

Temporary Special Commission of the Verkhovna Rada of Ukraine on the protection of property and non-property rights of internally displaced persons and other persons affected by the armed aggression of the Russian Federation against Ukraine

**Analytical report**  
**"Employment of internally displaced persons"**

Kyiv  
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## Introduction

Employment is one of the most important factors in the functioning and development of the economy. In the context of the ongoing armed aggression and massive internal displacement, employment promotion should be seen as one of the elements of resistance. At the same time, internally displaced persons (hereinafter referred to as IDPs) need support from the state and local governments to help them generate sources of income to cover their needs at a sufficient level.

Given that one of the Commission's activities is parliamentary oversight, as well as the relevance of the issue of promoting employment of internally displaced persons (IDPs) and supporting relocated businesses, this analytical report was prepared.

### **Tasks identified during the development of the analytical report:**

- summarize the legal and regulatory framework and research findings in the field of employment;
- assess the employment status of IDPs and the main barriers and challenges they face;
- Analyze the support provided to IDPs in the area of employment at the national, regional and local levels, including existing programs and benefits;
- evaluate support measures for business relocation;
- identify recommendations for promoting IDP employment and business relocation.

In preparing this analytical report, we used, in particular, the following sources: legal and regulatory framework in this area, official statistics and data provided by government agencies, recent research by civil society organizations, information on official government resources, and media articles. In-depth interviews or short consultations were also conducted with representatives of non-governmental organizations (hereinafter - NGOs): NGO "Donbas SOS", NGO "Public Holding "GROUP OF INFLUENCE", Charitable Foundation "Rokada".

The analytical report contains four sections, as well as conclusions and recommendations. It was prepared as of October 2024.

These results will be used by the Commission in its activities, in particular, in the formation of state policy in the field of protection of property and non-property rights of IDPs and other persons affected by the armed aggression of the Russian Federation against Ukraine. The results are to be used by state authorities and local self-government bodies.

## Section 1. What is the employment situation of internally displaced persons?

As of mid-2024, more than 2 million of the 4.7 million IDPs were of working age, of whom 128,000 were in need of employment; 26,500 IDPs received unemployment benefits. While in 2023, on average, about 4,000 IDPs applied to employment centers every month, in 2024 their number increased: in February - to 11,000, and in March - to 15,000. It should be taken into account that the statistical data in this area may not be fully relevant due to the persistence of the shadow economy and avoidance of official employment. Trends in the increase in the number of registered unemployed are, in particular, related to the conditions for the appointment and payment of IDPs' accommodation allowance, which stipulate the need for employment/assistance in finding a job in order to continue receiving payments.

**Employment remains at the top of the list of challenges for IDPs.** According to a recent study by the International Organization for Migration<sup>1</sup>, the most common needs identified by IDPs, regardless of their priority, include power banks and generators (59%), followed by medicines (40%), housing and *income opportunities* (both reported by 34% of IDPs). According to the results of the April (Round 15) and July/August (Round 17) assessments of different categories of needs, the level of need for income has not increased significantly. However, IDPs have a higher demand for income-generating opportunities than non-IDPs (34% vs. 24%, respectively). Also, according to the data, 48% of IDPs considering moving from their current place of residence reported a need for income-generating opportunities, compared to 33% of IDPs not considering moving. A survey conducted last year at the initiative of the Ministry of Reconstruction confirms that the majority of IDPs are looking for work near their place of residence (58.8%), and for 27.7%, working conditions and salary are key.<sup>2</sup>

Among IDPs who reported a need for income-generating opportunities, 31% preferred assistance in the form of job creation to meet such needs, while the second most common form of assistance was educational training with the development of necessary professional skills (28%).

The report on the changes in the criteria for granting IDPs' accommodation allowance in March 2024 should also be taken into account. After all, the largest share of those respondents who reported in the survey that they had received and were still receiving IDP accommodation allowances, regardless of their current macro-region of residence, characterized the situation in which they resorted to coping strategies as "crisis". This characterization was most often reported by IDP respondents living in the Western macro-region (45%) compared to other macro-regions surveyed.

It should be noted that 50% of IDP households with incomes up to UAH 7,064 reported a decrease in important health expenditures, compared to 33% of those earning UAH 7,064 or more. The reduction of state assistance for IDPs' living

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<sup>1</sup>Report on Internal Displacement in Ukraine - General Population Survey - Round 17 (August 2024). URL: <https://dtm.iom.int/reports/ukraine-zvit-pro-vnutrishne-peremischennya-naseleennya-v-ukraini-opituvannya-zagalnogo>.

<sup>2</sup>The main challenges of finding a job for IDPs: research results. URL: <https://mtu.gov.ua/news/34498.html>

expenses, as well as high rental costs, regardless of the region, have a significant impact on the living standards of IDPs.

In general, the lack of stable earnings is identified as one of the factors of returning to the place of origin in various sociological surveys, focus groups, and consultations.

**The relevant legislation defines the framework for supporting IDPs in their employment.** According to Article 7 of the Law of Ukraine "On Ensuring the Rights and Freedoms of Internally Displaced Persons"<sup>3</sup>, the right to employment of IDPs is exercised in accordance with the legislation of Ukraine. The re-registration of unemployed persons who were subsequently registered as IDPs is carried out by the State Employment Service at the place of actual residence of the person in accordance with the procedure determined by the Cabinet of Ministers of Ukraine. On April 21, 2022, the Law was amended to provide for the right to terminate an employment contract (if it is impossible to terminate) unilaterally. This can be done by submitting an application to the employment center at the place of residence addressed to the employer for termination of the employment contract. The date of termination will be the day following the submission of the application. The Employment Center will notify the employer, the Pension Fund, and the State Tax Service. Prior to the full-scale invasion, it was required to send a notarized statement by registered mail to the last known address of the employer or (in the absence of postal service) to submit an application to the Employment Center. These changes were a significant improvement for IDPs, as they do not require additional financial costs and the need to interact with a wide range of government agencies.

**Employment of IDPs is defined as one of the directions of the state policy on IDPs.** The Strategy of State Policy on Internal Displacement for the period up to 2025 and the operational plan of measures for its implementation in 2023-2025 were approved by the Order of the Cabinet of Ministers of Ukraine of April 7, 2023, No. 312-p<sup>4</sup>, among the key tasks are the implementation of measures for vocational training/retraining, employment support and self-employment of internally displaced persons, including through the implementation of relevant non-state projects and support programs. The State Employment Service is determined by agreement.

According to the Implementation Analysis prepared by the Office of the Ukrainian Parliament Commissioner for Human Rights<sup>5</sup>, all tasks in this area are in the process of being implemented. The Ministry of Reintegration on an ongoing basis promotes the development and implementation of local programs for vocational training/retraining, employment support and self-employment of IDPs, taking into account relevant non-governmental projects and support programs. The Ministry of Reintegration also regularly promotes broad information campaigns among IDPs on vocational training/retraining, employment and self-employment support.

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<sup>3</sup>On ensuring the rights and freedoms of internally displaced persons: Law of Ukraine of 20.10.2014 No. 1706-VII. URL: <https://zakon.rada.gov.ua/laws/show/1706-18#Text>

<sup>4</sup>On approval of the Strategy of State Policy on Internal Displacement for the period up to 2025 and approval of the operational plan of measures for its implementation in 2023-2025: Order of the CMU of April 7, 2023, No. 312-p. URL: <https://zakon.rada.gov.ua/laws/show/312-2023-p#Text>.

<sup>5</sup>Analysis of the implementation of the State Policy Strategy on Internal Displacement for the period up to 2025 (April 2023 - April 2024). URL: <https://ombudsman.gov.ua/storage/app/media/uploaded-files/Аналіз.pdf>

In addition, based on the results of the analysis of national and regional programs in the field of IDP employment, the Government decided that the Ministry of Reintegration is developing a draft Strategy for Promoting Employment of Internally Displaced Persons and Persons Who Left Ukraine as a Result of the Armed Aggression of the Russian Federation and Return to Ukraine - for the period up to 2027, and an operational plan of measures for its implementation. The goal of this Strategy is to create conditions for successful adaptation and integration of IDPs into host communities, society and the labor market by improving the legal framework, ensuring access to jobs, developing professional skills, supporting entrepreneurship and access to social services. As of the end of September 2024, the document has not been submitted to the government. Both government officials and the public were involved in the development process.

**There is no comprehensive state employment strategy that would identify IDPs as a separate priority group.** Experts note the importance of developing a general state employment policy that would take into account the challenges caused by the full-scale armed aggression and their consequences for the Ukrainian economy. In this case, the employment of IDPs should be considered from the perspective of one of the largest target groups, and not in a fragmented manner without taking into account and, accordingly, without measures to overcome the problems that are nationwide. After all, some of the barriers identified by IDPs are not directly related to the fact of their displacement. These include, in particular, a small number of vacancies in small communities, difficulties with employment for people of pre-retirement age, etc. In addition, another peculiarity is that, like all other population groups in Ukraine, some IDPs work without formalizing their labor relations.

**IDPs face specific barriers to employment.** Despite the implementation of a number of solutions (see Sections 2, 3 for more details), IDPs face a number of difficulties, as evidenced by the results of focus group studies<sup>6</sup> :

- IDPs who held positions in public sector enterprises, institutions, and organizations are often not dismissed, but their income is significantly reduced due to their idle time, and assistance in securing employment is not always provided;
- prejudices of employers related to the dismissal of persons in connection with the return of IDPs to their places of origin;
- low pay or difficult working conditions;
- lack of work according to the available qualifications and work experience;
- the difficult psychological and emotional state of many IDPs.

The situation is difficult for women, who are often forced to refuse available vacancies due to the need to care for children. At present, due to the short period of implementation, it is difficult to assess the effectiveness of the social service "municipal nanny", which is designed to provide childcare for IDP families.

It is also noted that if one manages to find a remote job, another problem arises: the lack of computer equipment and laptops.

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<sup>6</sup>Do IDPs integrate into new communities? Results of focus group research. URL: <https://www.vplyv.org.ua/archives/7691>

There are cases of discrimination against IDPs in employment, as well as when looking for housing. Sometimes it is due to lack of knowledge of the Ukrainian language.<sup>7</sup>

**Both the State Employment Service and non-governmental organizations are engaged in promoting employment of IDPs.** The State Employment Service is still in the process of transforming and optimizing its services. The quality of employment assistance services may therefore vary from region to region and even from community to community. Despite this, experts note a systematic desire of local specialists to improve their services and cooperate with various non-governmental organizations and businesses. In addition, some initiatives are being implemented by the employment centers themselves. Thus, in remote communities of Donetsk, Mykolaiv and Kharkiv, Kherson and Odesa regions, you can use the services of mobile employment centers and receive individual and group consultations.<sup>8</sup>

In addition, the online service "Single Window" was launched on the website of the State Employment Center, where IDPs can obtain information about NGOs that provide assistance in the region/community, including in the field of employment. Instead, non-governmental organizations can independently enter information about their current services at<sup>9</sup>. The services provided by NGOs and charitable foundations are diverse: career counseling, educational assistance, vocational training, business support, including grant writing, etc.

### Services from non-governmental organisations

Here you will find comprehensive information about the services provided by various organisations to support you.

For IDPs	for veterans	for people with disabilities
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### Choose a service

Employment assistance, including career counselling	Professional training	Business support, including grants
Humanitarian aid, including material aid	Legal assistance, including representation	Assistance in restoring documents of interest
Provision of accommodation, including temporary accommodation	Psychological assistance	Rehabilitation
other (specify)		

<sup>7</sup>Bureaucracy, humanitarian aid and lack of communication: Results of focus group research. URL: <https://www.vplyv.org.ua/archives/7403>.

<sup>8</sup>Residents of the two regions will be able to use mobile employment centers: Ministry of Reintegration. URL: <https://minre.gov.ua/2023/11/18/meshkanczi-dvoh-oblastej-zmozhut-korystuvatysya-mobilnymy-czentramy-zajnyatosti/>

<sup>9</sup>Services from non-governmental organizations: State Employment Service. URL: <https://www.dcz.gov.ua/other/onewindow>.

Such support is provided in different regions by both national and local organizations. This list is constantly updated.

There are also separate business training programs aimed at developing entrepreneurial skills and entrepreneurship in general. For example, the REDpreneur.UA program has been launched to improve the livelihoods of people across the country by supporting business development with the assistance of the Ukrainian Red Cross and the Austrian Red Cross in cooperation with the School of ME<sup>10</sup>. Also, ReSkill UA is a project of professional development and retraining for Ukrainians that trains specialists and connects them with employers. It is implemented by Coursera and Happy Monday with the support of the USAID Competitive Economy Program and the Ministry of Economy of Ukraine.<sup>11</sup>

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<sup>10</sup>Application form for participation in the program "REDpreneur.UA: Development of entrepreneurial skills and entrepreneurship". URL: [https://ee.urcs.org.ua/x/a4ybyfYO?fbclid=IwZXh0bgNhZW0CMTEAAAR2bfK4bG3ZbbzRBeYr1bh8WuXWjf3dihV8H-J6Y4AFgixugW3sAF22cz7c\\_aem\\_rtnfCwYkVvTmlrfkKjaifg](https://ee.urcs.org.ua/x/a4ybyfYO?fbclid=IwZXh0bgNhZW0CMTEAAAR2bfK4bG3ZbbzRBeYr1bh8WuXWjf3dihV8H-J6Y4AFgixugW3sAF22cz7c_aem_rtnfCwYkVvTmlrfkKjaifg).

<sup>11</sup>Registration form for participants in the ReSkill UA project. URL: [https://reskill-register.happymonday.ua/?utm\\_source=online&utm\\_medium=ambassadors&utm\\_campaign=anons](https://reskill-register.happymonday.ua/?utm_source=online&utm_medium=ambassadors&utm_campaign=anons)



## **Section 2: What is the state support for employment of internally displaced persons?**

**All employment services are available to IDPs.** IDPs interested in finding a job can search for one through the State Employment Service and its regional branches<sup>12</sup>, on their Unified Job Portal<sup>13</sup> or through chatbots on Telegram and Viber. Applying to the Employment Service can significantly speed up the employment process, as the service's specialists often recruit candidates for specific employer orders, including organizing vocational training for the unemployed directly at the future workplace. The State Employment Service emphasizes an individual approach. IDPs can also receive financial assistance within three months from the day after they receive unemployment status.

Applying to an employment center does not exclude the possibility of an independent job search, including through available private online services.

**Employment centers provide the possibility of dismissal if the employer remains in the TOT.** Paragraph 2 of Part 4 of Article 7 of the Law of Ukraine "On Ensuring the Rights and Freedoms of Internally Displaced Persons" stipulates that an IDP who was unable to terminate an employment contract (other type of employment) in accordance with paragraph 1 of Article 36, Articles 38, 39 of the Labor Code of Ukraine<sup>14</sup>, due to the impossibility of continuing work under such an employment contract (other type of employment) at the previous place of residence, in order to obtain unemployment status and receive unemployment benefits and social services under the mandatory state social insurance in case of unemployment, has the right to terminate such an employment contract unilaterally by submitting an application to the employment center at the place of residence of the IDP addressed to the employer to terminate the employment contract. After that, the employment contract will be considered terminated from the date specified in the application, and the employee will be registered as unemployed.

At the same time, IDPs who were employed and are also pensioners may terminate their employment relationship with an employer only in court by filing a lawsuit. The reason for this is that, according to paragraphs 1 and 2 of Part 1 of Article 43 of the Law of Ukraine "On Employment of the Population"<sup>15</sup>, the status of registered unemployed (among other things) may be granted to a person of working age before the appointment of a pension (in particular, by age, on preferential terms or by length of service).

**IDPs can get a new education, profession, or advanced training free of charge.** The procedure for issuing vouchers to support the competitiveness of certain

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<sup>12</sup>State Employment Service. URL: <https://dcz.gov.ua/>.

<sup>13</sup>The only portal of vacancies. URL: <https://www.dcz.gov.ua/job>

<sup>14</sup>Labor Code of Ukraine. URL: <https://zakon.rada.gov.ua/laws/show/322-08#Text>

<sup>15</sup>On employment of the population: Law of Ukraine dated 05.07.2012 No. 5067-VI. URL: <https://zakon.rada.gov.ua/laws/show/5067-17#n410>.

categories of citizens in the labor market<sup>16</sup> stipulates that vouchers are issued to IDPs of working age in the absence of suitable work. A voucher is a one-time document that gives a person the right to receive free training according to the list approved by the Ministry of Economy of Ukraine<sup>17</sup>, which includes more than 120 professions and specialties. To receive a voucher, you need to apply online or in person at the nearest employment center. It should be noted that the Procedure does not provide for age restrictions for IDPs or special conditions for length of service. Also, despite the fact that the voucher cannot be used by persons who have undergone retraining within the last three years, this does not apply to IDPs who, after the introduction of martial law, received a certificate of IDP registration in accordance with the established procedure and did not undergo retraining at the expense of the said Fund.

The advantage of a voucher for training should be determined by the competitiveness of the person who received the voucher in the labor market. Such training is provided at the expense of the Fund of Compulsory State Social Insurance of Ukraine for Unemployment.

There is also a variety of learning paths: mastering a new profession or specialty, advanced training, level of education, or obtaining a new specialization in the acquired profession or specialty.

However, experts note the need to raise the value of the voucher (currently, it cannot exceed ten times the subsistence minimum for able-bodied persons), as well as to revise the system for determining educational institutions that are ready to accept citizens for voucher training (currently, this limits the opportunities for citizens both in terms of possible areas and geographically). Studying outside the territory of residence, which entails additional costs, may also be an obstacle. Some IDPs may lose the opportunity to receive a voucher due to their ignorance.

There is also the problem of regulating the market by setting a certain maximum number of people who can receive a voucher in the field. The absence of this leads to the appearance on the market of a significant number of specialists in the field who cannot be employed (have a sufficient amount of work) given the economy of a particular region.

**Employers may receive compensation for labor costs for employing IDPs.** In accordance with the Resolution of the Cabinet of Ministers of Ukraine dated 08.09.2015 No. 696<sup>18</sup>, employers are entitled to compensation for a period not exceeding six calendar months, provided that they employ registered unemployed persons under fixed-term employment contracts and maintain employment guarantees for such persons for a period exceeding the duration of the payment by 2 times. The compensation is paid for each odd month of work during the year, but not more than for six calendar months in the amount of actual labor costs, but not more than two

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<sup>16</sup>On Approval of the Procedure for Issuing Vouchers to Support the Competitiveness of Certain Categories of Citizens in the Labor Market: Resolution of the Cabinet of Ministers of Ukraine of March 20, 2013, No. 207. URL: <https://zakon.rada.gov.ua/laws/show/207-2013-п#Text>.

<sup>17</sup>On approval of the List of professions and specialties for which a voucher may be issued: Order of the Ministry of Economy of Ukraine dated 11.04.2023 No. 2040. URL: <https://zakon.rada.gov.ua/laws/show/z0793-23#n7>.

<sup>18</sup>On Approval of the Procedure for Implementation of Measures to Promote Employment, Refund of Funds Allocated to Finance Such Measures in Case of Violation of Employment Guarantees for Internally Displaced Persons: CMU Resolution of September 8, 2015, No. 696. URL: <https://zakon.rada.gov.ua/laws/show/696-2015-п#Text>.

times the minimum wage established by law. In addition, an employer who employs an unemployed internally displaced person for at least 12 months at the direction of an employment center may receive compensation for retraining and advanced training costs. The amount of compensation is set within the cost of training, but may not exceed ten times the subsistence minimum for able-bodied persons.

In addition, an employer may receive compensation for labor costs for the employment of IDPs as a result of hostilities during martial law in Ukraine<sup>19</sup>. The amount of compensation paid to an employer for the employment of an IDP who received an IDP certificate after February 24, 2022, is the minimum wage for three months, and for the employment of an IDP with a disability - for six months. To receive the funds, the employer must conclude an employment contract (including a part-time contract), a gig contract with the IDP, and apply for compensation through the Diia Portal or in paper form at the employment center along with the required documents.

In the first 3 months of 2024 alone, the state paid employers UAH 45 million as part of a compensation program for the employment of 3,300 internally displaced persons. The Ministry of Economy notes that the financial incentives provided to employers under this program help IDPs find jobs faster and adapt to new places, and be able to provide for themselves and their families.<sup>20</sup>

In 2023, the state compensated employers UAH 181 million for hiring IDPs. In total, more than 8,000 entrepreneurs have hired 14,400 IDPs as part of the state program to stimulate the employment of IDPs.<sup>21</sup>

Experts note that the willingness to use the compensation mechanism is related, among other things, to the simplified system of submitting documents, including through the Diia web portal. However, there are also concerns about the potential for additional inspections. Another negative is that compensation can be paid for an employed IDP only once, regardless of whether the entire possible compensation period has been used.

**Some IDPs join the Army of Restoration program.** The procedure for engaging able-bodied persons in socially useful work under martial law<sup>22</sup> provides for temporary employment of able-bodied persons under martial law. The types of such work depend on the needs of a particular region. The military command, together with military administrations, determines what work is needed in the region, informs the employment service, which offers registered unemployed persons to take part in such work. Most often, these are works to ensure the livelihoods of citizens affected by the

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<sup>19</sup>On Approval of the Procedure for Providing Employers with Compensation for Labor Costs for Employment of Internally Displaced Persons as a Result of Hostilities during Martial Law in Ukraine: CMU Resolution of March 20, 2022, No. 331. URL: <https://zakon.rada.gov.ua/laws/show/331-2022-п#Text>.

<sup>20</sup>Information message: website of the Ministry of Economy. URL: [https://me.gov.ua/News/Detail?lang=uk-UA&id=b8ba2ac8-e45f-4334-a638-29b5006a0cda&title=Pratsevlashtuvannia&fbclid=IwZXh0bgNhZW0CMTAAAR3W5GnO\\_9ZwDXAAjXoD3vDZ26kOYjWELWSnnQ20KnrCyqHvBCROvWr3sEE\\_aem\\_AfcQ8K6NbxapBM6pvcrdzoIJeUhQcIoNbjivtRKQ7Y4gpT3JCREGS6f5iRGwP9MQfbJuCdaT-HMWq9E0PBGHp](https://me.gov.ua/News/Detail?lang=uk-UA&id=b8ba2ac8-e45f-4334-a638-29b5006a0cda&title=Pratsevlashtuvannia&fbclid=IwZXh0bgNhZW0CMTAAAR3W5GnO_9ZwDXAAjXoD3vDZ26kOYjWELWSnnQ20KnrCyqHvBCROvWr3sEE_aem_AfcQ8K6NbxapBM6pvcrdzoIJeUhQcIoNbjivtRKQ7Y4gpT3JCREGS6f5iRGwP9MQfbJuCdaT-HMWq9E0PBGHp)

<sup>21</sup>In 2023, the state compensated employers UAH 181 million for hiring IDPs: Ministry of Reintegration. URL: <https://minre.gov.ua/2024/01/09/u-2023-rocz-derzhava-kompensovala-robotodavczam-181-miljon-gryven-za-praczevlashtuvannya-vpo/>

<sup>22</sup>Procedure for engaging able-bodied persons in socially useful work under martial law: Resolution of the Cabinet of Ministers of Ukraine of July 13, 2011, No. 753. URL: <https://zakon.rada.gov.ua/laws/show/753-2011-п#Text>.

hostilities; unloading, packaging and delivery of humanitarian aid; providing social services to citizens in places where IDPs are concentrated and targeted assistance to IDPs; weaving camouflage nets, canning products for the needs of the Armed Forces, sewing clothes and repairing military ammunition; assistance in caring for wounded soldiers in medical institutions; clearing rubble, restoring residential buildings and premises, clearing railroad tracks and roads.

To perform work, a fixed-term employment contract is concluded with a person, and the employee is subject to the requirements and guarantees in the field of labor protection and compulsory state insurance. Starting from April 1, 2024, the salary under the program increased to UAH 12,000.

However, experts note that labor remuneration, often for hard work, is insufficient, and involvement is sporadic, which does not contribute to sustainability for a particular person. There are reports of failure to take into account the complexity of the proposed work in accordance with the physical, psycho-emotional state and qualifications of a particular person when assigning such work. This is critical given that after the second refusal during martial law from public and other temporary work (in the absence of suitable work), a person's registration as unemployed is terminated

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**IDPs can start their own business.** Receive a grant from the state under the "eRobota" program<sup>24</sup>. The recipient may be an individual who intends to start a business and undertakes to register as an individual entrepreneur or establish a legal entity within 20 working days from the date of receipt of a positive decision on the grant. Grant funds are provided to cover various expenses. Such as the purchase of furniture, equipment, vehicles; purchase of licensed software, livestock and poultry, perennial plantings, sowing material, raw materials, goods and services related to the implementation of the business plan; marketing and advertising services; rent for the use of non-residential premises, land to be used for commercial and industrial purposes, etc.

Within the framework of the "eRobota" program, you can get a grant for processing industry production, a grant for a garden, a grant for a greenhouse, a grant for your own business.<sup>25</sup>

It also provides a response to challenges. Entrepreneurs from Kharkiv and Kharkiv region have had the amount of assistance under the "eRobota" program doubled to UAH 500,000.<sup>26</sup>

Despite the positive response to such opportunities, obstacles that may deter IDPs should be taken into account, namely

- lack of funds for start-up capital, as well as a shortage of working capital;
- lower solvency of potential customers in new regions (depending on the region);

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<sup>23</sup>On Approval of the Procedure for Registration, Re-registration of Registered Unemployed and Keeping Records of Job Seekers: CMU Resolution of March 30, 2023, No. 446. URL: <https://zakon.rada.gov.ua/laws/show/446-2023-ii#n318>.

<sup>24</sup>eRobota. URL: <https://erobota.diia.gov.ua>.

<sup>25</sup>Grants: eRobota. URL: <https://diia.gov.ua/services/categories/gromadyanam/yerobota>.

<sup>26</sup>The conditions for granting grants have been expanded: State Employment Service. URL: <https://dcz.gov.ua/news/singlenews/497>.

- Inability to purchase new equipment or transport equipment from production or workshops;
- the need to find new marketing strategies at a new business location;
- Lack of organized monitoring (advisory support) of new businesses for a certain period after the start of operation, etc.

The conditions for entrepreneurship and self-employment need to be further expanded: strengthening market analysis skills, involving educational institutions in business training, publishing and regularly updating the results of market analysis and priority sectors on the websites of state and local governments, etc.

**Not all IDPs are aware of existing programs and opportunities.** This may be due to the fact that a person does not follow existing IDP programs and projects, or because they are informed through a limited number of channels.

### **Section 3. How is the employment of internally displaced persons promoted at the regional and local level?**

**The State Strategy on Internal Displacement defines a special role for employment promotion measures at the regional and local level.** Strategic objective 3. "Facilitating the adaptation of internally displaced persons at a new place of residence immediately after internal displacement" envisages the development of local programs for employment and/or retraining of internally displaced persons. Regional, Kyiv city military (state) administrations, the Fund of Compulsory State Social Insurance of Ukraine for Unemployment, as well as local governments (upon agreement) are responsible for implementation. Funding is provided at the expense of local budgets.

**At the local level, the services provided by the state and IDPs are mainly used.** These include employment services, registered unemployed status, vocational training and vouchers, grants for starting or developing a business, compensation to employers for hiring IDPs, etc. (see Section 2 for more details). Information about such opportunities is provided on the websites of state and local authorities, non-governmental organizations, etc.

**Some programs may be more widespread, depending on the situation in the region.** Donetsk region is actively involved in the implementation of the government's Army of Recovery program. More than 20,000 people have taken part in restoring the destroyed infrastructure, providing services to socially vulnerable people, unloading and packing humanitarian aid, etc. However, such a measure is temporary and, as experts note, may not meet the real need and, most importantly, the human capacity.

**In some regions and communities, support programs include measures aimed at employment of IDPs.** For example, the Comprehensive Support Program for Internally Displaced Persons in Dnipropetrovsk region for 2023-2025<sup>27</sup> aims to ensure the implementation of effective mechanisms to support and stimulate IDP employment. Quantitative performance indicators include the coverage of IDPs with employment and vocational training, retraining and advanced training services, and qualitative indicators include an increase in the number of employed IDPs and the number of IDPs involved in socially useful, public and other temporary work.

The Vinnytsia region approved the Strategy of interagency cooperation, assistance to internally displaced persons and promotion of their adaptation and integration by creating conditions for capacity development, strengthening the capacity of territorial communities that host these persons until 2026<sup>28</sup>. One of the

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<sup>27</sup>Comprehensive program of support for internally displaced persons in Dnipropetrovsk region for 2023-2025.

URL: <https://oblrada.dp.gov.ua/rishennia/pro-kompleksnu-programu-pidtrimki-vn-2/>

<sup>28</sup>The Strategy of Interagency Cooperation, Assistance to Internally Displaced Persons and Facilitating their Adaptation and Integration by Creating Conditions for Capacity Development, Strengthening the Capacity of Territorial Communities Hosting These Persons until 2026 was approved by the Order of Vinnytsia Regional State



Strategy's goals is to ensure conditions for employment of economically active IDPs. The main tasks include measures to return IDPs to the active labor market, creating conditions to support the entrepreneurial initiative of internally displaced persons, implementing measures to improve the professional competence of IDPs through vocational training, retraining and advanced training, and implementing measures to support IDPs to establish and develop their own businesses. The key performance indicators include, among other things, ensuring that measures are taken to improve the professional competence of IDPs in accordance with their needs, and ensuring that training activities are conducted for IDPs on starting and developing their own business.

IDPs are also identified within the framework of general regional and local employment programs.

**Support measures are also determined by local authorities of territorial communities under occupation.** As an example, the Program of Social Protection and Support of Internally Displaced Persons of the Shchastia City Territorial Community of Luhansk region for 2024<sup>29</sup> provides for measures to provide jobs to Ukrainian citizens who have moved from the temporarily occupied territory of Ukraine, as well as assistance in employment. The expected result is a decrease in unemployment among IDPs and an increase in professional level. The Local Program for Support and Integration of Internally Displaced Persons of Bilokurakyno ATC and Luhansk region for 2023-2024<sup>30</sup> provides for the task of facilitating vocational training and employment of IDPs, including both employment services and grants for setting up or developing their own business, involving IDPs in temporary and other public works, etc.

In practice, these communities are mostly limited to informing IDPs.

**Promoting employment and entrepreneurship among IDPs is one of the activities of the IDP Councils.** Advisory bodies established at local councils and state administrations focus, among other things, on IDP employment issues. For example, the IDP Council at the Kyiv City Military Administration (<sup>31</sup>) defines as one of its goals for 2024 the task of facilitating the development and approval of a city program to support relocated businesses, aimed at helping at least 20% of enterprises, as well as the introduction of an effective website focused on the employment of IDP medical professionals in Kyiv. The IDP Council at the Cherkasy

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Administration No. 1062 of August 4, 2023. URL: <https://www.vin.gov.ua/hromadianam/informatsiia-dlia-vpo/normatyvno-pravovi-dokumenty-z-pytan-vpo/64769-nakaz-1062-vid-04-serpnia-2023-roku-2>

<sup>29</sup>On approval of the Program of social protection and support of internally displaced persons of the Shchastia city territorial community of Luhansk region for 2024: Order of the Shchastia City Military Administration of 06.12.2023 No. 01/160. URL: [https://storage.googleapis.com/svoi-upload/368/150624/01\\_160-vid-06.12.2023-Programa-mat-dopomogi-BPO.pdf](https://storage.googleapis.com/svoi-upload/368/150624/01_160-vid-06.12.2023-Programa-mat-dopomogi-BPO.pdf).

<sup>30</sup>Local program of support and integration of internally displaced persons of Bilokurakyno ATC and Luhansk region for 2023-2024. URL: [https://rada.info/upload/users\\_files/04335447/7bf39fa49fcf398f8e54a6d6625a916e.pdf](https://rada.info/upload/users_files/04335447/7bf39fa49fcf398f8e54a6d6625a916e.pdf)

<sup>31</sup>The Strategic Plan of the Council is defined in the Appendix to the Minutes No. 3 of the Council meeting of January 19, 2024. URL: [https://kyivcity.gov.ua/pilhy\\_dovidky\\_ta\\_sotsialnyi\\_zakhyst/vnutrishno\\_peremishchenykh\\_hromadianam\\_ukrainy/ra-da\\_z\\_pitan\\_vnutrishno\\_peremishchenikh\\_osib\\_pri\\_kivskiy\\_miskiy\\_viyskoviy\\_administratsi/protokoli\\_zasidan\\_99679/6/Text\\_3/vid\\_19012024\\_3/](https://kyivcity.gov.ua/pilhy_dovidky_ta_sotsialnyi_zakhyst/vnutrishno_peremishchenykh_hromadianam_ukrainy/ra-da_z_pitan_vnutrishno_peremishchenikh_osib_pri_kivskiy_miskiy_viyskoviy_administratsi/protokoli_zasidan_99679/6/Text_3/vid_19012024_3/)

Regional Military Administration defines<sup>32</sup> as one of the goals of promoting support for relocated businesses and IDPs who have started their own businesses to provide them with organizational, methodological and advisory support. The main tasks include developing a support program through surveys, meetings with the target group, studying the issues and further providing recommendations. It is also planned to conduct an information campaign on the self-realization of IDPs in their new place of residence.

The issue of employment is also considered during meetings of individual Coordination Centers for Civilian Support. For example, at a meeting of the Coordination Center at the Ivano-Frankivsk Regional Military Administration<sup>33</sup>, the agenda item was to discuss the social adaptation of IDPs to new living conditions, in particular through employment.

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<sup>32</sup>According to the Operational Plan for the Implementation of the IDP Council Strategy for 2024, defined in Annex #2 to the Minutes #4 of the Council meeting of January 17, 2024. URL:

<https://drive.google.com/file/d/1tI1iVZsZZGWySU0nBAVUSpEdbbWDh8p6/view>

<sup>33</sup>A meeting of the Coordination Center for Civilian Support was held. URL:

<https://ifr.dcz.gov.ua/novyna/vidbulosya-zasidannya-koordynacijnogo-centru-pidtrymky-cyvilnogo-naselennya-0>.



## Section 4. What is the support for business relocation and recovery?

After the start of Russia's full-scale invasion of Ukraine, the state and local governments took some measures to relocate state and municipal institutions, as well as some enterprises from the TOT and the combat zone to safer areas. Some of them, such as educational institutions, continue to operate remotely. There is no generalized information on the current state of state and municipal institutions, organizations and enterprises from the TOT and the combat zone, especially the active ones.

**At the governmental level, the "Platform for Business Relocation to Safer Regions" has been launched<sup>34</sup>.** This program provides support for the full or partial relocation of facilities of private enterprises affected by armed aggression. The support includes both the selection of a location for the facilities and assistance with transportation to a new location, assistance in resettling employees and finding new employees, support in restoring logistics, purchasing raw materials, and finding markets. As of the beginning of September 2024, according to the data posted on the online platform, 1,960 applications for relocation have been registered. Among them, 883 companies from the following regions of Ukraine have been relocated:

in 2022 - from Dnipropetrovs'k (1.4%), Donetsk (15.0%), Zhytomyr (0.5%), Zaporizhzhia (4.2%), Kyiv (0.3%), Luhansk (2.7%), Mykolaiv (2.7%), Odesa (0.9%), Poltava (0.2%), Sumy (1.1%), Kharkiv (27.9%), Kherson (0.6%), and Chernihiv (2.0%);

in 2023 - from Donetsk (0.3%), Zaporizhzhia (0.2%), and Kharkiv (0.7%);

in 2024 - from Kharkiv (0.1%) and Kherson (0.1%).

Among the relocated enterprises that have already resumed their operations at the new location, the largest share is made up of enterprises in the wholesale and retail trade, repair of motor vehicles and motorcycles (40.7% of the total number of relocated enterprises), processing industry (30.2%), information and telecommunications (6.7%), professional, scientific and technical activities (6.2%), and construction (4.4%).

The relocation of enterprises is carried out in one of sixteen regions (Zakarpattia, Ivano-Frankivsk, Lviv, Ternopil, Khmelnytsky, Chernivtsi, Vinnytsia, Volyn, Rivne, Kirovohrad, Cherkasy, Poltava, Dnipropetrovs'k, Zhytomyr, Odesa, and Kyiv (excluding Kyiv) regions). The largest number of enterprises relocated to Lviv (23.3%), Zakarpattia (14.0%), Chernivtsi (9.2%), Ivano-Frankivsk (8.8%), Khmelnytsky (7.0%), and Ternopil (6.0%) regions.

According to the Pension Fund of Ukraine, this program has helped relocate enterprises that have saved almost 43,000 jobs.

**The relocation is also carried out by the companies' own efforts.** It should be borne in mind that private enterprises are much more flexible than the state and often provide relocation with their own resources in accordance with their own capabilities. For example, as of the middle of last year, 327 business entities (200 individual

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<sup>34</sup>A platform for business relocation to safer regions. URL: [https://prozorro.sale/marketplace\\_landing-page/](https://prozorro.sale/marketplace_landing-page/)

entrepreneurs and 127 legal entities) were relocated to Vinnytsia region, creating 1,673 jobs. Of these, 35 companies were relocated under the government's relocation program.

During the focus group studies conducted by<sup>35</sup>, business representatives stated that it is very difficult to restart a business in a new location. Investments, premises, and equipment often remain in the temporarily occupied territories or in areas where hostilities are taking place. It is difficult to find similar conditions in a new location, there are no necessary premises, etc.

In turn, the experts noted that the decision to relocate on their own may also be due to the lack of a regulated algorithm of actions; inadequate awareness of available support measures or their insufficiency. All of this demonstrates the need for a comprehensive approach to support affected businesses by the state.

**Organizing or restoring your own business also involves significant difficulties.** The lack of own funds and property makes it impossible to change the location of the business or attract investment in it. The need for certain elements of support, such as transportation or finding a location for facilities, cannot be ruled out. Another problem is the reluctance of banks to lend to IDPs and their businesses, which can be explained by the lack of collateral, permanent residence, and the instability of the economy as a whole. Therefore, participation in grant programs and integration with the local community, which provides financial support, connections and information about local features, is perhaps the only way out.

For some businesses, such as heavy industry, it is not possible to relocate at all or it is very difficult, requires a specific location, support in building new infrastructure or improving (increasing the volume of) existing infrastructure. Such support varies considerably on the ground.

**The state provided for the possibility of prolonging only certain types of loans.** These are the companies that received funds under the Affordable Loans 5-7-9 program. Such an opportunity is provided to enterprises whose production facilities as of February 24, 2022 were located in the territories of: active hostilities (for which the date of completion of hostilities has not been determined); territories of active hostilities where state electronic information resources operate (for which the date of completion of hostilities has not been determined); temporarily occupied by the Russian Federation (for which the date of completion of temporary occupation has not been determined). The Resolution specifies the term of prolongation of loans - no later than December 31, 2025.<sup>36</sup> However, the overall strategy for supporting enterprises in terms of lending requires further elaboration.

**Separate support measures may be provided at the local level.** The Comprehensive Program for the Development of Small and Medium-Sized Enterprises in Chernivtsi Region for 2023-2024, approved by the Order of the

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<sup>35</sup>Integration of internally displaced persons in host communities: results of focus group research. URL: <https://www.vplyv.org.ua/archives/7691>.

<sup>36</sup>Ministry of Agrarian Policy: Relocated business has the opportunity to prolong loans. URL: <https://www.kmu.gov.ua/news/minahropolityky-relokovanyi-biznes-otrymav-mozhlyvist-prolonhatsii-kredytiv>

Regional State Administration (Regional Military Administration) of December 12, 2022, No. 1485-p<sup>37</sup>, provides for compensation to relocated enterprises for part of the cost of rent for leased production facilities and the cost of production equipment purchased under a loan agreement with banking institutions.

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<sup>37</sup>Comprehensive program for the development of small and medium-sized enterprises in Chernivtsi region for 2023-2024, approved by the order of the regional state administration (regional military administration) of December 12, 2022, No. 1485-p. URL:  
<https://bukoda.gov.ua/storage/app/uploads/public/65a/a5e/fb3/65aa5efb3c429195045922.pdf>.

## **Conclusions and recommendations**

1. Despite the fact that the vast majority of IDPs have resolved their employment issues, employment and employment assistance remain one of the challenges for IDPs. The key issues are working conditions and salaries that would meet the needs of IDPs to cover rent, the need to purchase both basic necessities and long-term consumption goods, etc. After all, IDPs are often left with a very limited number of belongings when they move. Those who move as a result of evacuation or leave the temporarily occupied territories mostly leave all their acquired property behind or it is destroyed. Reduced income affects the ability to maintain health and overall emotional well-being. Reducing the provision of housing allowances and curtailing the Shelter program for certain groups may be considered critical.
2. The issue of employment of IDPs is reflected in the Law of Ukraine "On Ensuring the Rights and Freedoms of Internally Displaced Persons" (which does not take into account the possibility of termination of employment with an employer in the TOT by a person of retirement age), as well as the State Policy Strategy on Internal Displacement for the period up to 2025 and its operational plan. The vast majority of measures should be implemented at the local level and at their expense. Despite the government's decision to develop a Strategy for Promoting Employment of IDPs and Persons Who Left Ukraine as a Result of the Armed Aggression of the Russian Federation and Return to Ukraine, as of October 2024, it has not been approved. At the same time, the issue of IDPs' employment cannot be considered in isolation from the overall context and economic strategy of the state. Experts also pay special attention to this, as some of the difficulties of IDPs are related to the general labor market. Currently, there is no information on the development of a general economic policy that would include the issue of employment of the affected population.
3. Measures aimed at supporting employment are defined by local programs, including by communities whose territories are under temporary occupation. Coordination and advisory bodies are involved in the work at the local level: Councils on IDPs, Coordination Centers for Civilian Support.
4. Promoting employment of IDPs is the focus of systematic work of the State Employment Service and its local offices, local governments, and NGOs. In order to coordinate with the latter, the online service "Single Window" was launched, through which IDPs can obtain information about non-governmental organizations that provide assistance in the region/community, including in the field of employment.
5. IDPs can use all the services provided by employment centers, including receiving a voucher for training in the list of professions and specialties defined by the Ministry of Economy of Ukraine, and starting a business using the opportunities identified under the "eRobota" program. Some IDPs are involved in the "Army of Restoration". Employers, in turn, can receive compensation for labor costs for hiring IDPs. Each of the support measures has its drawbacks and

potential areas for development. Some IDPs remain uninformed about available opportunities.

6. Businesses relocate and resume their operations both independently and within the framework of the Platform for Business Relocation to Safer Regions. Resuming business in a new location, as well as starting a business, involves a number of difficulties, some of which depend on local authorities (renting premises, assistance in finding markets, etc.) and community members, while others depend on the IDP and their own ability to adapt. Some communities carry out targeted work in this area.

In view of the above, it is necessary to improve the work in this area through the following proposed measures.

**The Cabinet of Ministers of Ukraine:**

1. Ensure the development and approval of the State Employment Policy with a special focus on the territories affected by the armed aggression of the Russian Federation against Ukraine, as well as the affected population, including IDPs with a special focus on the recently displaced. The document should be developed through consultations with state authorities of various levels, local governments, national and international non-governmental organizations;
2. Consider amending the procedures aimed at promoting employment through broad discussions involving relevant state authorities and non-governmental organizations, namely
  - in the Procedure for Issuing Vouchers to Support the Competitiveness of Certain Categories of Citizens in the Labor Market (CMU Resolution No. 207 of 20.03.2013 (as amended)), to allow IDPs to receive vouchers regardless of the availability of suitable work for them, and not to limit the receipt of a voucher for training to the approved list of professions and specialties, to provide for the possibility of receiving a voucher on the basis of general secondary education;
  - in the Procedure for engaging able-bodied persons in socially useful work under martial law (CMU Resolution No. 753 of July 13, 2011), increase and regulate the amount of remuneration depending on the qualifications and complexity of the work performed, and take into account the limitations of local budgets of individual communities;
  - in the Procedure for Providing Employers with Compensation for Labor Costs for Employment of Internally Displaced Persons as a Result of Hostilities during Martial Law in Ukraine (CMU Resolution No. 331 of March 20, 2022), provide for the possibility of receiving the balance of compensation at a new place of employment if the dismissal took place before the end of the period for which compensation is provided.
3. To develop and submit to the Parliament of Ukraine draft amendments to the Law of Ukraine "On Ensuring the Rights and Freedoms of Internally Displaced Persons" to ensure termination of employment of a person who does not intend or have grounds to register as unemployed if the employer is located in the temporarily occupied territory of Ukraine.

**The central executive body that ensures the formation and implementation of state policy in the field of labor, employment, labor migration, labor relations, and social dialogue:**

1. Ensure the implementation and development of measures aimed at expanding government programs to encourage the creation of new jobs for internally displaced persons and encourage employers to engage in social entrepreneurship through an analysis of the current situation;
2. To ensure generalization of analytical, statistical data, etc., problems and difficulties that have an impact on the labor market as a result of the armed aggression of the Russian Federation against Ukraine, in order to develop the State Employment Policy with a special focus on the territories affected by the armed aggression of the Russian Federation against Ukraine and the affected population;
3. Ensure awareness-raising campaigns in the area of employment, business support, including relocated businesses, taking into account accessibility requirements and disseminating materials in various formats.

**The State Employment Service and regional employment centers:**

1. Promote a systematic analysis of the economic situation in the country and the labor market, taking into account the processes of mass internal displacement, as well as the necessary skills and professions that are in demand in the region/community;
2. Ensure further implementation of the envisaged programs and services for IDPs, as well as facilitate the provision of business grants by supporting entrepreneurs at the local level (consultations, provision of up-to-date statistical information on community needs and markets);
3. Support IDPs in acquiring new skills and retraining, taking into account the needs and demand of the market;
4. Facilitate coordination of efforts with various state and local authorities, national and international organizations, and businesses in order to obtain all necessary support measures in accordance with the individual needs of IDPs;
5. Ensure outreach campaigns, including information on available vacancies in the region/community, access to services remotely, taking into account accessibility requirements and distributing materials in various formats.

**Regional, district, Kyiv and Sevastopol city state (military) administrations, and local governments:**

1. To facilitate the definition of tasks and measures to promote the employment of IDPs at the level of program documents in the field of employment, as well as in the field of internal displacement;
2. Involve IDPs through various formats in addressing IDP employment issues, as well as carry out activities through mobile field visits of specialists, including to places of temporary residence, online webinars and consultations, etc;
3. Ensure proper support for IDPs' employment, with special attention to newly evacuated persons, including through related areas: provision of social

services, psychological support, information on "municipal nanny" services, etc;

4. Interact with local governments of communities under temporary occupation and displaced persons regarding IDPs originating from such communities;
5. Ensure the introduction of programs to support relocated businesses, as well as the organization and implementation of measures to integrate relocated enterprises into the regional business environment;
6. Assist relocated businesses and newly established IDP businesses by providing support measures, such as cost compensation or preferential lease, etc., as well as building the business environment through cooperation with local businesses, the Regional Development Agency, etc.

**International and national non-governmental organizations:**

- to further support (financial, informational, methodological, etc.) the activities of state and local authorities to promote IDP employment, relocation and enterprise development, ensuring coordination of their activities with them.