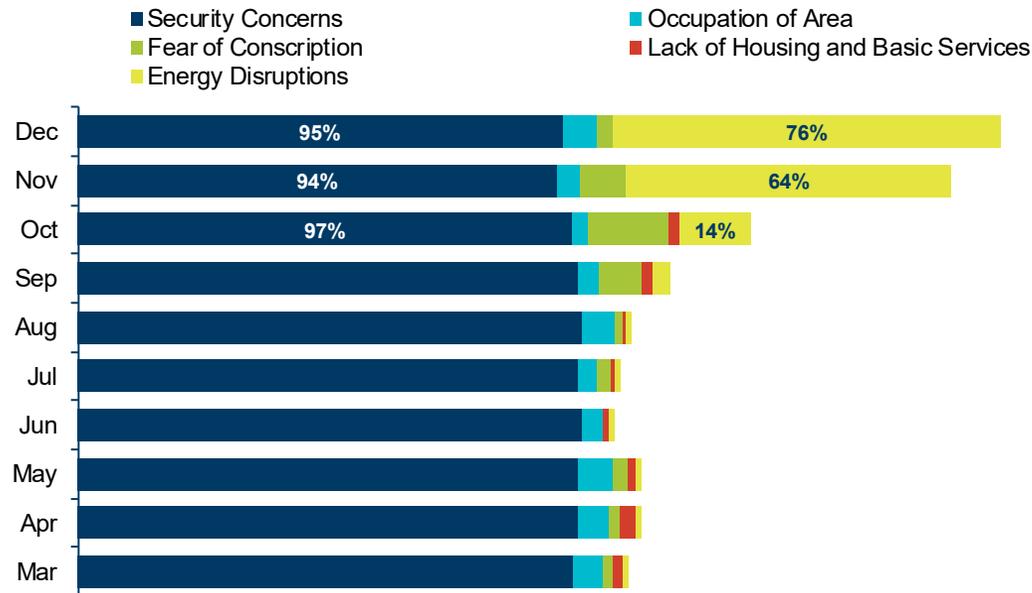


Source: Eurostat, KSE Institute

Most people leave Ukraine due to security concerns, with an uncertain duration of stay abroad

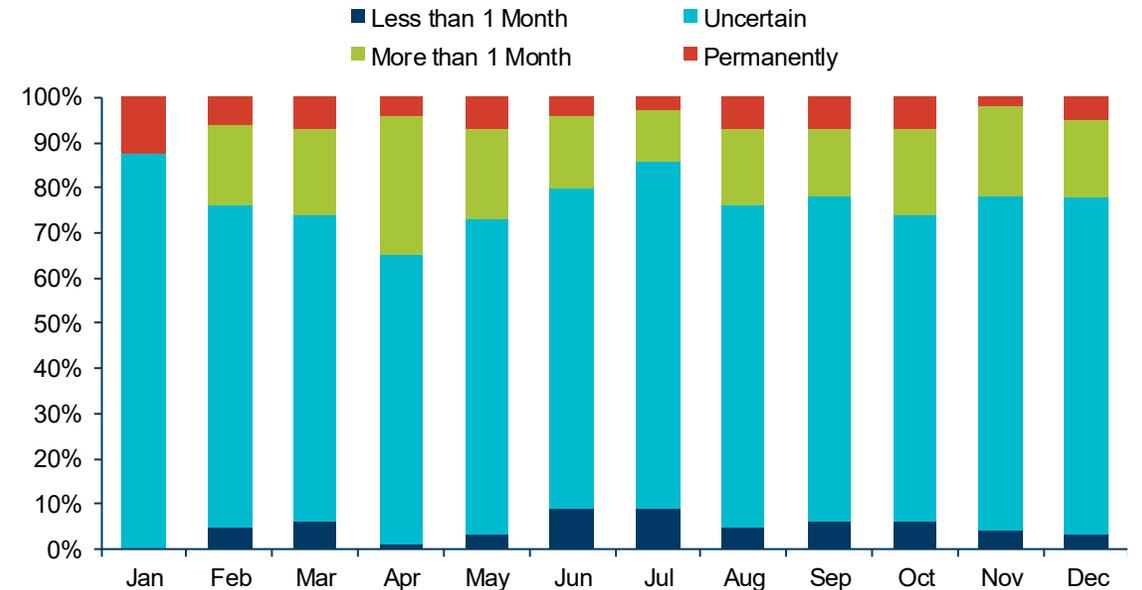
- Security concerns remained the main driver of departures (**94-99%** in most months), while energy disruptions became a key factor at the end of the year, cited by **64-76%** in November-December. During winter, worsening energy conditions - lack of heating and prolonged power and water outages - may further stimulate outward migration. In September-November **8-16%** also cited fear of conscription, up from **1.5-3%** previously, indicating a growing share of mobilization-sensitive migration.
- Most departures are uncertain in duration: around **64-77%** of respondents were unsure how long they would stay abroad, while only **2-10%** planned to leave permanently. This indicates that people have not yet decided on the duration of stay and return decisions may change if security conditions improve.

Reasons for Departing Ukraine (Multiple-Answer Questionnaire), %



Source: UNHCR*, KSE Institute

Intended Duration of Stay Abroad, %



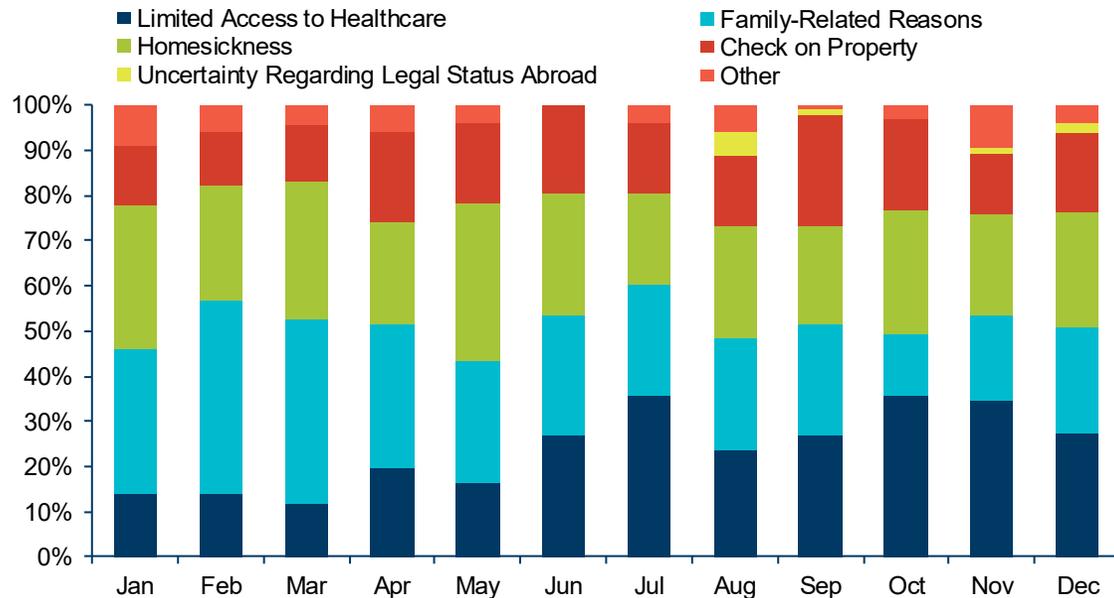
Source: UNHCR*, KSE Institute

* The UNHCR Border Monitoring Survey (January-December 2025) included 17,782 respondents: 70% women, 30% men, 12% aged 60+

Returns to Ukraine are mostly short-term and driven by family and health reasons, so permanent return is unlikely

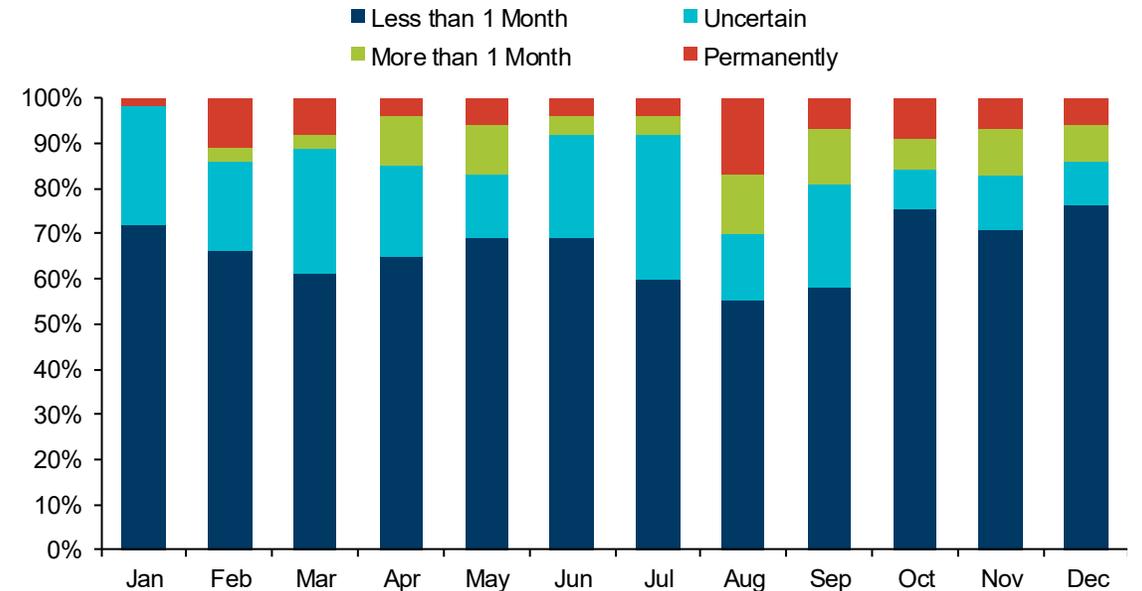
- On average, the main reasons for return were family-related factors (27%), homesickness (26%), and limited access to healthcare (23%), followed by checking on property (16%), indicating visits rather than durable reintegration and highlighting the role of social and emotional ties in return decisions.
- Most visits are short-term: throughout the year, 55-77% planned to stay in Ukraine for less than one month, while the share planning to return permanently generally did not exceed 4-9%, delaying the recovery of domestic labour supply in Ukraine and prolonging labour shortages. In August, the share of those planning to return permanently increased to 17%, which was associated with the start of the new academic year.

Reasons for Arriving/Returning to Ukraine, %



Source: UNHCR*, KSE Institute

Intended Duration of Stay in Ukraine, %



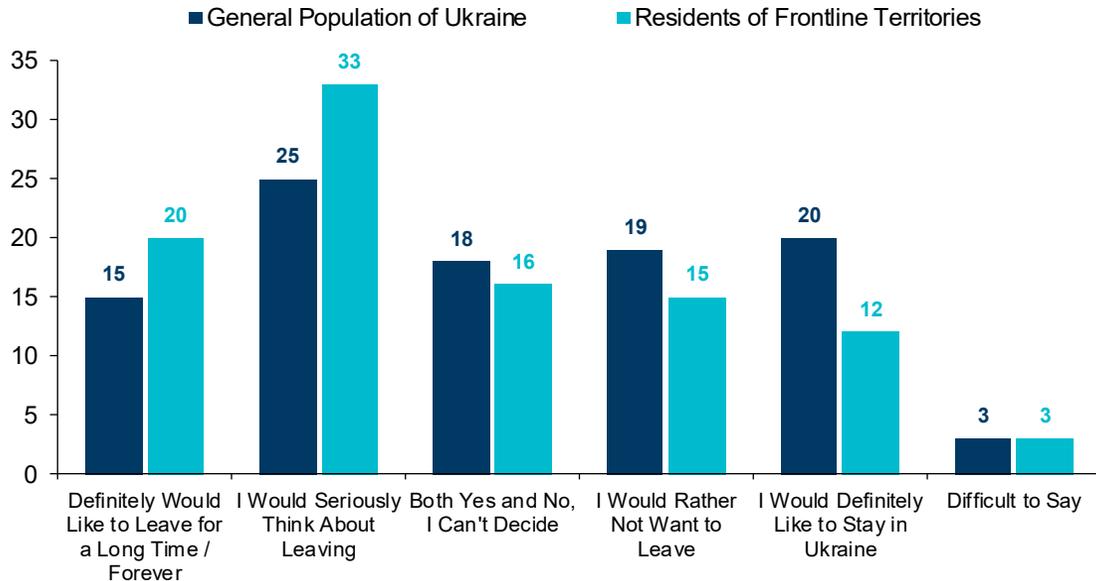
Source: UNHCR*, KSE Institute

* The UNHCR Border Monitoring Survey (January-December 2025) included 4,402 respondents: 78% female, 22% male, 17% aged 60+

About 40% of population would prefer to stay in Ukraine, and 40% would prefer/seriously consider to leave

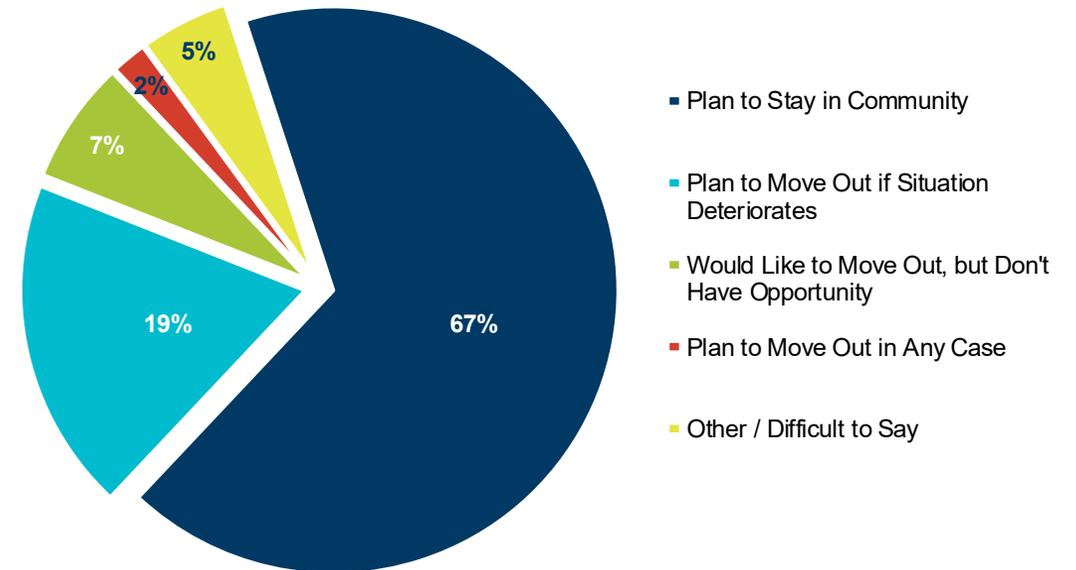
- If provided with job and housing, **15%** of Ukrainians would definitely like to leave Ukraine, and further **25%** would seriously consider this option. Residents of frontline territories are more likely* to seriously consider leaving (**33%** compared to 25%). Among the general population **19%** would rather not leave, and **20%** would definitely like to stay in Ukraine. The share of people who reside in frontline regions and would want to stay in Ukraine is lower (**12%** compared to 25%).
- While residents of frontline territories demonstrate higher immigration preferences, most of them plan to stay in their communities in coming 3 months: **67%** plan to stay in current location, and **19%** plan to leave if situation deteriorates. Further **7%** would like to move out, but do not have an opportunity as of now, and **2%** plan to move out.

Willingness to Live Abroad – Comparison of General Population and Frontline Territories, %



Source: KSE Institute, Survey, January 2026: 1000 respondents all over Ukraine and 200 respondents residing in frontline territories

Plans to Move out of Community in Coming 3 Months – Frontline Territories, %**



Source: KSE Institute, Survey, January 2026: 1000 respondents all over Ukraine and 200 respondents residing in frontline territories

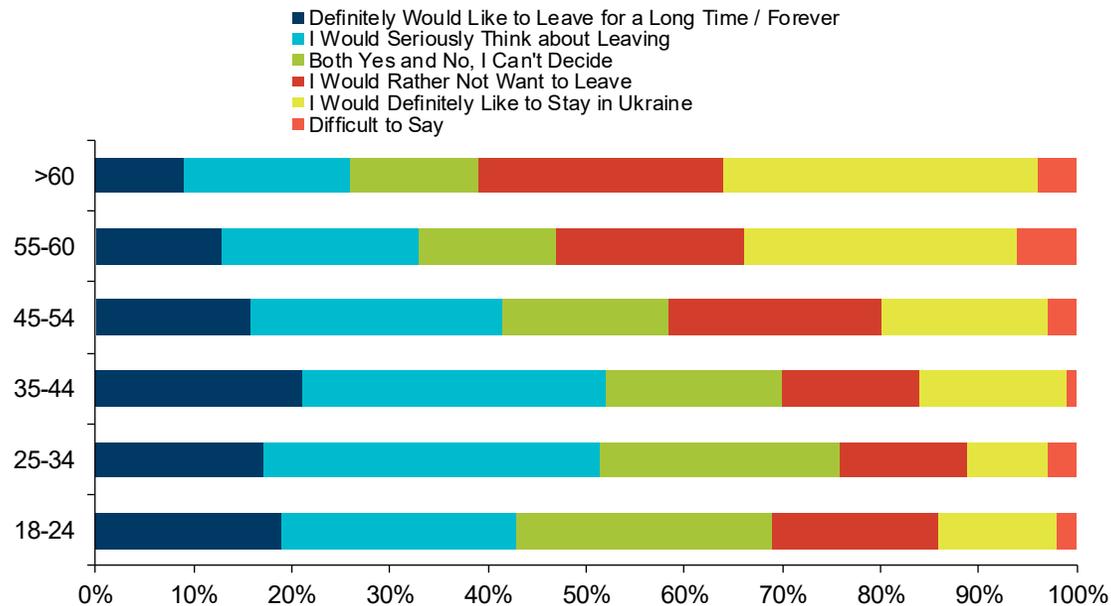
* All statistically significant differences among population groups are mentioned in the text

** Frontline territories are territories in Dnipropetrovsk, Zaporizhzhia, Mykolaiv, Sumy, Kharkiv, Kherson or Chernihiv oblast, excluding temporarily occupied and active hostilities territories

Younger and middle-age population groups, and Kyiv city residents are more often willing to leave Ukraine

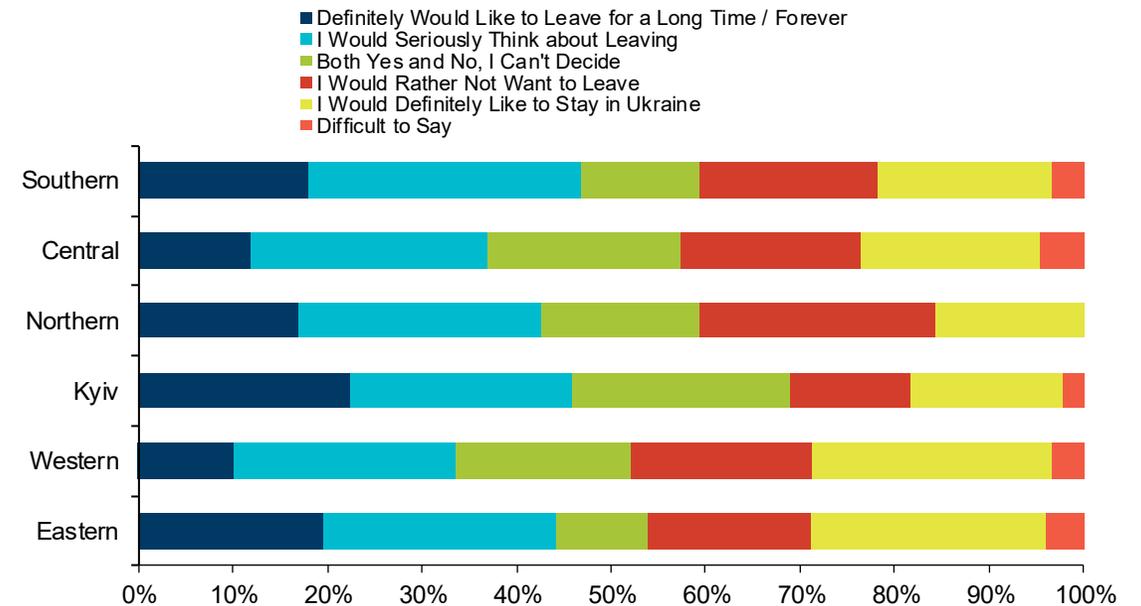
- The willingness to leave for abroad is somewhat higher* among middle-age population groups (35-44) (**21%** compared to 15% among all respondents); younger population groups (25-34) would more often seriously consider leaving the country (**34%** compared to 25%). Willingness to stay in Ukraine is higher among older age groups (55-60, 60+).
- In regional comparison residents of Kyiv city are more often voicing the willingness to immigrate (**22%** compared to 15%). Among residents of Western oblasts willingness to leave is lower than average for Ukraine (**10%**). The higher rate of Kyiv residents willing to live abroad may be related to heavy bombing of the capital city in December 2025 and January 2026.

Willingness to Live Abroad – Comparison by Age Group, %



Source: KSE Institute, National Survey, January 2026, 1000 respondents

Willingness to Live Abroad – Comparison by Region, %



Source: KSE Institute, National Survey, January 2026, 1000 respondents

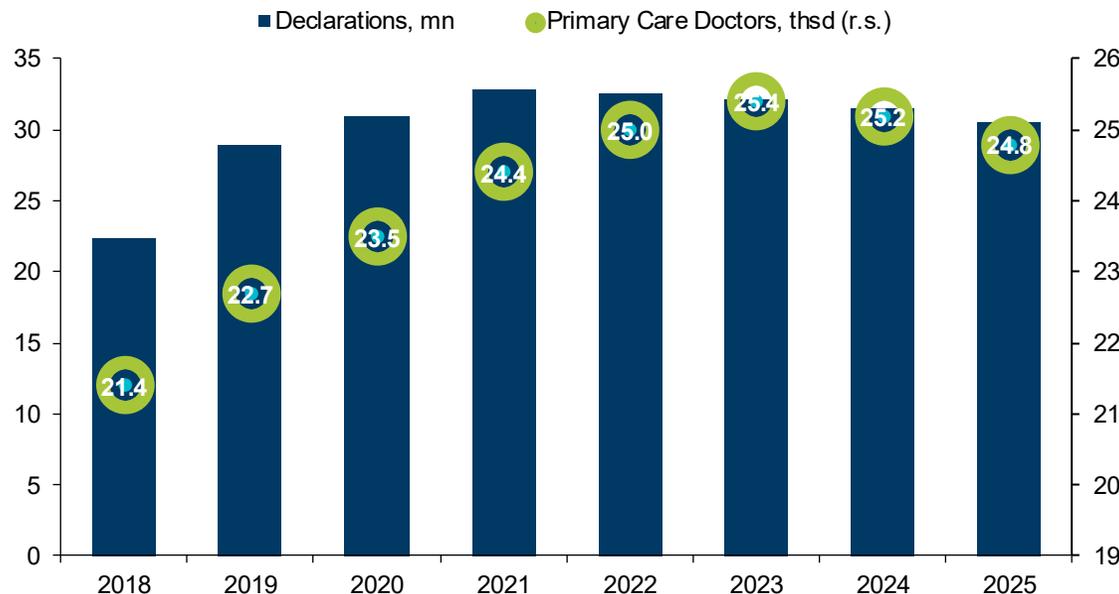
* All statistically significant differences among population groups are mentioned in the text

The Government health spending has not recovered to pre-2022 level yet. Spending priorities have changed: medicines received increased funding, and spending on primary care decreased. Rehabilitation spending is growing fast, but coverage of more complex cases is insufficient

The healthcare system's resilience during the war has been enhanced by the 2017 healthcare reform

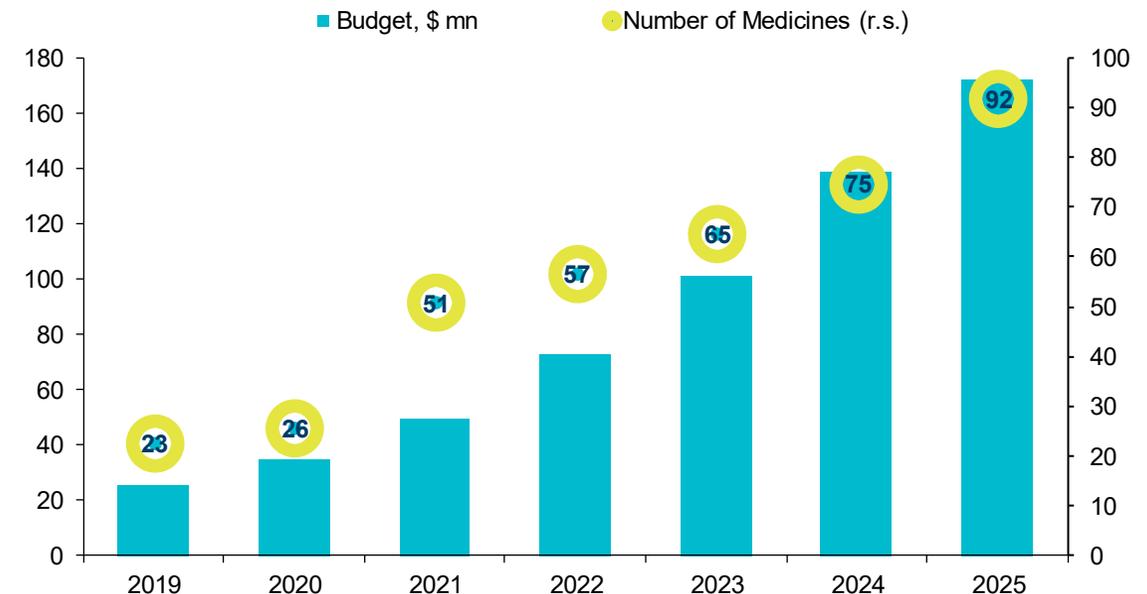
- Primary care continues to provide essential services, but the number of active declarations decreased since the full-scale invasion as the population drops. Number of primary care doctors remains relatively stable despite the population decline, which may be an outcome of mobilization exemptions in the position. Before the full-scale invasion, the total of 24,2K primary care doctors were providing care within the Program of Medical Guarantees, while in 2025 it accounted of 24,8K.
- The scope and spending on Affordable Medicines continues to grow allowing better management of chronic conditions in outpatient settings. Since its introduction in 2019, the number of medicines covered by the Government has increased from 23 to 92 in 2025, and the budget has increased 7-fold. Effective management of chronic conditions plays a major role in ensuring the country retains human capital in the situation of aging population and immigration.

Number of Active Declarations between a Patient and a Primary Care Doctor



Source: National Health Service of Ukraine (NHSU), KSE Institute

Budget and Number of Medicines in the Affordable Medicines Program**



Source: NHSU, KSE Institute

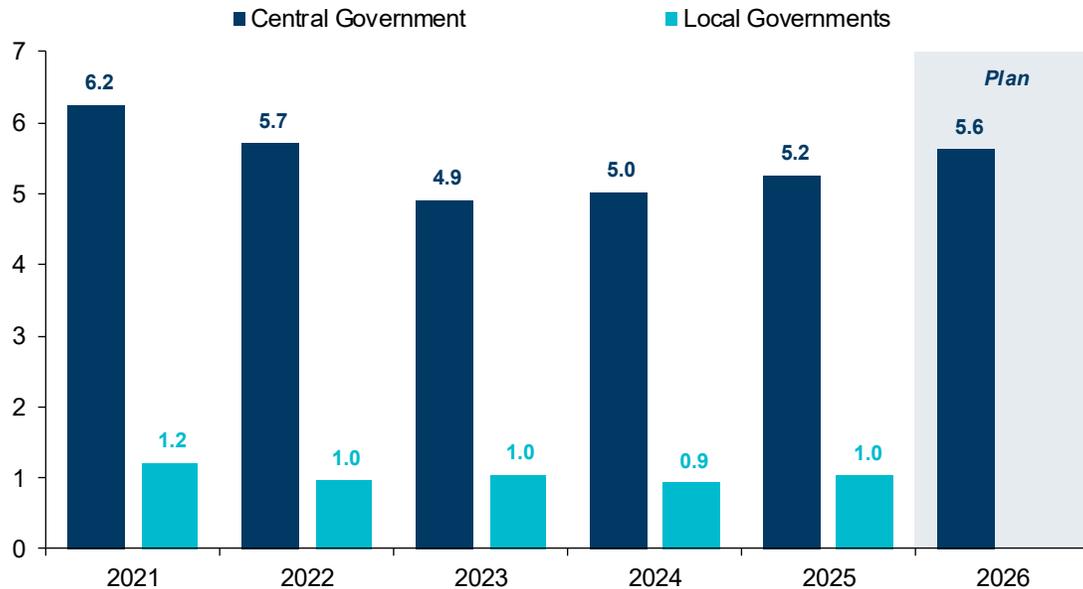
* A declaration with a primary care doctor is a document which a patient signs to confirm their selection of a doctor; a declaration is a prerequisite for receiving primary care services free-of-charge

** Affordable Medicines is a part of the Program of Medical Guarantees; it includes medicines which are available to patients via pharmacies free-of-charge or with a co-payment

The healthcare budget shrink by 21% in 2022-2023, and did not reach the pre-2022 level yet

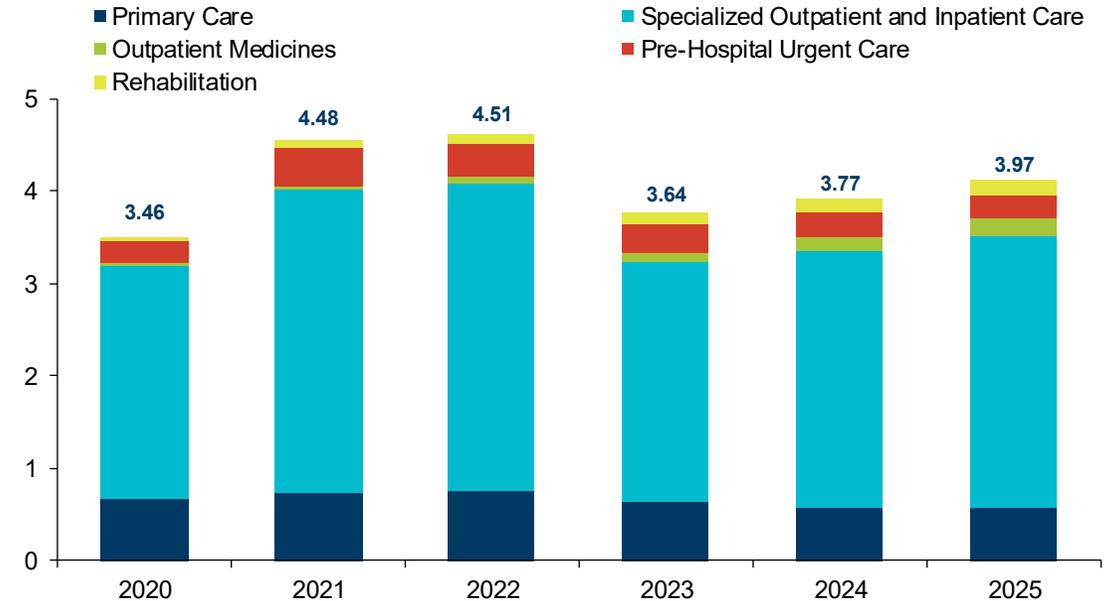
- The budget health spending fell from **\$6,2 bn** (2021) to **\$5,7 bn** (2022) and further to **\$4,9 bn** (2023), which represents 21% decrease and recovered only partly to planned **\$5,6 bn** in 2026 (-10% vs 2021). Funding from local budgets shrink as well (-17% vs 2021). The health budget in UAH equivalent was growing, but the increase did not compensate for the national currency devaluation.
- The spending priorities (within the Program of Medical Guarantees) experienced several adjustments: increased allocation was given to the outpatient medicines (from **\$35 mn** (2020) to **\$172 mn** (2025)) to ensure better access to treatment for people with chronic conditions; rehabilitation budget increased from **\$43 mn** (2020) to **\$161 mn** (2025) with the key objective to strengthen the rehabilitation for military. Funding of primary care shrink, this places the achievements of the health reform at risk.

Executed Budget for the Government Health Spending, \$ bn



Source: openbudget.gov.ua, WHO, KSE Institute

Funding of Health Services within the Program of Medical Guarantees*, \$ bn



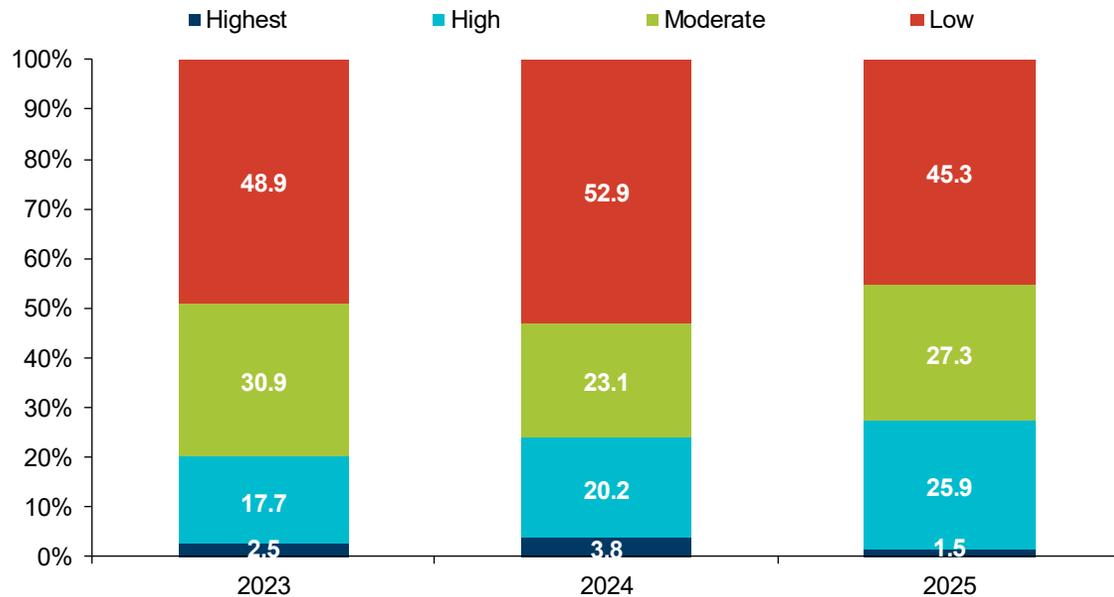
Source: NHSU, KSE Institute

* The Program of Medical Guarantees is a national program through which the Government funds most of the health services provided to the population in Ukraine

Rehabilitation budget is growing, but coverage remains low for patients with serious conditions

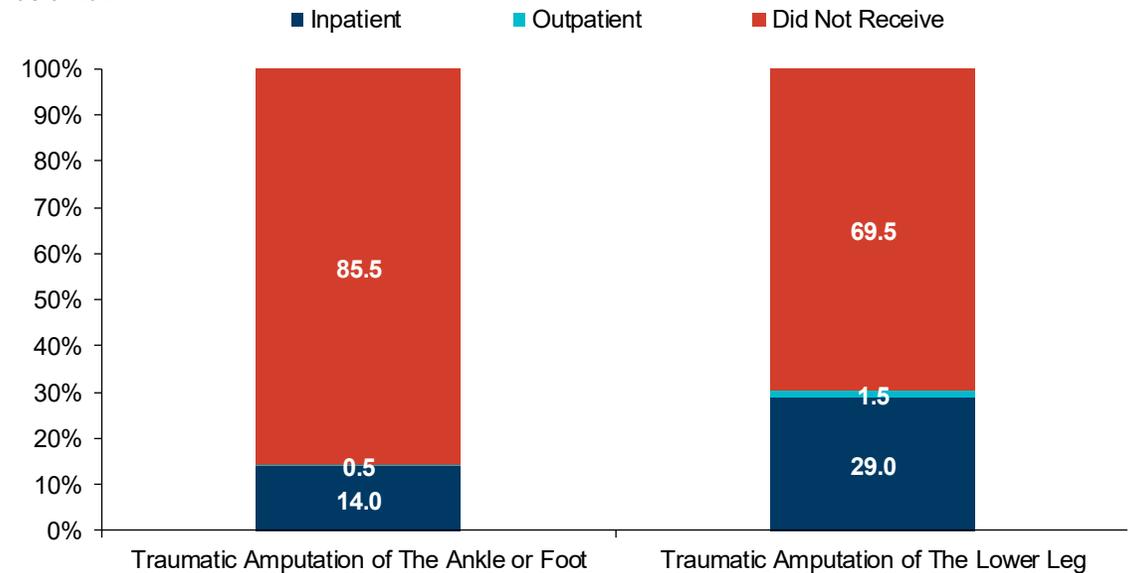
- The rehabilitation budget and number of services provided increase: for inpatient rehabilitation the volume of episodes increased 3-fold from **73,600** (2023) to **226,000** (2025). The increased budget is often spent on cases with low and moderate complexity, while for some of the priority (and more serious) conditions the actual coverage with rehabilitation services is low.
- Coverage with rehabilitation services is low for people who suffered from war-related trauma. In 2024, patients who were hospitalized with traumatic amputation of ankle or foot only **14%** received inpatient and **1%** received outpatient rehabilitation; among patients with traumatic amputation of lower leg **29%** received inpatient and **2%** received outpatient rehabilitation. These data suggest that better prioritization is needed to ensure people with more complex conditions have access to care.

The Structure of Inpatient Rehabilitation Services by Complexity, %



Source: Financing rehabilitation services in Ukraine: a situation assessment and policy options, WHO, 2025; NHSU

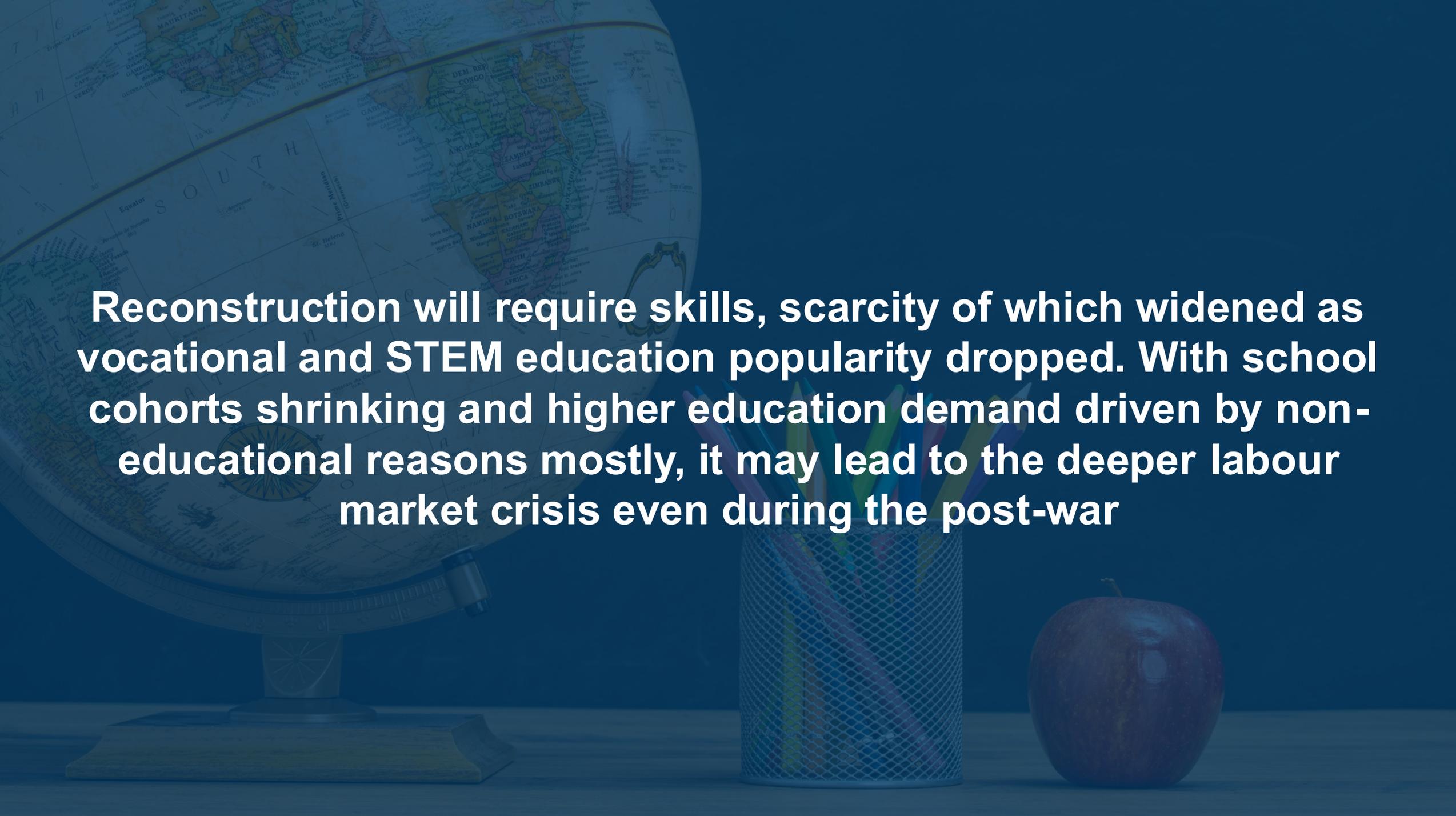
Coverage with Rehabilitation Services Among Patients with Traumatic Amputation**, % of All Hospitalized as of 2024



Source: Financing rehabilitation services in Ukraine: a situation assessment and policy options, WHO, 2025

* Highest (two or more diagnoses of major trauma); High (amputations, injuries, stroke); Moderate (some cancers, neurological conditions and traumas); Low (partially conditions which require outpatient rehabilitation)

** Only patients treated in general health system were accounted, while part patients could had received both/either treatment and/or rehabilitation within defense sector health facilities. Thus, the actual coverage could be either lower, or higher

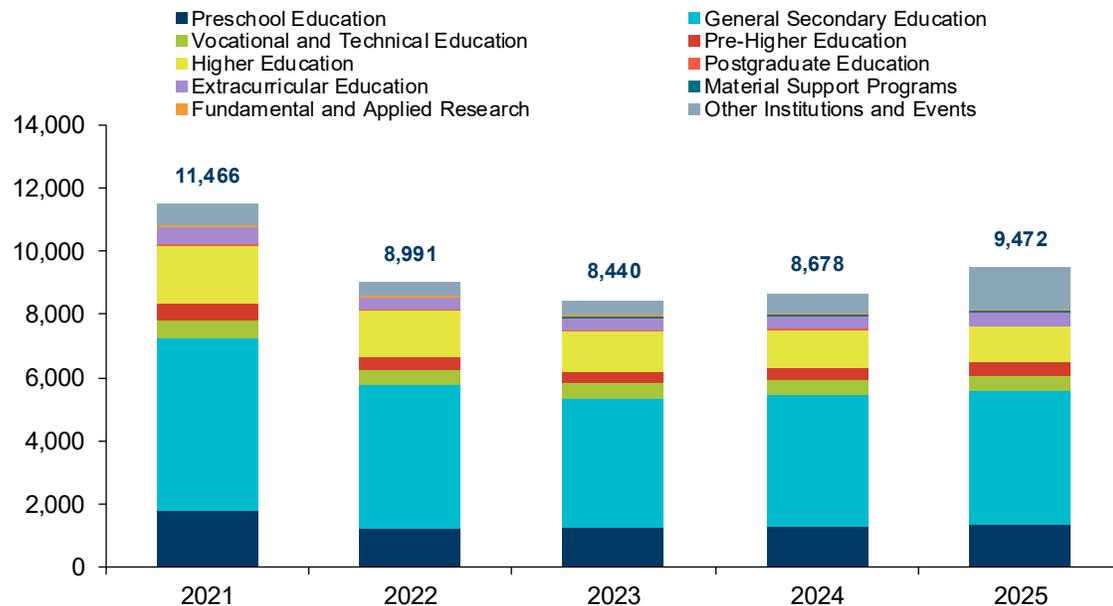
A composite image featuring a globe on the left, a mesh pencil holder with colorful pencils in the center, and a red apple on the right. The background is a solid dark blue color. The text is overlaid in white, bold font.

Reconstruction will require skills, scarcity of which widened as vocational and STEM education popularity dropped. With school cohorts shrinking and higher education demand driven by non-educational reasons mostly, it may lead to the deeper labour market crisis even during the post-war

Education and R&D underinvestment weakens human capital formation

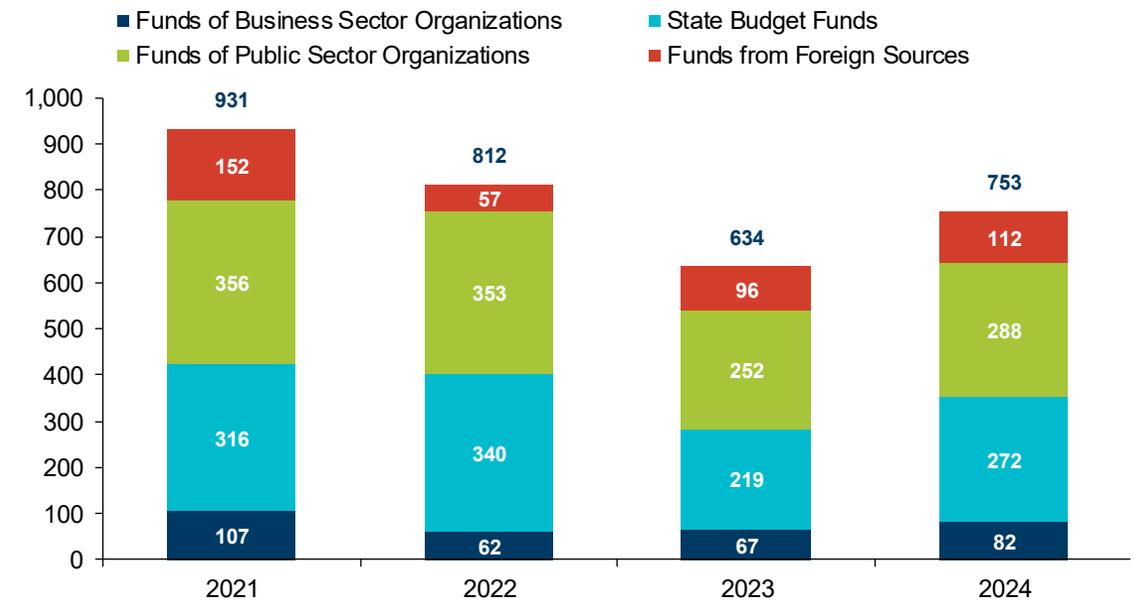
- Consolidated education spending remains **17% below 2021 levels**, while R&D funding fell by **32%** at the trough in 2023, with only partial recovery, reducing system capacity to generate skills and innovation needed for reconstruction.
- Persistently lower public financing increases structural risks of skill shortages and slower productivity growth, particularly as education demand is increasingly driven by non-educational incentives (e.g., male mobilisation during the war). This fiscal compression coincides with widening distortions in education pathways and admission outcomes, amplifying long-term risks to workforce quality.

Consolidated Budget Expenditures on Education, \$ mn



Source: openbudget.gov.ua, KSE Institute

R&D Expenditures by Source of Funding, \$ mn



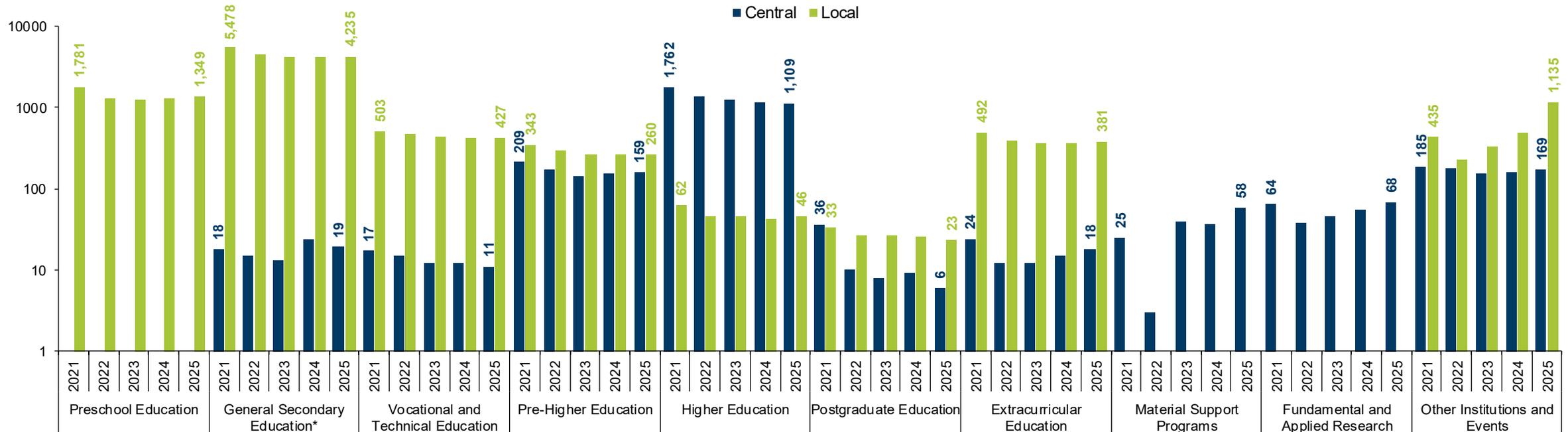
Source: SSSU, KSE Institute

* SSSU has not updated its 2025 data as of the publication date

Education financing remains highly decentralised in Ukraine – local budgets fund most spending

- Local budgets finance **80-83%** of total education spending, with preschool and secondary education almost entirely funded at the local level, while higher education relies predominantly on the state budget. This decentralised model enables local decision-making, but also leaves communities with very different capacities, making predictable transfers from the state budget (incl. the education subvention) critical to prevent underfunding in "poorer" communities.
- Decentralised financing requires stronger equalisation and clearer national standards – otherwise disparities in local capacity lead to unequal education quality and uneven implementation of national reforms.

Consolidated Budget Expenditures on Education by Sources, \$ mn



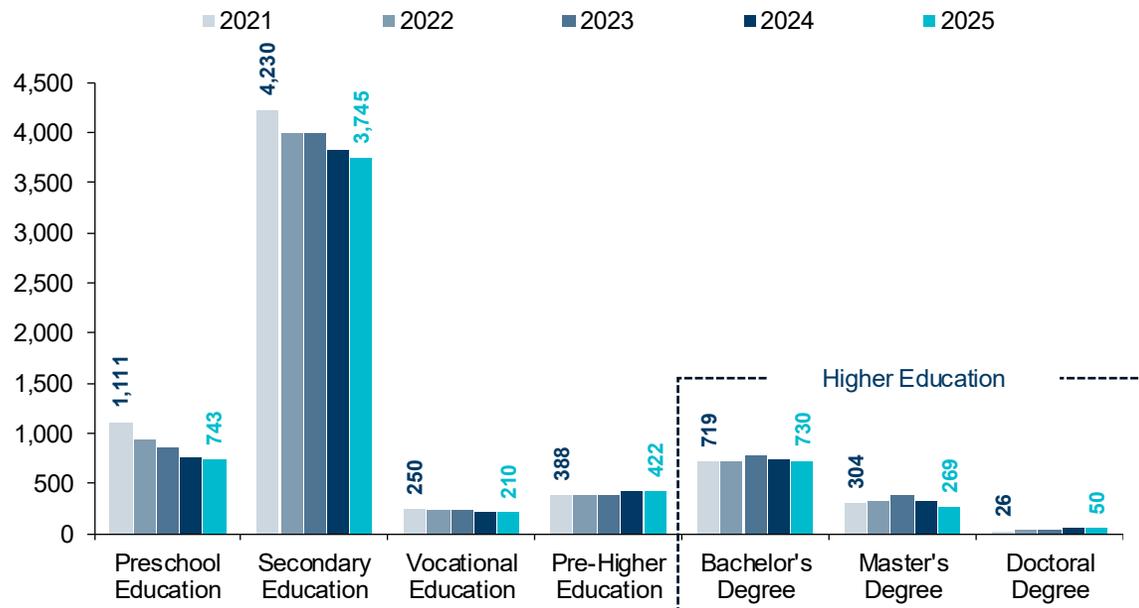
Source: openbudget.gov.ua, KSE Institute

* In the breakdown of expenditures on general secondary education by source, the education subvention transferred from the state budget to local budgets is included

Student numbers declined across most education levels, while per-student budget funding recovered unevenly

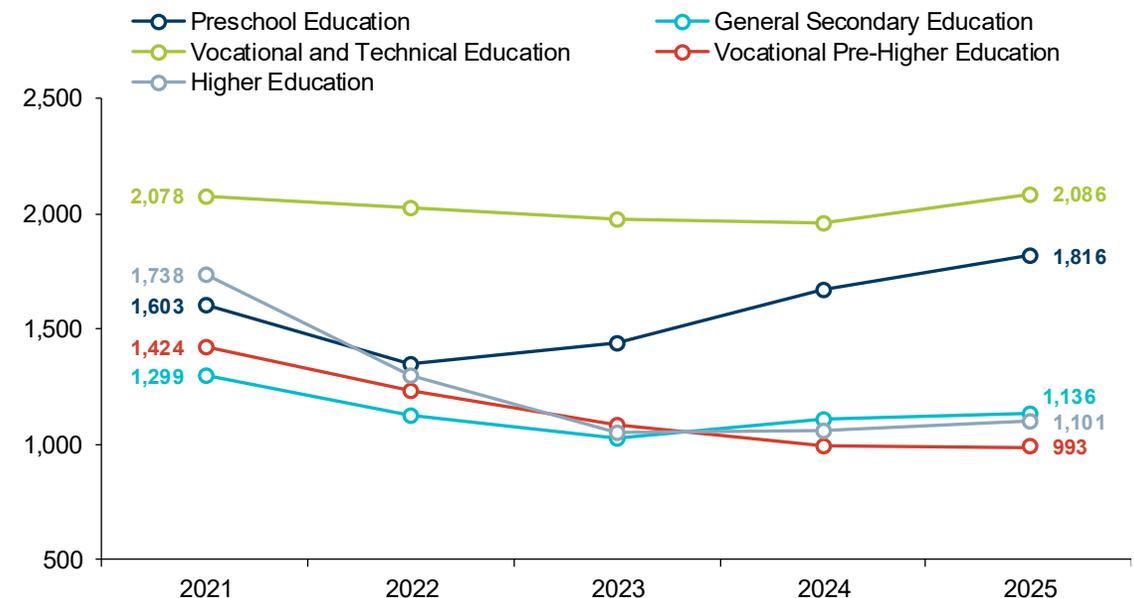
- Between 2021 and 2025, student numbers dropped most in preschool (-33%) and secondary education (-11.5%), reflecting a deteriorating demographic situation, most visibly driven by war-related outward migration. Pre-higher education grew (+9%), while higher education peaked in 2023 (+15% vs 2021) and returned close to 2021 levels by 2025; doctoral enrolment roughly doubled (from 26K to 50K).
- Average spending per student is still below 2021 levels in general secondary, pre-higher and higher education, with the steepest decline in higher education (-37%). Over the same period, per-student spending increased in preschool education (+13%) and remained broadly stable and highest in vocational and technical education.
- With enrolment broadly stable, but per-student funding sharply lower in higher education, the policy challenge is to protect quality and learning outcomes through targeted support and performance-oriented financing, rather than relying on “efficiency gains” that may erode skills formation.

Number of Students by Level of Education, thsd



Source: Unified State Electronic Database on Education of Ukraine (USEDEU), SSSU, KSE Institute

Annual Average Budget Expenditure per Student, \$

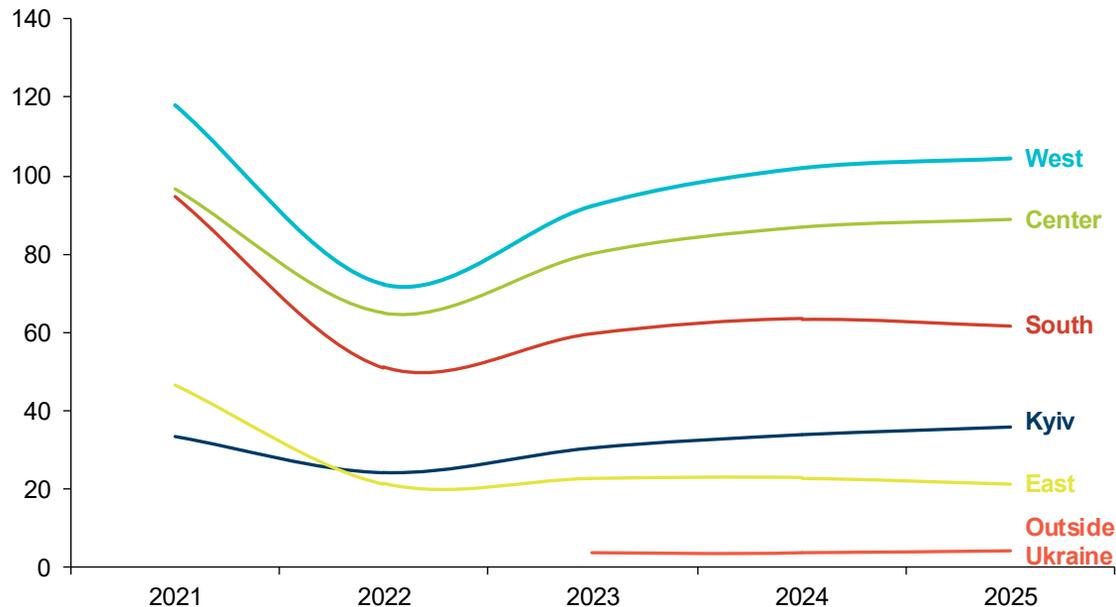


Source: USEDEU, SSSU, openbudget.gov.ua, KSE Institute

Admission exam participation remains below 2021 with uneven regional and gender patterns

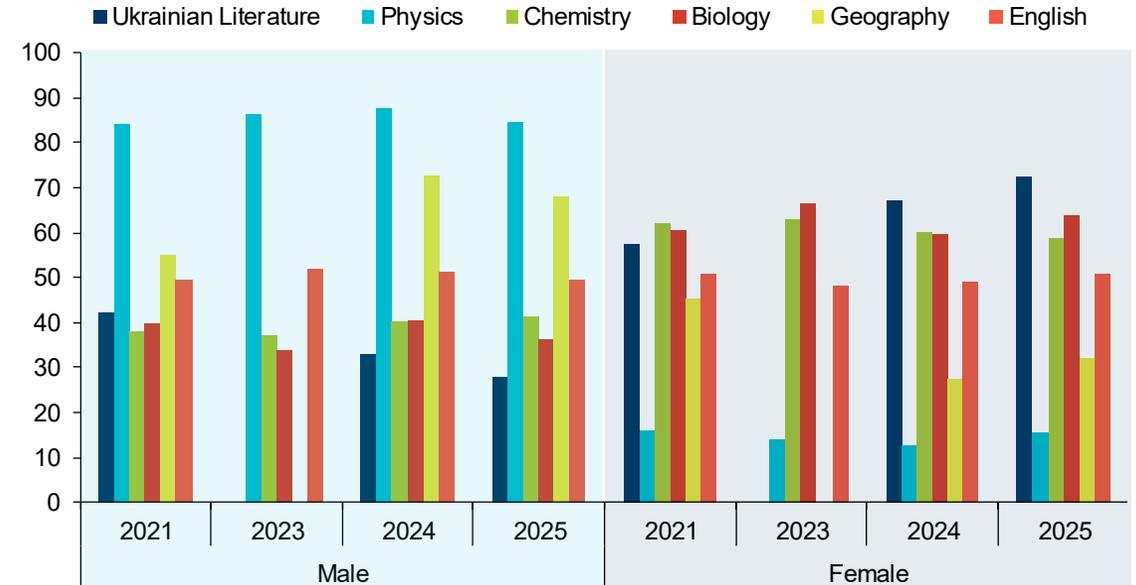
- Total participation recovered from **234K** (2022) to **317K** (2025) but is still **-19%** below 2021 (**389K**). Compared to 2021, Kyiv is the only region above its baseline (**+7%**), while the East (**-54%**) and South (**-35%**) saw the steepest declines, reflecting war-related displacement and territory occupation.
- Gender polarization by elective subject has intensified: geography shifted toward a higher male share (**55%** in 2021 to **67.9%** in 2025), while Ukrainian literature became more female-dominated (**57.6%** to **72.4%**). Uneven regional recovery and stronger gender sorting by subject may deepen segmentation in higher education entry, shaping increasingly differentiated skill trajectories and contributing to emerging imbalances in the labour market.

Applicants Taking the National Admission Exam by Test Location, thsd



Source: Ukrainian Centre for Educational Quality Assessment (UCEQA), KSE Institute

Share of Applicants Taking Elective Subjects by Subject & Gender, %



Source: UCEQA, KSE Institute

* In 2021 the national admission exam refers to the External Independent Evaluation (ZNO); from 2022 onwards, it refers to the National Multi-Subject Test (NMT)

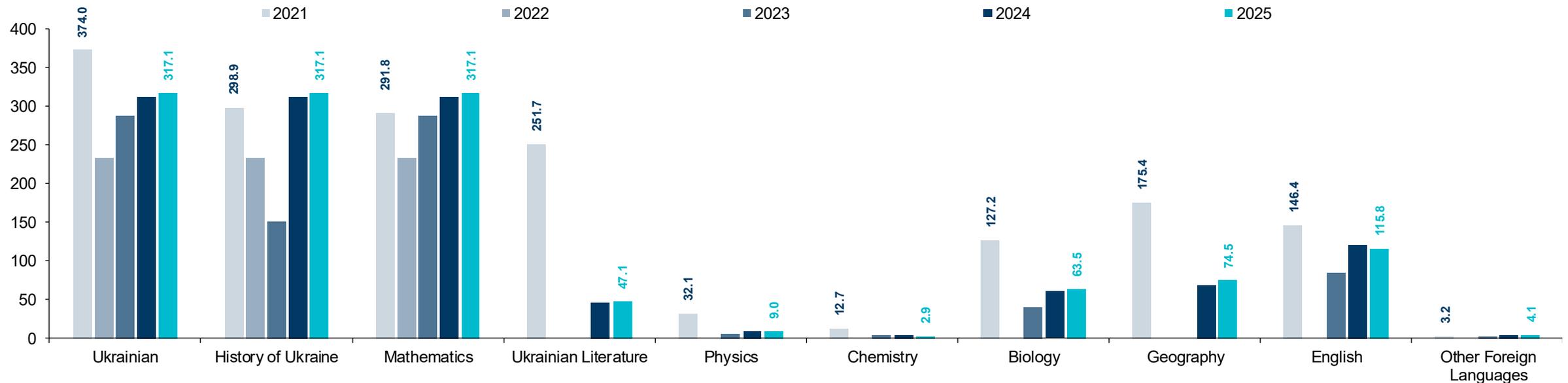
** West: Volyn, Lviv, Zakarpattia, Ivano-Frankivsk, Ternopil, Rivne, Chemivtsi oblasts; Center: Kyiv, Zhytomyr, Vinnytsia, Khmelnytskyi, Cherkasy, Kirovohrad, Poltava, Chernihiv, Sumy oblasts; South: Odesa, Mykolaiv, Kherson, Zaporizhzhia, Dnipropetrovsk oblasts; East: Kharkiv, Donetsk, Luhansk oblasts

*** Test location refers to government-controlled territory of Ukraine, excluding temporarily occupied territories (as of the year of the exam), including the temporarily occupied Autonomous Republic of Crimea and the city of Sevastopol

Participation shifted toward mandatory subjects, weakening the STEM pipeline

- Since 2021, participation in science electives declined sharply by 2025 – physics (-72%), chemistry (-77%), biology (-50%), and geography (-57%), signalling a thinner pipeline into STEM-intensive programmes and reconstruction-relevant occupations. English also declined from **146.4K** in 2021 to **115.8K** in 2025 (-21%), suggesting weaker uptake of key transferable skills that matter for higher education quality and labour-market competitiveness.
- As natural science subjects carry less weight under the NMT, applicants shift toward mandatory subjects, reducing early STEM exposure and narrowing preparation for technical fields – with potential long-term effects on productivity and innovation capacity.

Number of Applicants Taking the National Admission Exam by Subject, thsd



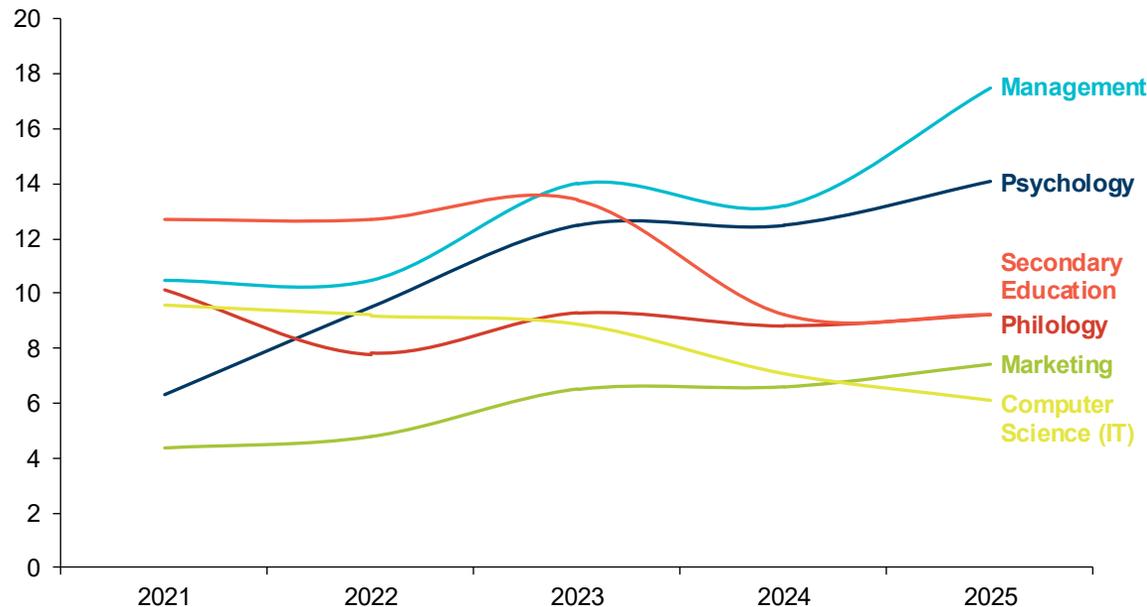
Source: UCEQA, KSE Institute

* In 2021 the national admission exam refers to the External Independent Evaluation (ZNO); from 2022 onwards, it refers to the National Multi-Subject Test (NMT)

Bachelor's enrolment is shifting toward social disciplines, while IT and engineering are weakening

- Among the most popular bachelor's majors, psychology more than doubled between 2021-2025 (+124%) and management **grew by 67%**, while computer science intake **fell by 36%**. This shift likely reflects tighter IT labour-market conditions, including reduced hiring and greater uncertainty, alongside rising demand and prestige of psychology and marketing during and after COVID-19 and the full-scale war.
- Across the overall bachelor's enrolment structure, Social Sciences expanded (+38%), while Information Technology declined (-29%) and Engineering, Manufacturing and Construction **fell sharply to 27.9K** by 2025 (-44% from the 2023 peak). This structural rebalancing raises concerns about future skills shortages in IT and engineering.

Most Popular Bachelor's Degree Majors, thsd



Source: USEDEU, KSE Institute

Students Enrolled in Bachelor's Programs by Field of Study, thsd



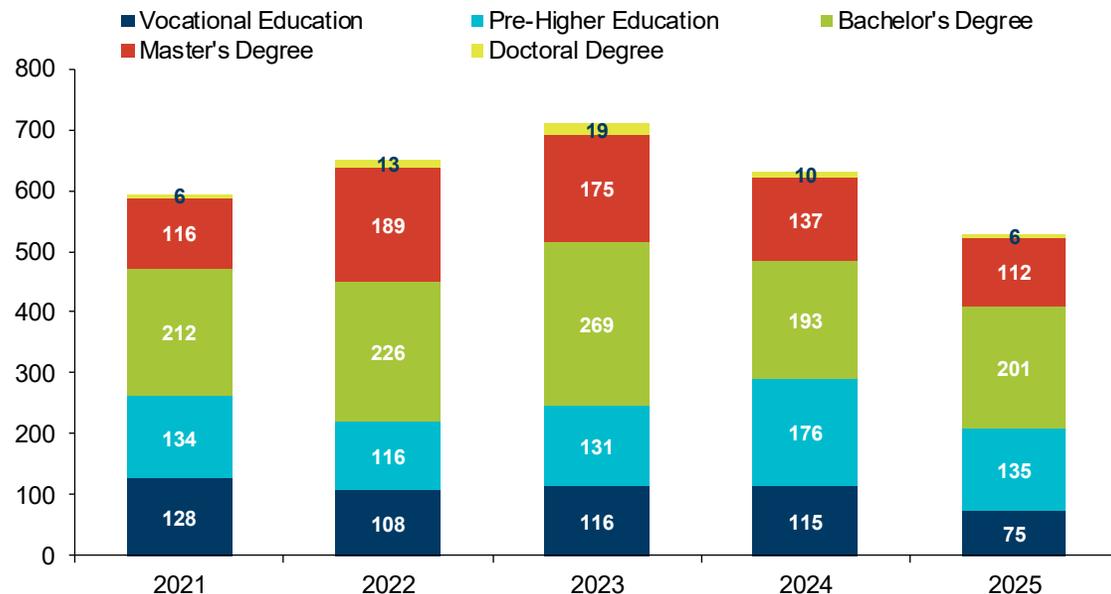
Source: USEDEU, KSE Institute

* Classification by field of study according to the Cabinet of Ministers of Ukraine of August 30, 2024

New entrants still exceeded graduates in 2021-2025, but intake fell sharply by 2025 – driven by vocational education

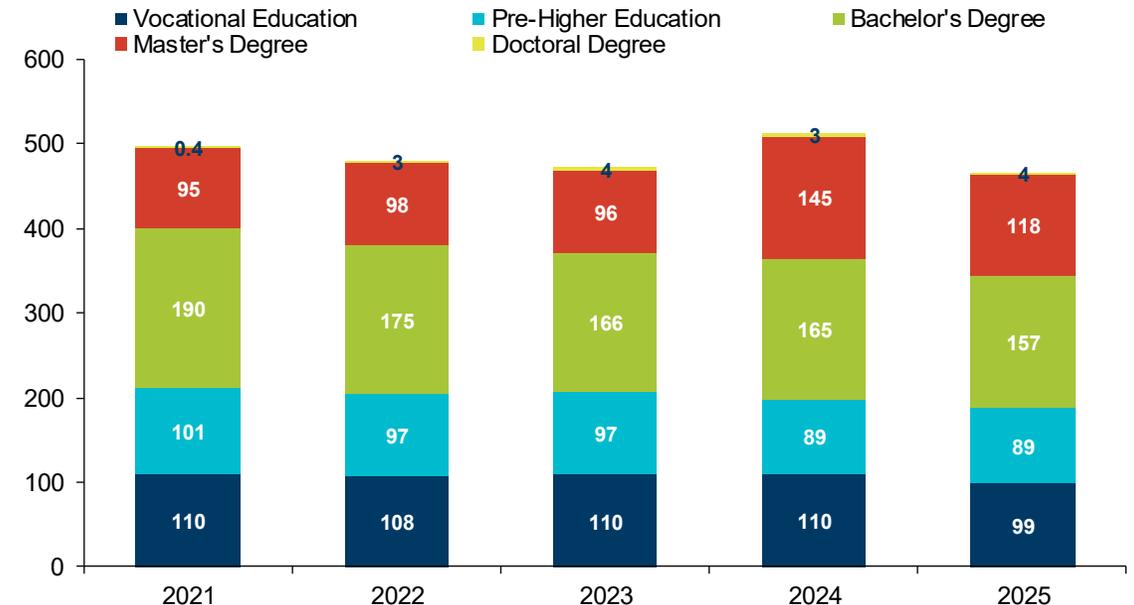
- Compared to 2021, new entrants declined most sharply in vocational education (-42%), while higher education intake remained broadly stable and pre-higher education expanded – a shift that increasingly favours academic tracks over technical pathways.
- If this rebalancing persists, Ukraine may face deeper skills bottlenecks in reconstruction-relevant occupations, as the education system becomes less aligned with sector-specific demand – signalling a need to strengthen vocational and technical pathways through targeted incentives and closer links with employers.

Number of New Entrants by Level of Education, thsd



Source: USEDEU, Institute of Educational Analytics of Ukraine (IEAU), KSE Institute

Number of Graduates by Level of Education, thsd



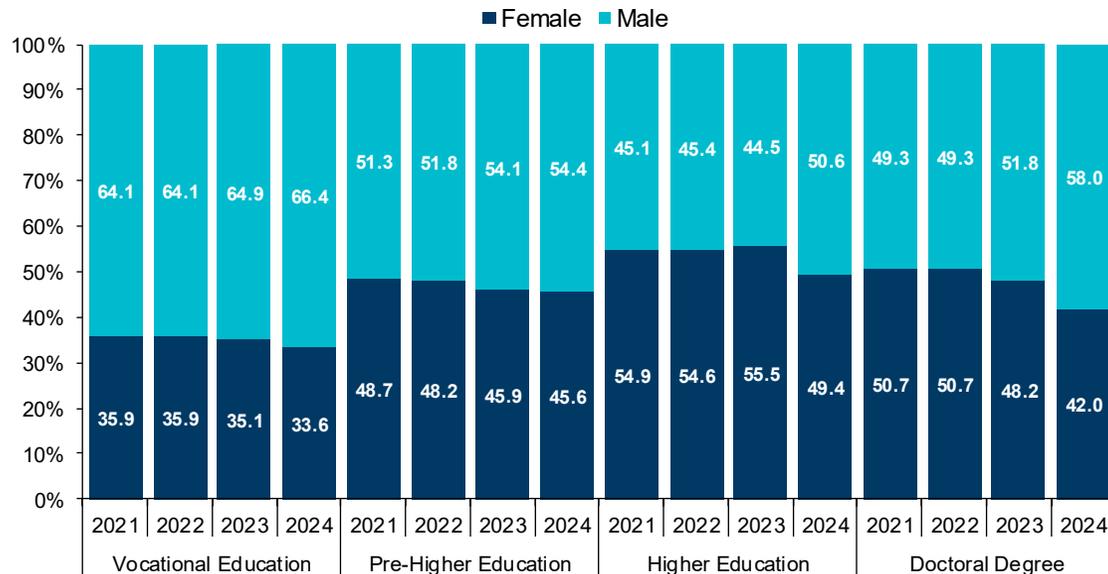
Source: USEDEU, IEAU, KSE Institute

* According to the SSSU, the number of doctoral graduates was 2.8 thsd in 2019 and 4.3 thsd in 2020

Higher education graduation outcomes shifted toward men in 2024 – strongest at doctoral level

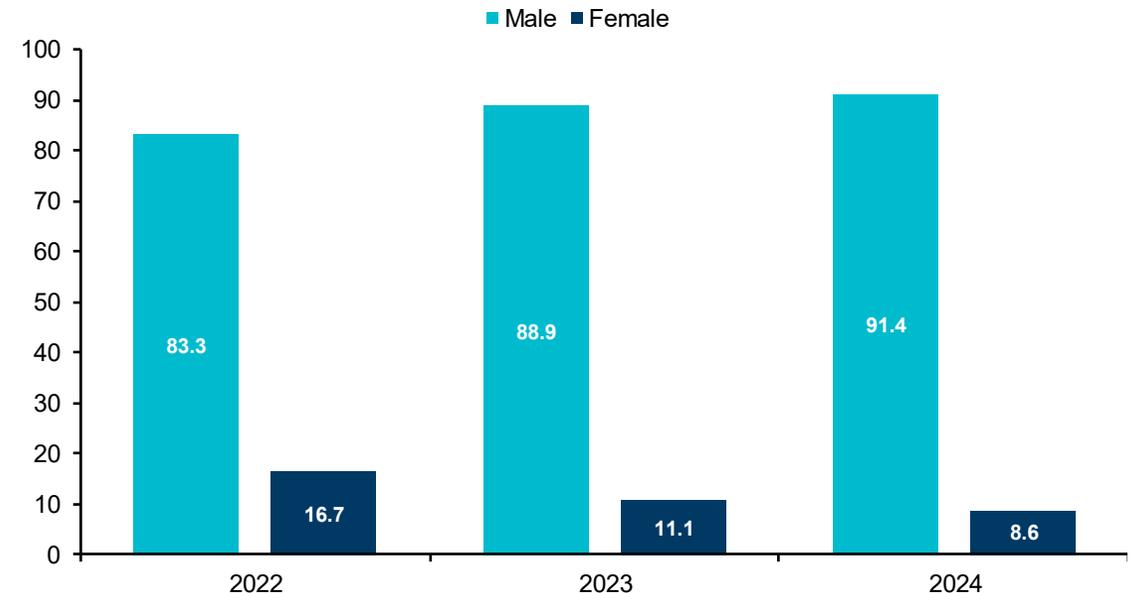
- Male overrepresentation intensifies at higher education levels: men account for **62-64%** of vocational students, while their share rose from **46.2% to 51.3%** in higher education and from **53.4% to 83.4%** in doctoral education between 2021-2024.
- Across most education levels, male shares among students and graduates broadly align. Doctoral education is the exception: **men accounted for 91.4% of new entrants in 2024, but only 58% of graduates**, indicating a widening gap between enrolment and completion.
- This divergence reflects wartime, mobilisation-related enrolment behaviour among men aged 25+, with doctoral studies increasingly used as a temporary status rather than completion-oriented training – delaying labour-market entry and overstating the effective supply of highly skilled workers.

Share of Graduates by Level of Education & Gender, %



Source: SSSU, KSE Institute

Share of New Entrants by Gender – Doctoral Degree Only, %



Source: SSSU, KSE Institute

* SSSU has not updated its 2025 data as of the publication date



Labour market reform is expected to become a key focus in 2026, following the update of the system of support for families with children. At the same time, the development of veteran policy remains a stable priority for government

The adoption of new Labour Code will be a game changer for the economy and fiscal framework

Quick facts:

- At 7 Jan 2026, the Government of Ukraine (GoU) approved the draft Labor Code and at 15 Jan 2026 registered in Verkhovna Rada as No. 14386, if voted it will take place 6 months after the war ends.
- The GoU emphasized that it is designed to replace the 1971 Soviet-era one and move rules closer to the EU standards, with full digitalization of employment documentation.
- A minimum-wage mechanism linked to the average, with the percentage set by the GoU; limits the use of a minimum wage as a “calculation base” for public-sector pay items.

Labour Code macroeconomic and fiscal effect:

- The minimum wage was set at 40% of the previous-year average wage, along with tightening legal definitions and documentation of labour relations. It raises compliance and accelerates formalization, bringing the de-shadowing and expanding the tax and contribution base.
- This partly feeding into prices and compressing profit margins. Income gains for lower-wage households support consumption, while weaker margins and higher uncertainty dampen investment; the FX impact remains broadly neutral in the baseline. The resulting higher inflation path calls for a moderately tighter monetary stance to anchor expectations without constraining credit.
- Revenues increase via PIT, SSC, VAT, and excises due to higher official wages and consumption, while profit tax receipts weaken; however, expenditure pressures are likely to absorb much of the gain, limiting gains unless accompanied by optimization.

MACROECONOMIC INDICATORS

+9.4%

Nominal Wage

+2.8 p.p.

Inflation

+6 p.p./-30 p.p

*Private consumption /
capital investments*

+0.8 p.p.

NBU Key Policy Rate

FISCAL INDICATORS

+\$4.2 bn*

Tax Revenues

+\$1.9 bn

Single Social Contributions

+\$2.2 bn

Personal Income Tax

+\$0.9 bn

VAT

* The USD estimate is calculated with an exchange rate for 2027 taken from the KSEI Ukraine Macroeconomic Handbook Q1 2026

Key reforms with implementation period 2025-2026

Reform	Description	Impact
<p>Veteran Health and Recovery</p>	<ul style="list-style-type: none"> ▪ Expand primary health care, including dental and prosthetic services. ▪ Provide adaptation support for veterans who have fully or partially lost their vision (maximum compensation of \$3,834). ▪ Provide long-term medical care for veterans. ▪ Provide treatment for cicatricial skin changes following injuries and burns. ▪ Provide free psychological support. ▪ Create and operate a network of State Veteran Spaces and case managers for veterans. ▪ Provide compensation for sports activities (up to \$33 per quarter). ▪ Provide compensation for the adaptation of personal vehicles to the individual needs of veterans with disabilities (maximum compensation of \$1,532). 	<ul style="list-style-type: none"> ▪ Improve veterans’ navigation of available support instruments, leading to more effective reintegration into civilian life. ▪ Reduce out-of-pocket expenses of veterans’ families for the recovery and medical rehabilitation of injured veterans. ▪ Shift caregiving responsibilities from families to formal support and care systems for veterans with disabilities. ▪ Promote mobility, social inclusion, and active reintegration.
<p>Child Protection and Family-Oriented Social Support</p>	<ul style="list-style-type: none"> ▪ Introduce an updated social care and upbringing service for orphans and children deprived of parental care, based on family-type care arrangements (“Family Home”). ▪ Increase payments to foster parents and family-based caregivers under the “money follows the child” principle. ▪ Implement a comprehensive reform of the child benefit system, covering support from pregnancy through to school enrolment. For example, from 1 Jan 2026, the childbirth allowance increased to \$1,094 as a one-off payment, compared to the previous structure of \$226 as a lump sum and \$19 monthly over 36 months. 	<ul style="list-style-type: none"> ▪ Strengthen demographic resilience through incentives for childbirth. ▪ Improve work–family balance. ▪ Expand family-based care for orphans. ▪ Reduce financial pressure on households with children.
<p>Resilience-Building for Vulnerable Populations</p>	<ul style="list-style-type: none"> ▪ Organise the provision of comprehensive social services in territorial communities aimed at strengthening mental health and social cohesion. ▪ Increase base salaries of social workers by almost 2.5 times (for example, from \$143 to \$371 from 1 January 2026). ▪ Introduce payments to healthcare facilities for providing long-term nursing care services to evacuated and accommodated IDPs in transit centres. ▪ Introduce a contractual model for the provision of shelter-based social services to low-mobility IDPs. ▪ Introduce basic social assistance to ensure a minimum level of income security and access to essential services for vulnerable individuals and households. ▪ Introduce payments for civilian prisoners of war (amount \$1,094). ▪ Introduce health check-ups for patients under 40 years old (payment of \$44). 	<ul style="list-style-type: none"> ▪ Enhance workforce motivation, retention, and professional capacity for nearly 80,000 social workers. ▪ Strengthen community-level resilience through integrated social services, improving mental health outcomes and social cohesion. ▪ Support low-income families, especially those with children, and reduce poverty.

Expected reforms in 2026 with implementation period 2027

Reform	Description	Impact
Improve Labour Standards for the Population	<ul style="list-style-type: none"> Modernise labour regulations and replace the outdated labour law framework dating back to 1971 with a new Labour Code. Introduce electronic employment contracts, expand and systematise their types, and establish clearer legal criteria for employment relationships to reduce informal and undeclared work. Increase the minimum annual paid leave and provide equal parental rights to childcare-related leave. Strengthen guarantees of equality and enhance protection against discrimination, mobbing, and harassment. 	<ul style="list-style-type: none"> Increase labour market transparency, administrative efficiency, and legal certainty for both employers and employees. Significantly reduce informal and undeclared work, expand social insurance coverage, and improve tax and social contribution compliance. Strengthen work–life balance and support higher labour force participation, particularly among women and caregivers.
Transform Living Standards to Reflect Real Costs of Living	<ul style="list-style-type: none"> Improve the methodology for calculating the living wage to reflect actual living standards. Establish a unified pay system with a standardised structure and clearly defined principles for wage formation across both the public and private sectors. 	<ul style="list-style-type: none"> Increase salary levels, particularly those linked to the minimum wage. Improve the methodology for calculating social standards to better reflect the real needs of the population. Increase tax and social contribution revenues.
Pension Reform	<ul style="list-style-type: none"> Ensure a transition to a unified and predictable pension system that establishes a direct link between paid social contributions, the length of contribution periods, and the amount of pension benefits. Transform special pension schemes into professional pension schemes. Increase the level of pensions for vulnerable groups. The minimum monthly pension payment has increased almost twofold, from \$76 to \$131. 	<ul style="list-style-type: none"> Ensure a fairer pension system aligned with the level of contributions. Reduce poverty among vulnerable population groups.

Appendix: Key Macroeconomic Indicators

KSEI Macroeconomic Handbook Forecast*	2021	2022	2023	2024	2025E	2026 GoU**	2026F	2027F	2028F
Real GDP Growth, %	3.3	-28.8	5.5	2.9	1.9	1.8	3.2	4.6	5.3
Nominal GDP, UAH bn	5 451	5 239	6 628	7 659	8 920	10 310	10 034.6	11 468.5	13 221.4
Private Consumption, % GDP	68.21	62.68	59.11	60.62	63.49		64.35	68.35	66.35
Private Consumption, UAH bn	3 718	3 284	3 918	4 643	5 649		6 458	7 839	8 773
Headline Inflation, % avg	9.4	20.2	12.8	6.5	12.8	7.5	7.4	7.5	8.2
Exchange Rate (\$), avg	27.3	32.3	36.6	40.2	41.7	44.7	43.3	45.2	46.8
Unemployment Rate, % avg	9.9	20.6	18.2	13.1	10.8	12.9	9	9.9	7.9
Nominal Wage, UAH avg	13 992	14 863	17 445	21 492	26 009	30 000	30 401	33 746	38 401
Budget Revenues, UAH bn	1 297	1 788	2 629	3 145	3 840	2 920	4 287	3 578	3 670
Budget Expenditures, UAH bn	1 490	2 705	4 014	4 487	5 430	4 830	6 246	5 341	5 051
State Debt, % GDP eop	43.3	71.6	79.9	83.7	91.8	106	105.4	111.2	107.2

* The forecast published in the KSEI Macroeconomic Handbook Q1 2026. 2025 year has estimated numbers, 2026-28 are forecasted

** The forecast of the Government of Ukraine presented in the Budget-2026. Exchange Rate estimates for 2026 are calculated using the exchange rate from this forecast unless stated differently