



Regional Refugee Response
for the Ukraine Situation



**HIGH EMPLOYMENT RATES, BUT
LOW WAGES: A POVERTY
ASSESSMENT OF UKRAINIAN
REFUGEES IN NEIGHBORING
COUNTRIES**

March 2025

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We also express our gratitude to Jad Ghosn and the Regional Bureau for Europe (UNHCR) for their invaluable guidance and support in coordination, data preparation, and analysis.

Cover photograph:

Antonina (center) is at a CV support point, receiving assistance with preparing her resume.

At 44, she arrived in Poland from Kyiv on March 9, 2022, with her 7-year-old daughter, Viktoria, and 5-year-old son, Timur. “I came to the job fair to find a position in my field of expertise. I’m not afraid of physical work, but as the sole provider for my family of three, I need a more stable and better-paying job,” she explains.

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Summary of findings and recommendations

The 2024 round of the SEIS survey indicates that while the financial vulnerability of refugees from Ukraine residing in neighboring countries - specifically those included in the [Regional Refugee Response Plan](#) - has declined over the past year¹, one in five still live with an income below the poverty line². When factoring in the disproportionately high accommodation costs refugees face, largely due to the region's high homeownership rates among locals, the poverty rate³ rises to 40%, more than three times that of host communities⁴.

The data also shows that poverty⁵ has a very tangible effect on living conditions and protection risks. This group feel less safe, less secure in terms of accommodation tenure, more frequently miss out on needed healthcare, more often have children out of school, and is much more frequently forced to resort to skipping meals because of lack of funds. In addition, vulnerable populations, such as older adults and individuals with disabilities or MHPSS⁶ needs exhibit significantly higher poverty rates when compared to the refugees overall. These connections are important to bear in mind when designing government, development, and humanitarian support programs.

Employment continues to be closely associated with lower poverty rates, though ultimately, it's the size of income that is generated by working household members that makes the biggest difference. Considering that the share of working-age refugees

that are employed is nearing host population levels after rising further in 2024, attention should now turn to wages. Data on the latter, which was derived from household level indicators, demonstrates that refugees on average make half of what the local population does per hour of work. Low wage premiums for higher education levels and the fact that some 60% of current refugee employees have a background in an entirely different sector of the economy, suggest the presence of underemployment and skills mismatching. This assertion is corroborated by nearly 35% of employed refugees in the region reporting few available jobs with adequate pay, lack of positions that match their skills, or issues with getting their qualifications recognized. Moreover, almost the same percentage indicate lack of local language knowledge to be a problem, a well-acknowledged barrier to skilled employment.

Based on the above findings it is recommended that:

- Governments, development and humanitarian actors take into account poverty levels when designing their support programs for Ukrainian refugees. The quality of day to day life, safety, and level of access to key services are directly tied to household income.
- Poverty measures account for differences in housing costs between refugees and host populations.
- A special focus is placed on supporting refugee employment at their skill level, including transition from current low-level jobs. The difference between refugee and local population wages could be an important metric to monitor on an ongoing basis

1. Compared to the [2023 MSNA data](#)

2. For the purposes of this analysis defined as 50% of the host country median equivalized disposable income. This approach is equivalent to Eurostat's at-risk-of-poverty (AROP) methodology

3. Defined as the share of the population with an income below the poverty line

4. The poverty rate for the host communities was defined to be equal to Eurostat's at-risk-of-poverty (AROP) rate calculated for the 50%-of-median-equivalized-income threshold

5. Equivalent to living being at risk of poverty (as per Eurostat) when setting the at-risk-of-poverty threshold at 50% of the national median disposable income after social transfers

6. MHPSS stands for mental health and psychological support

Background

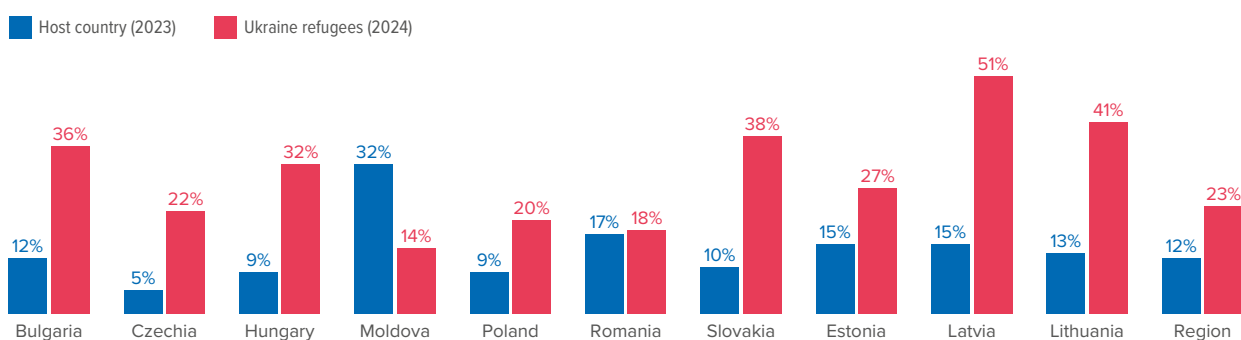
Over three years have elapsed since the start of the full-scale invasion of Ukraine, an event which has led to the largest displacement crisis in Europe since World War II. As of the end of 2024, 6.3 million refugees from Ukraine were recorded across Europe, close to 2 million of whom are located in ten [Regional Refugee Response Plan](#) countries: Bulgaria, Czechia, Estonia, Hungary, Latvia, Lithuania, Poland, Republic of Moldova, Romania, and Slovakia. This report aims to assess the livelihood situation of this population based on the 2024 round of data collected by the Socio-Economic Insights Survey (SEIS), which received responses from 8,723 households containing 19,803 individuals. Figures for 2023 are derived from a similar exercise⁷ conducted in 2023.

Key findings

Refugee poverty rates remain high, albeit improved from 2023

The 2024 SEIS equivalized⁸ disposable income data indicates that just over one in five refugees (23%) residing in the region are living in poverty⁹. This figure is almost double that of host country nationals (12%), implying a large gap in economic vulnerability. Compared to 2023, poverty rates have decreased substantially (from 36%¹⁰), suggesting an overall improvement in the economic well-being of Ukrainian refugees over time.

REFUGEE VERSUS HOST POVERTY RATES BY COUNTRY



Note: (1) Poverty rates for all countries apart from the Republic of Moldova are based on a calculation that follows Eurostat's at-risk-of-poverty (AROP) methodology with the at-risk-of-poverty threshold set at 50% of the national median disposable income after social transfers. Refugee disposable income has been computed based on survey data. For the Republic of Moldova, the poverty threshold was taken to be the 4Q23 absolute poverty line reported by the National Bureau of Statistics of Moldova.

Source: Survey data, [Eurostat](#), [National Bureau of Statistics of Moldova](#), SAG estimates

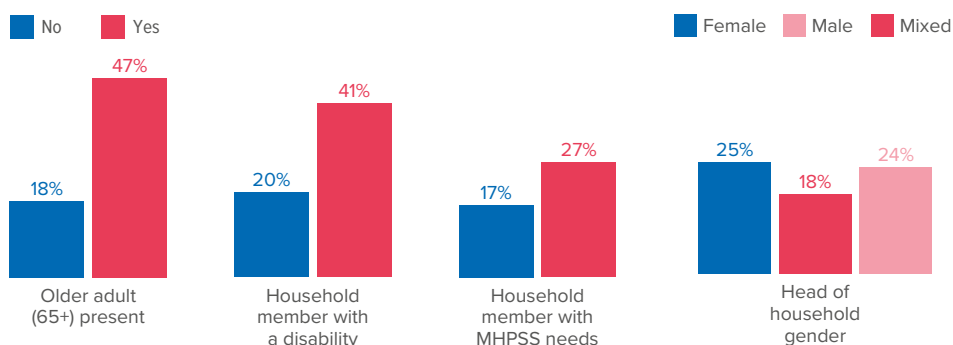
7. The MSNA, which ran in 7 countries: Bulgaria, Czech Republic, Hungary, Republic of Moldova, Poland, Romania, and Slovakia
8. Equivalized as per [Eurostat methodology](#). Essentially income per person, but with household members beyond the first one assigned weights less than 1.
9. With the poverty line defined as 50% of the median national equivalized income
10. This figure differs from the one reported in the [previous year's publication](#) due to changes to methodology, which includes a different treatment of households that report zero income

Living in a vulnerable household is associated with higher poverty risks

Just like last year, members of households with vulnerabilities were found to more likely be in living in poverty than the general refugee population. Almost half of individuals living with an older adult (age 65+) reported an equivalized disposable income below the poverty threshold. For individuals living with household members with a

disability or members with MHPSS needs¹¹ these rates stood at 41% and 27%, respectively. Gender of the head of household, however, was not found to have a significant impact on the poverty rate. Mixed gender (at least one male and one female head) was associated with higher income, though likely due to increased chances of multiple breadwinners being present in the household.

REFUGEE POVERTY RATES BY VULNERABILITY CHARACTERISTIC AND GENDER OF HEAD OF HOUSEHOLD (2024)



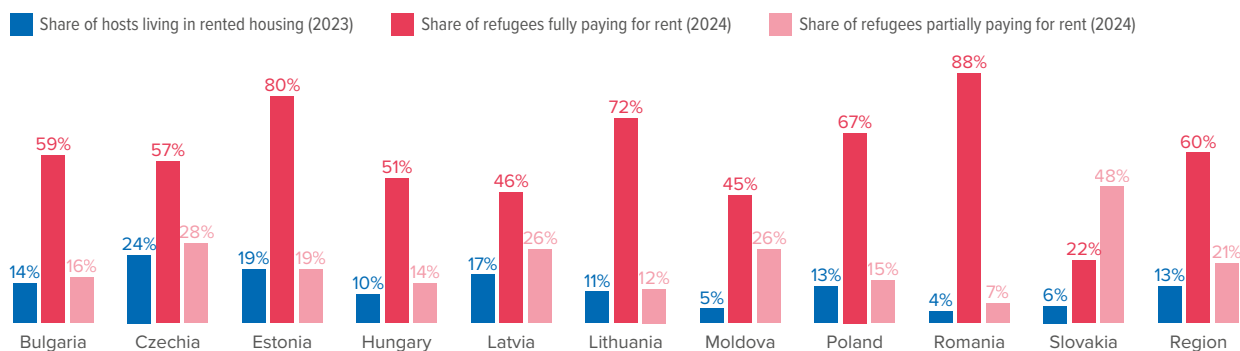
Source: Survey data, SAG estimates

Refugee housing expenses are on average much higher than for nationals, which implies an even greater disparity in financial wellbeing

At the regional level, the weighted average share of the host population living in rented housing was calculated at 13% based on Eurostat data. This figure is dwarfed by 60% of refugee households fully paying rent for their accommodation and 21% partially paying, as per the SEIS survey. Likewise, accommodation expenses as a share of disposable

income were estimated at 17% for hosts, including mortgages, compared to 32% for refugees. This essentially implies that refugees, on average, have a much smaller share of their disposable income remaining for other needs. To estimate the magnitude of this effect, poverty rates were recalculated after subtracting the portion of housing expenses that exceed the national average directly from disposable income. This calculation almost doubled the poverty rate, bringing it to 40%.

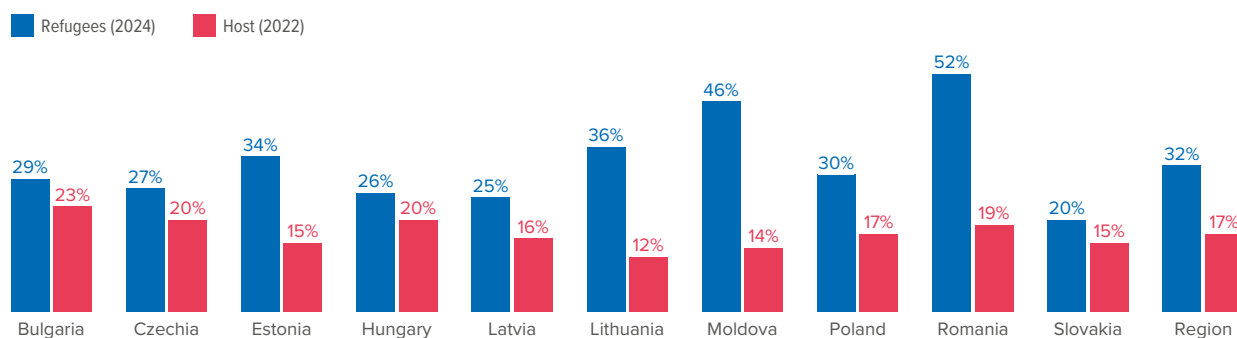
SHARE OF POPULATION PAYING FOR RENTED HOUSING: HOSTS VS REFUGEES



Source: Eurostat, survey data, SAG estimates

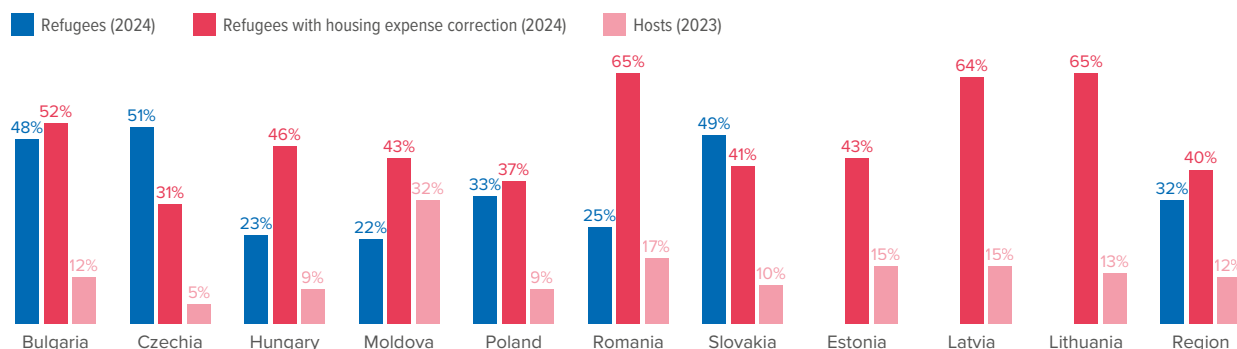
11. Defined as someone feeling so upset, anxious, worried, agitated, or depressed that it affects daily functioning

HOUSING COST AS A SHARE OF HOUSEHOLD DISPOSABLE INCOME



Source: Eurostat, survey data, SAG estimates

REFUGEE POVERTY RATES WITH AND WITHOUT CORRECTION FOR EXCESSIVE HOUSING COSTS



Source: Eurostat, survey data, SAG estimates

Republic of Moldova: the case for housing costs corrections in income-based poverty metrics

Data from the Republic of Moldova highlights the limitations of poverty metrics that rely solely on disposable income, as they fail to account for vulnerability related to asset ownership. Based on income alone, the 2024 poverty rate suggests that Ukrainian refugees are able to attain a higher standard of living than their hosts, with only 10% living in poverty compared to 32% of Moldovans. This apparent disparity is largely driven by the sizeable financial support that Ukrainians received from humanitarian organizations in 2024, which amounted to 44% of their total household income. While the above comparison could suggest that the

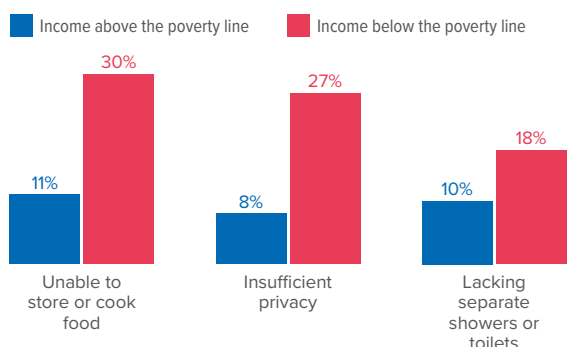
provided aid is excessive, such an interpretation overlooks an important factor – namely that only 5% of Moldovans incur rental expenses compare to 41% of refugees. In fact, including utilities, housing costs were estimated to consume 46% of refugees' disposable income (inclusive of humanitarian aid), whereas they account for just 14% for Moldovan households. In essence, these findings indicate that refugees are using the entirety of their aid to cover accommodation needs. Adjusting disposable income at the household level to reflect these additional housing expenses raises the poverty rate for refugees to 43%, surpassing that of Moldovans.

Poverty is associated with tangibly inferior living conditions, worse healthcare coverage, more frequently children being out of school, and having to skip meals

Refugee households with members living in poverty were found to more often not report feeling safe when walking alone in their neighborhood after dark (18% vs 10% for those not at risk), to significantly more frequently live in collective housing (27% vs 8%), and to feel under pressure to leave their accommodation (29% vs 11%).

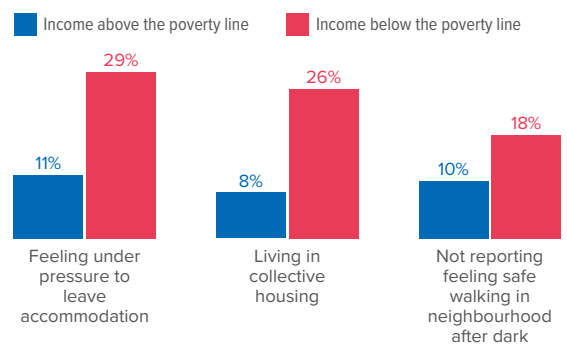
Similarly, those with an income below the poverty line were substantially more likely to report lacking separate showers or toilets, having insufficient privacy, being unable to cook or store food in their dwelling.

ACCOMMODATION QUALITY BY POVERTY GROUP



Source: Survey data, SAG estimates

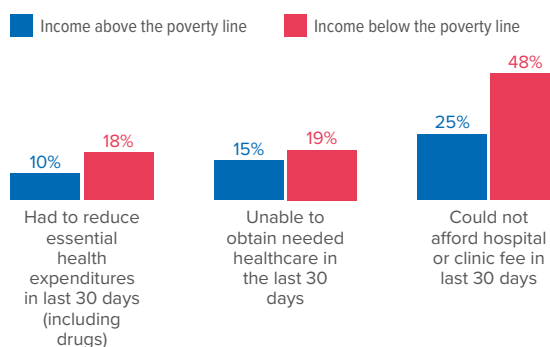
LIVING CONDITIONS BY POVERTY GROUP



Source: Survey data, SAG estimates

Twenty percent of respondents in the poverty group said they were unable to access needed medical services over the last 30 days and roughly the same percentage said they were forced to reduce essential health expenditures (including buying drugs) because of lack of funds. Almost half of those missing out on medical support cited unaffordable fees at their clinic or hospital as one of the main reasons.

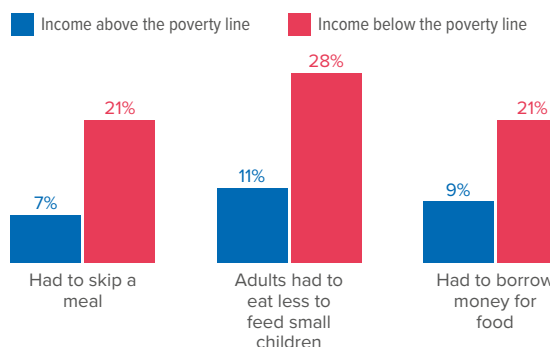
POVERTY EFFECTS ON HEALTHCARE ACCESS



Note: Percentages of those that could not afford clinic fees are as a share of those not able to access healthcare in the last 30 days

Source: Survey data, SAG estimates

FOOD COPING STRATEGY OVER LAST 7 DAYS BY POVERTY GROUP



Source: Survey data, SAG estimates

Children from households with members living below the poverty line were also found to significantly less frequently attend school. The enrollment rate in local schools for 5–17-year-olds in this group amounted to 72% as opposed to 84% for

households with a higher income. Moreover, close to 20% of these children did not participate in online learning either, thus being completely disengaged from formal education.

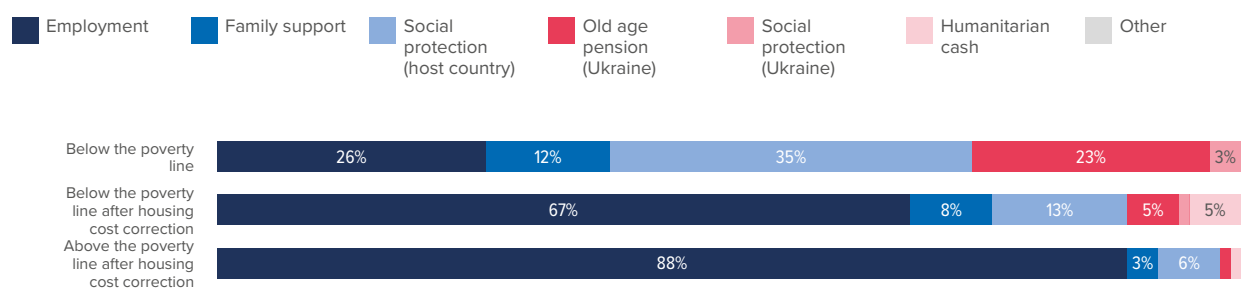
Finally, one in five refugee households in the poverty group reported having to reduce the number of meals eaten per day over the last week to cope with a lack of food or money to buy it. Roughly the same proportion had to borrow money or rely on friends and relatives at least once over the same period for sustenance. Almost one in three households resorted to reducing food intake for adults, so that small children could eat. When asked to assess their income level qualitatively, 26% of respondents living in poverty indicated that this amount is insufficient to cover their food needs as opposed to just 3% in the higher income group.

Employment remains closely associated with significantly lower poverty rates, but size of employment income is key

Just like in the case of 2023 data, the current survey round suggests a strong link between employment and poverty. Whereas for individuals living in households with no one employed the poverty rate stands at a staggering 62%, it drops to 10% for those with at least one person working. That said, after correcting for excessive housing costs, the poverty rate in the latter group grows to 25%, which is more than double the host country rate. This implies that while employment at refugee household level is important, it is not sufficient to ensure a decent living.

Households that are less financially vulnerable receive more of their income from employment. For those with very low income (below the poverty line), only 26% of their total income comes from work. This figure grows to 67% for those identified as having an income below the poverty threshold after correcting it for housing costs, and to 88% for those living above the poverty line.

HOUSEHOLD INCOME DISTRIBUTION BY SOURCE AND POVERTY CATEGORY



Source: Survey data, SAG estimates

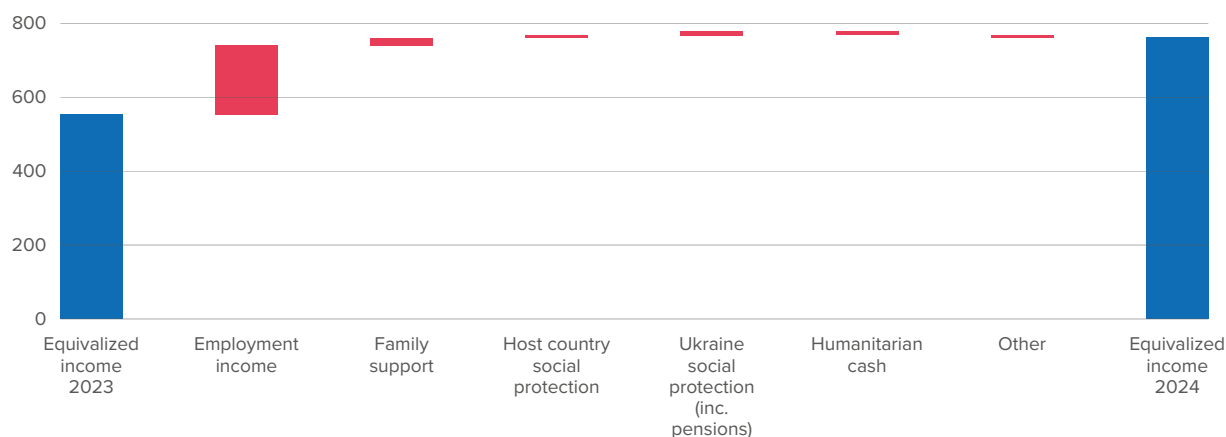
Higher employment earnings were the main driver behind the drop in poverty rates from 2023

The mean monthly equivalized household income¹² of Ukrainian refugees across the seven countries surveyed in both rounds increased by 38% from last year, to an equivalent of EUR 763. This increase was much higher than the 4% rise in the regional poverty threshold over the same time.

Approximately 90% of the increase in refugee household income can be attributed to higher employment earnings, driven by a combination of rising employment rates and wage growth. A significantly smaller, though still notable, contribution came from increased financial support from families in Ukraine, although this finding may partially be an artifact of adjustments to the survey questionnaire¹³.

12. Household disposable income adjusted for size, as per Eurostat's methodology

13. The 2024 survey probed for income from family in Ukraine more explicitly

WEIGHTED AVERAGE MONTHLY EQUIVALIZED INCOME EVOLUTION

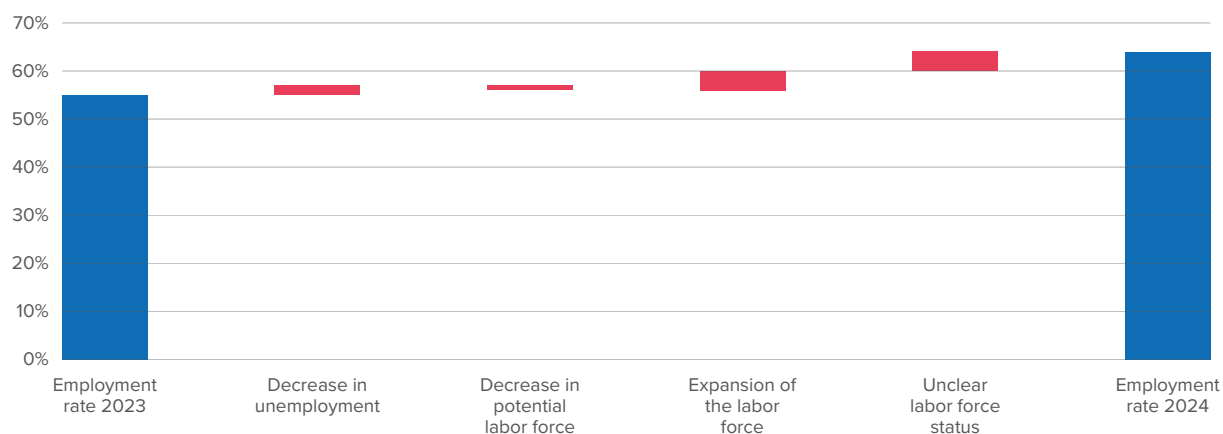
Note: Only includes data from the 7 countries surveyed in both rounds (Bulgaria, Czech Republic, Hungary, Republic of Moldova, Poland, Romania, and Slovakia)

Source: Survey data, SAG estimates

Refugee employment rates significantly improved in 2024, moving closer to national levels

Ukrainian refugee employment rates¹⁴ have experienced a sizeable increase from 2023 in most countries, rising by 9 percentage points year-over-year at the regional level to 64%. This indicator now stands just 7 percentage points below the equivalently weighted mean for the host population (71%).

Refugee employment grew both owing to a decrease in unemployment, which declined to 9% from 13% last year, as well as new individuals coming into the labor force¹⁵. In fact, the 2024 labor force participation rate amounted to 70%, which stands almost in line with the equivalent host country indicator of 73%.

EVOLUTION OF THE REFUGEE EMPLOYMENT RATE FROM 2023 TO 2024

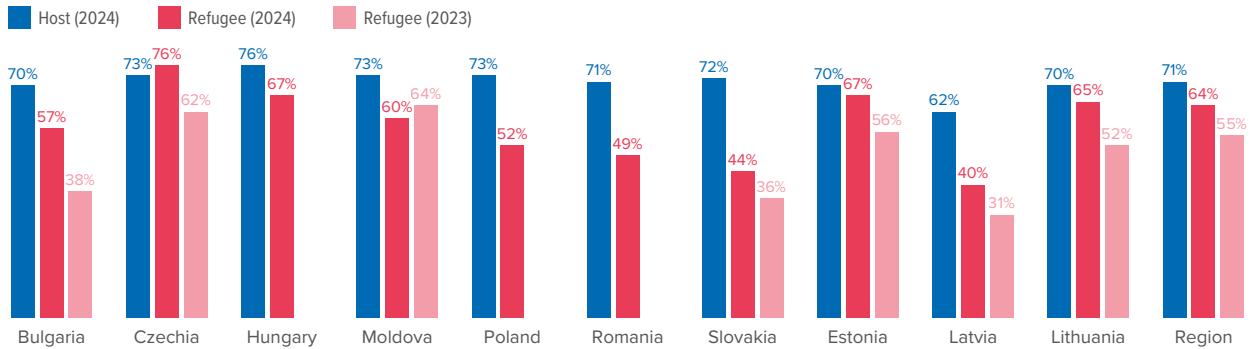
Note: Only includes data from the 7 countries surveyed in both rounds (Bulgaria, Czech Republic, Hungary, Republic of Moldova, Poland, Romania, and Slovakia)

14. The employment rate is defined as the number of employed or self-employed individuals of working age (15-64) as a share of the total number of people in this age group

15. The labor force is defined as the number of people that are either employed or unemployed

Source: Survey data, SAG estimates

REFUGEE VS HOST EMPLOYMENT RATES BY COUNTRY

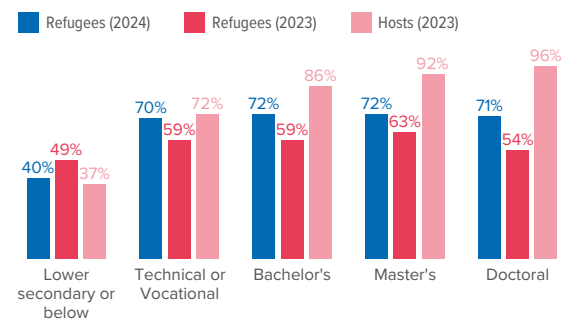


Note: For comparability, employment rates for host countries have been recalculated assuming a similar gender distribution to that of refugees .
 Source: ILO, survey data

Just like last year, employment rates demonstrated disparity by age group, gender, education level, the presence of a disability, and being in need of MHPSS. Disability was found to be associated with the largest drop in employment, with this factor halving the probability of working in 2024 when compared to the sample overall. Having MHPSS needs and being female were also associated with a lower employment likelihood, although to significantly smaller degrees.

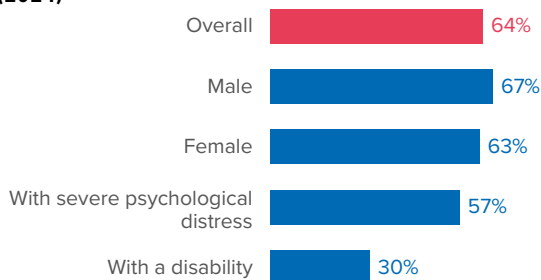
Compared to the host population, the refugee sample demonstrated higher employment rates at lower age brackets (15-19 and 20-24), which, considering the findings on poverty, can be interpreted as a coping strategy associated with low income. Higher age brackets (55-59 and 60-64) saw the highest gap in the employment rate compared to hosts, supporting the hypothesis that older adults have more difficulty integrating into the local labor market.

EMPLOYMENT RATE BY EDUCATION LEVEL



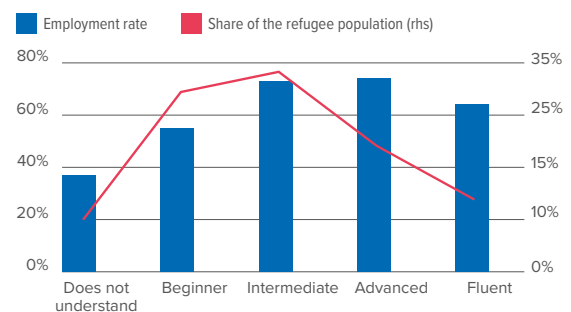
Source: Survey data, ILO

REGIONAL EMPLOYMENT RATE BY POPULATION GROUP (2024)



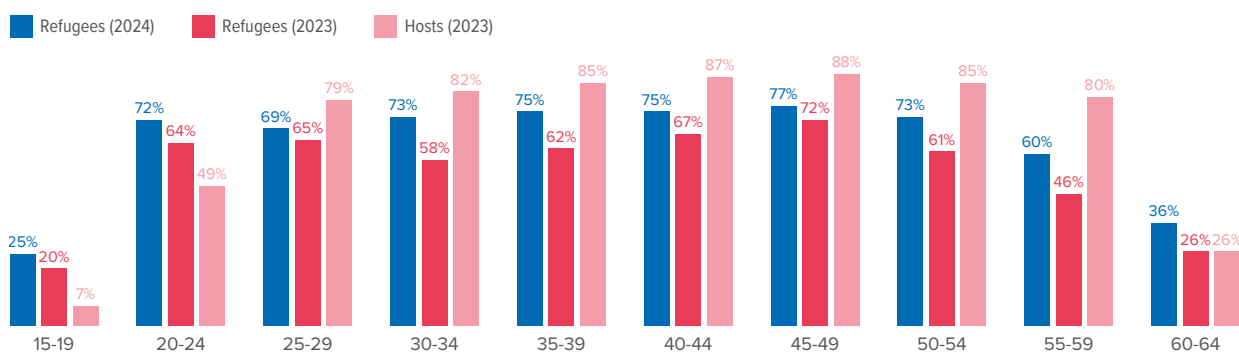
Source: Survey data, SAG estimates

REGIONAL REFUGEE EMPLOYMENT RATE BY LEVEL OF LOCAL LANGUAGE KNOWLEDGE



Source: Survey data

REGIONAL EMPLOYMENT RATE BY AGE AND POPULATION



Source: Survey data, ILO

The 2024 survey introduced a new question on local language proficiency, reinforcing previous findings of a strong correlation between language skills and employment. Respondents with at least an intermediate level of local language proficiency reported nearly twice the employment rate compared to those with no knowledge (9% of respondents). Even Ukrainians with only a basic understanding—limited to a few words or phrases (28% of the sample)—experienced a notable increase in employment compared to those with no local language skills¹⁶.

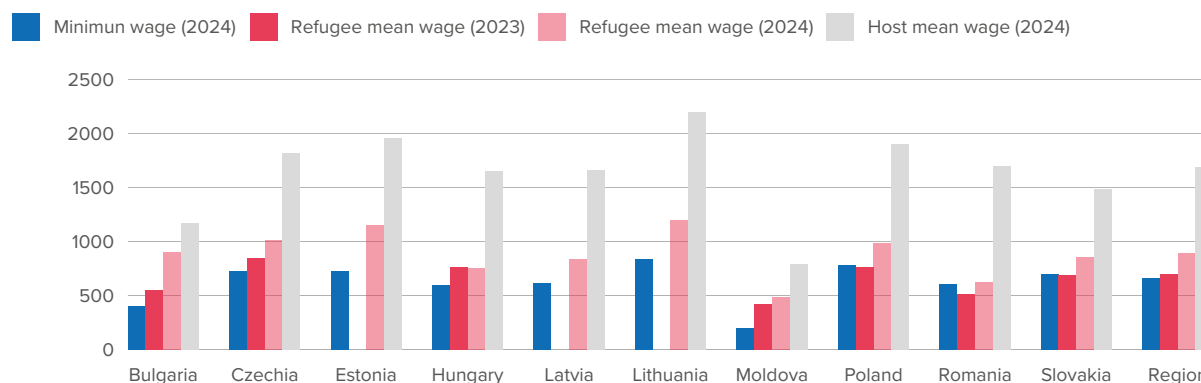
Finally, unlike for the host population, refugee employment rates were found to be practically the same for all education levels above technical or vocational¹⁷, implying that local employment markets may not be valuing advanced degrees. Possible explanations include impediments to foreign qualifications recognition and other barriers that are

preventing placement into high-skilled jobs (such as language, a mismatch between qualifications and local demand, etc.).

Wages also improved but remain significantly below host levels

Despite a 28% increase in the regional weighted average wage of refugees in 2024, this figure still stands 47% lower than that of the local population. This means that, on average, Ukrainians earned roughly half of what their hosts did for the same number of working hours. The wage disparity is particularly striking considering the educational qualifications of Ukrainian refugees—more than half of the working-age population hold advanced degrees (Bachelor's or higher), compared to the same being true for just 27% of hosts.

UKRAINE REFUGEE VS HOST GROSS MONTHLY WAGES, EUR/MONTH



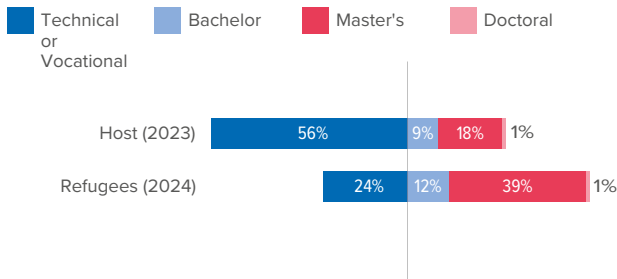
Note: Mean wages have been estimated by dividing household employment income by the total number of working hours and then computing a weighted average across household with weights proportional to total working hours. As the survey asked for net income, weighted means were then converted to gross amounts for comparability based on host country tax rates.

Source: Survey data, Eurostat, SAG estimates

16. The data also demonstrates that the employment rate of refugees fluent in the local language is lower than for those with an intermediate or advanced knowledge. The reason for this is that the former group is heavily concentrated in lower age brackets, with almost 30% being 15-19 years old

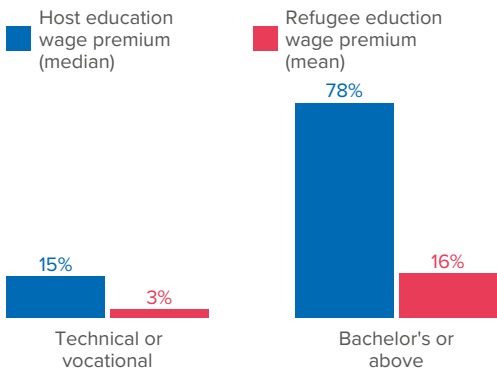
17. Equivalent to ISCED-11, level 4 (post-secondary non-tertiary education)

DISTRIBUTION OF WORKING AGE POPULATION BY HIGHEST EDUCATION LEVEL ATTAINED



Source: Survey data, ILO

WAGE PREMIUMS FOR EDUCATION LEVEL GAINS: HOSTS VERSUS REFUGEES, %



Note: Wage premiums computed with lower secondary education as the baseline.

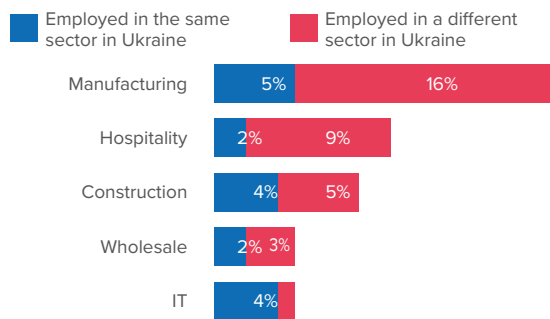
Source: Survey data, Eurostat, SAG estimates

Similar to its impact on employment status, education seems to have a much less pronounced effect on wage premiums for refugees compared to hosts, also suggesting the presence of underemployment. While, according to Eurostat data and SAG estimates, a local with an advanced degree can expect to earn nearly 80% more than someone with only lower secondary education¹⁸, the same wage gap¹⁹ for Ukrainians stands as just 16% based on survey data.

Skills-job mismatching also becomes evident when analyzing the current employment of refugees compared to their pre-war employment in Ukraine, as nearly 60% have transitioned to entirely different economic sectors. This phenomenon is more

pronounced among women, with 63% having shifted to roles outside their previous employment background, compared to 50% of men. One possible explanation for this discrepancy is the higher proportion of men employed in sectors like construction and IT prior to displacement. These fields often demand fewer country-specific qualifications, such as proficiency in the local language, thereby facilitating easier integration into similar roles in the host country.

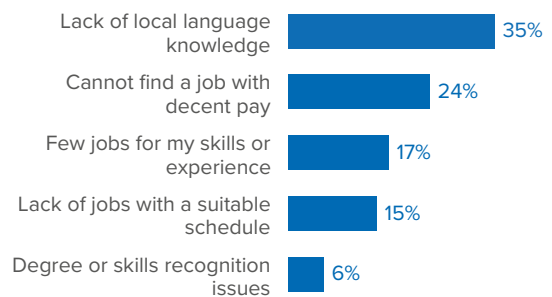
TOP 5 REFUGEE EMPLOYMENT SECTORS SPLIT BY EMPLOYEE BACKGROUND



Note: Percentages indicate shares in the survey sample

Source: Survey data

TOP EMPLOYMENT BARRIERS FOR EMPLOYED REFUGEES



Source: Survey data:

Moreover, in the latest survey round, nearly 35% of employed refugees identified inadequate pay, a lack of positions that match their skill set, and challenges in having their qualifications recognized as barriers to employment. All of these answers also

18. The difference in median wages by highest education level attained. Weighted equivalently to refugee weights for comparability
 19. The wage gap for refugees was computed based on the difference in weighted means (instead of the difference in medians)

suggest a mismatch between qualifications and job placement. Consistent with the findings on having to shift to jobs outside of previous employment backgrounds, working women reported the above employment barriers more frequently than men, supporting the hypothesis that they may be facing underemployment more often.

Methodology

The approach to data collection in each of the countries included in the report differed depending on the availability of sampling frames and information on the distribution of the refugee population by geographic area and accommodation type. All interviews were conducted face to face. As a probabilistic selection of respondents could not be ensured, the primary goal was to collect a diverse sample that would reflect the population's composition as closely as possible.

For the regional analysis, weights were applied based on the most up-to-date estimates of the number of refugees staying in each country. This allowed calculated indicators to more accurately represent the broader refugee population across the region.

Appropriate measures were implemented to ensure the protection of personal data and to guarantee confidentiality in all data collection and processing activities. Consent was requested and recorded for all selected participants, providing clear information on the purpose, and expected use of the data.

With the exception of Republic of Moldova, the poverty line for each country was defined as 50% of the median [equivalized disposable income](#) (after social transfers) as reported by [Eurostat](#) for 2023. This figure was indexed towards 2024 using national annual wage inflation data for the third quarter of 2024. As the Republic of Moldova does not currently run the SILC survey, the absolute poverty line as reported by the country's National Bureau of Statistics was used instead. Host poverty rates were based on the same poverty threshold. With the except of Republic of Moldova, these were

equal to the at-risk-of-poverty (AROP) rate reported by Eurostat. On the survey data side, only households that did not have any missing information on income (respondents were asked to provide both sources and amounts) were included in the calculation. For households claiming no or very little income an imputation was made based on expenses and the duration of stay in the host country.

It is important to note that while the poverty definition adopted in this assessment allows for comparisons across the countries covered (limitations apply to the Republic of Moldova), it may not be directly comparable to other studies, as approaches tend to vary quite significantly. The setup of the questionnaire, the sampling methodology, the processing of income data (including any imputations), the approach to equalizing income, and finally the location of the poverty line itself in the income range all have a substantial impact on poverty indicators.

In order to compute refugee wages, household net employment income was divided by the total number of working hours reported by all employed members. This figure was then weighted by the total number of working hours and averaged overall all households within a given country (while also respecting post-stratification weights). The result was then converted to a monthly wage assuming employment at 40 hours per week and 4.33 weeks in a month. For comparability with host population data, net wages were converted to their gross equivalent utilizing local tax regulations.

Limitations

The statistical significance of the SEIS results is limited by the non-probabilistic selection of respondents. Moreover, the use of convenience sampling likely led to a larger share of data being collected from more vulnerable households.

There was also a notably high non-response rate regarding questions related to income and expenditure, which likely resulted in non-response

bias. The income module of the SEIS was also materially different from the one employed by the EU SILC and the Republic of Moldova's Household Budget Survey, which may limit comparability of this data to that of host populations.

It is also important to highlight that there were slight differences in the questionnaire across countries. Not all questions were consistently included in all country-level surveys, and some answer options were individually adjusted.

Lastly, the survey was conducted during the summer months, coinciding with both host country and Ukraine school holidays. This period often sees many households temporarily visiting Ukraine, which impacted the accessibility of households and posed challenges in meeting targets, particularly in certain countries and geographic locations.

HIGH EMPLOYMENT RATES, BUT LOW WAGES: A POVERTY ASSESSMENT OF UKRAINIAN REFUGEES IN NEIGHBORING COUNTRIES

**An inter-agency exploration of
socio-economic data**

March 2025



**Regional Refugee Response
for the Ukraine Situation**