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Developments in the application of the resolution concerning the Russian Federation's aggression against Ukraine from the perspective of the mandate of the International Labour Organization

Introduction

1. At its 344th Session (March 2022), the Governing Body adopted a resolution concerning the Russian Federation's aggression against Ukraine from the perspective of the mandate of the International Labour Organization (ILO). [1] In the resolution, the Governing Body requested the Office to provide all possible assistance to the tripartite constituents in Ukraine. Furthermore, it decided to temporarily suspend technical cooperation or assistance from the ILO to the Russian Federation, except for humanitarian assistance, and to suspend invitations to the Russian Federation to attend all discretionary meetings, such as technical meetings and meetings of experts, conferences and seminars whose composition is set by the Governing Body, while safeguarding the ILO's technical cooperation or assistance to all other countries within the purview of the ILO Decent Work Technical Support Team and Country Office for Eastern Europe and Central Asia (DWT/CO–Moscow).

[1] GB.344/Resolution.

2. At its 349th Session (October–November 2023), after considering the Office's last report on developments relating to the resolution, [2] the Governing Body reiterated its request to the Director-General to continue to respond to the constituents' needs in Ukraine and to expand the ILO's resource mobilization efforts for Ukraine, to continue to enhance resource mobilization efforts for other affected countries across Eastern Europe and Central Asia, and to continue to monitor the impact on the world of work of the Russian Federation's aggression against Ukraine. [3] The present document responds to the Governing Body's request for a report on developments in that regard. [4]

General developments

3. The Russian military aggression has now persisted for over two years and is continuing to cause devastation both in the Ukrainian territories occupied by the Russian Federation and in the rest of the country. For a second year, aerial attacks have increased over the winter, causing loss of life, but also substantive damage to property, with detrimental effects on business continuity for many workers and enterprises. The number of refugees returning to Ukraine has increased, but displacement remains widespread, with over 5.9 million refugees from Ukraine spread across Europe, of which 4.2 million are under the European Union's temporary protection mechanism (which has been extended until 4 March 2025) and an estimated 3.7 million are internally displaced. [5] Interviews with refugees conducted between February and October 2023 in host countries revealed that 55 per cent of the respondents were employed before they fled the war. [6] Overall, the impact of the war on economic and labour market conditions remains severe. With limited new data available, previous ILO projections on the effects of the war on employment in Ukraine remain the most realistic estimate. [7] While recent economic growth has been more positive than expected (4.9 per cent), [8] there have been no significant changes in the Ukrainian labour market. Ukrainian refugees expressing a desire to return to their country have indicated that access to work and livelihood opportunities are among the elements necessary for planning their return. [9]

4. Despite the uncertainty caused by the war, the European Council, at its meeting on 14 and 15 December 2023, decided to open accession negotiations with Ukraine and the Republic of Moldova, and granted candidate status to Georgia. For Ukraine and the Republic of Moldova, this implies that both countries will have to align a broad array of legislation with European Union (EU) standards, including in the domains of economic, employment and social policies.

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[2] GB.349/INS/15.

[3] GB.349/INS/PV, para. 641.

[4] Data in this report reflect the situation up to 26 January 2024. If necessary, the Office will provide the Governing Body with an oral report on developments since that date.

[5] See Office of the United Nations High Commissioner for Refugees (UNHCR), "Operational data portal – Ukraine refugee situation" and IOM, "Global Data Institute Displacement Tracking Matrix", accessed January 2024. Concerning the extension of the Temporary Protection Directive, see European Council, "Ukrainian refugees: EU member states agree to extend temporary protection", 28 September 2023.

[6] UNHCR, *Ukraine situation: Regional protection profiling and monitoring factsheet*, December 2023.

[7] See GB.348/INS/5/2, para. 11. The Office has recently confirmed the projections in that document, based on additional administrative data sources.

[8] National Bank of Ukraine, *Inflation Report*, October 2023.

[9] UNHCR, *Ukraine Situation – UNHCR's 2024 plans and financial requirements*, January 2024.

Moreover, the social partners and civil society organizations have been invited to participate in the European Economic and Social Committee's pilot project to become “enlargement candidate members”. This pilot initiative makes the Committee the first EU institution to offer the social partners and civil society organizations of Ukraine and other candidate countries a specific opportunity for involvement and participation. [10]

5. The integration of Ukrainian refugees into host labour markets continues to improve, with interviews conducted across Europe revealing that, in April and May 2023, 40–60 per cent of respondents were in employment, 10–20 per cent were unemployed, and the remaining refugees were outside of the labour force. [11] Surveys show that, in 2022, around 16 per cent of adult Ukrainian refugee respondents in EU host countries had a permanent contract and 60 per cent a temporary one, while the remaining refugees had no contract (9 per cent), did not know or did not want to specify. [12] Meanwhile, surveyed returnees are increasingly expressing the need for financial support, highlighting the need for faster labour market integration and sustained social protection interventions to assure livelihoods. [13] According to an October 2023 survey, most migrants (62 per cent) have adapted to life in their host country. The share of those planning not to return has increased to 18 per cent (from 8 per cent in October 2022). The number of those who plan to return is still high, although it has slightly decreased (to 63 per cent, down from 67 per cent in October 2022). [14] In this connection, recent ILO research indicates that, while labour shortages are expected during the eventual reconstruction phase, generating an adequate number of decent jobs will be the main pull factor to encourage the return of refugees. [15]

6. The Republic of Moldova remains particularly affected by the war in Ukraine. More than 1 million Ukrainians have crossed the border since February 2022. Of the 112,811 registered refugees in the Republic of Moldova in December 2023 – representing 4 per cent of the country’s current residents – 20 per cent were estimated to be under temporary protection. [16] The European Council’s decision to start accession negotiations sealed the Government’s ambition to join the European Union by 2030; accordingly, the Government has embarked on a reform agenda to comply with the EU acquis. Real gross domestic product (GDP) growth will be modest in 2024, as the ongoing war in Ukraine will continue to constrain industrial and agricultural production. The unemployment rate was estimated to be at 3.7 per cent in 2023. [17]

7. Georgia’s economic growth will slow in 2024 but will remain among the most robust in the region, thanks to the resilience of the tourism industry and continued remittances from abroad. This strong economic growth helped Georgia to reduce unemployment by the end of 2023 to the lowest levels since 2007 (15.6 per cent). [18]

[10] European Economic and Social Committee, “Call to EU candidate countries civil society”.

[11] UNHCR, *Lives on Hold: Intentions and Perspectives of Refugees and IDPs from Ukraine #4*, 6 July 2023.

[12] Eurofound and the European Union Agency for Fundamental Rights, *Barriers to employment of displaced Ukrainians*, June 2023.

[13] IOM, *Ukraine Response — Regional Analysis — Ukrainians and Third-Country Nationals: Crossing Back to Ukraine (July–September 2023)*, December 2023.

[14] Gradus Research Company, “How do migration processes affect business: Special survey for Kief 2023“, October 2023.

[15] ILO, *Prospects for achieving Ukraine’s 2032 GDP target: A labour market perspective (September 2023)*, 2023.

[16] Project Hope, “Moldova“ and UNHCR, “Ukraine Refugee Situation: Republic of Moldova“.

[17] EIU Viewpoint, “Moldova“, accessed 22 January 2024.

[18] EIU Viewpoint, “Georgia“, accessed 22 January 2024.

8. More broadly, countries in the Caucasus and Central Asia subregion recorded higher-than-expected real economic growth rates in 2022 (5.5 per cent), despite dismal economic forecasts at the onset of the Russian Federation's aggression against Ukraine. Real growth per capita is estimated to have reached 3.6 per cent by the end of 2023 but is projected to drop to 3 per cent in 2024, reflecting declines in initial benefits from increased transit trade due to shifting supply chains in response to sanctions but, nevertheless, sustained medium-term growth. [19] By the end of 2023, inflation pressures partially receded in some parts of the region. In many countries, however, real incomes have yet to recover from the 2022 cost-of-living crisis. Overall, job growth in the region was above the multi-year trend level. Under the pressure of international sanctions, however, Central Asian countries might lose part of the foreign direct investment coming from the Russian Federation, due to restricted financial flows. [20]

9. The demand in the Russian Federation for migrant workers from neighbouring countries remains high, as the Russian Federation is experiencing labour shortages, not least due to the outflux of Russian workers and the mobilization of workers into the Russian armed forces.

Impact on jobs, livelihoods and enterprises

10. The employment situation in Ukraine remains dire, despite better-than-expected growth. The State Employment Service estimates that there are 2.8 million unemployed persons, almost half of whom belong to vulnerable groups. The Office, at the request of the Ukrainian Government, has produced employment projections based on the GDP forecasts of the Ministry of Economy. The projections suggest a severe employment shortfall for Ukraine's ambitious growth target until 2032, which assumes the cessation of hostilities. [21] Major efforts are required to facilitate the reintegration of internally displaced persons and returnees, and to enable women to increase their participation in the labour market. For instance, the number of women in the workforce would need to increase by 5 per cent annually until 2032 to reach the 2032 GDP target. [22] To facilitate the return of Ukrainian refugees, it is crucial to increase incentives, not least through improved working conditions, and to assure the recognition of their acquired skills and the portability of social security entitlements.

11. The impact on enterprises remains difficult to gauge, but conversations with Ukrainian employers' organizations indicate that, two years into the war, most enterprises that survived the early phase have adapted to the circumstances, including by shifting supply chains and markets towards the European Union. Business relocations have been decreasing. Despite a positive drop in headline inflation to 4.9 per cent, cost pressure on enterprises remains high and access to financing is challenging. Nevertheless, business sentiment has slightly improved in recent months, due to a surprising jump in growth in the last quarter of 2023. However, uncertainty about when the hostilities will end and the frequency in which international aid will

[19] International Monetary Fund (IMF), *World Economic Outlook database*, October 2023, accessed 5 January 2024. IMF, *Regional economic outlook – Middle East and Central Asia: Safeguarding Macroeconomic Stability amid Continued Uncertainty*, May 2023.

[20] S. Arzoumanian, *Spillovers from Russia to Neighbouring Countries: Transmission Channels and Policy Options* (IMF, September 2023) and United Nations Development Coordination Office, *Re-assessing Economic Risks and Spillovers*, forthcoming.

[21] The projections use different scenarios to show the order of magnitude of potential labour shortages. The first scenario indicates a shortfall of 8.6 million workers, assuming that Ukraine will reach its GDP target and that productivity and employment rates follow pre-war trends (37 per cent employment growth compared to 2021). The second scenario estimates that an annual productivity growth of 6.1 per cent would be necessary if overall employment were to follow pre-war trends – a figure that is twice as high as the recent historic average. A third scenario shows the assumed GDP growth shortfall should employment and productivity follow pre-war trends.

[22] ILO, *Prospects for achieving Ukraine's 2032 GDP target: A labour market perspective (September 2023)*, December 2023.

arrive, rising logistics costs due to the blockade of some sea and land borders, high fuel prices, shortages of skilled labour and weaker demand are still reasons for a relatively cautious outlook of businesses. [23] While there are no adequate data, employers' organizations have indicated that labour shortages are causing problems in some sectors and in some regions, while unemployment in the same sectors persists in other parts of the country, hinting at matching problems and a lack of incentives for mobility.

12. While the war initially had negative effects on growth in most of Central and Eastern Europe, growth recovered to 1.7 per cent in 2023. Yet, the downward trend in employment has continued, partly reflecting declines in Ukraine, but also continued demographic ageing and outward migration within the broader region. Nevertheless, unemployment in the subregion remains low. [24]

Impact on the ILO's constituents and on the implementation of the Decent Work Country Programme and development cooperation in Ukraine

Government

13. The ILO constituents in Ukraine – the Ministry of Economy and the Ministry of Social Policy, and workers' and employers' organizations – remain focused on mitigating the immediate impact of the war, while also laying the groundwork for early recovery and reconstruction, as well as EU integration. In this regard, they have reiterated that international support for Ukraine needs to include humanitarian, budgetary and development assistance in parallel.

14. Following the European Council decision to open EU membership negotiations, the Ministry of Economy aims to accelerate its ambitious legal reform agenda. The measures being taken under this agenda include, among others:

(a) the preparation of a new draft Labour Code, which will soon be presented for discussions with the social partners and civil society;

(b) the preparation of a draft law on the settlement of collective labour disputes, which is currently undergoing technical review by the ILO;

(c) the preparation of a draft law on social dialogue, which is being discussed by the tripartite working group established under the National Conciliation and Mediation Service;

(d) a review of the minimum wage system in the light of the Minimum Wage Fixing Convention, 1970 (No. 131), (ratified by Ukraine) and EU Directive 2022/2041 on adequate minimum wages in the European Union, which has been requested by the ILO;

(e) a functional analysis of the State Employment Service to further modernize service delivery, which is being undertaken by a service provider, funded by the European Bank for Reconstruction and Development, and which will be peer-reviewed by the ILO and two national employment services from the European Union.

[23] National Bank of Ukraine, *Business Outlook Survey, Q3 2023*, November 2023, and National Bank of Ukraine, *NBU 2023 Inflation Update*, 11 January 2024.

[24] ILO, *World Employment and Social Outlook: Trends 2023*, January 2024.

15. In addition, a number of policies and strategies are being reviewed or implemented. These include:

(a) the national demographic strategy, which will benefit from technical inputs from international partners, including the ILO;

(b) the social protection programmes of diverse humanitarian and social protection actors, to improve coordination and sustainability through the *Perekhid* initiative (named after the Ukrainian word for "transition");

(c) the national strategy on the gender pay gap, adopted in September 2023, with ILO support;

(d) a strategy to enhance mental health and psychosocial support, including in the world of work.

16. The State Employment Service has drastically increased its share of expenditure on active labour market programmes (from 4 per cent in 2022 to 31 per cent in 2023), through disbursements of the Mandatory State Unemployment Insurance Fund. A total of 660,000 jobseekers received services in 2023 and 295,000 jobseekers found new employment as a result. Some 11,000 men and women were awarded grants to start their own business and created 35,000 new jobs, while 50,000 received training or retraining. In total, 74,000 men and women participated in public works programmes and 20,000 were placed in jobs under the subsidized employment programmes. Moreover, unemployment benefits were increased by a decree adopted on 14 September 2023 to reflect rising living costs.

17. For the first time, the State Employment Service provided funding to ensure the reasonable accommodation of workplaces for 63 persons with disabilities. The Government plans to scale up these programmes in 2024 with a total of 7 billion Ukrainian hryvnia in funding, directly targeting 200,000 Ukrainians. However, additional external support is needed to cover the employment needs of the country's 2.8 million unemployed persons. Moreover, more support is needed to ensure that Ukrainian employers become more aware of the opportunities, costs and obligations of including persons with disabilities in their workforce. The Office is engaged in ongoing discussions with international partners to develop a broader programme of support in that regard.

18. The main ILO support provided to the State Employment Service in 2023 has been the functional audit of the agency and the facilitation of a tripartite consensus on the new draft law on occupational safety and health (OSH) (which has been with the Parliament since March 2023), on the revised statute of the agency and on the further development of its preventive service delivery under martial law. The tripartite consensus on the latter resulted in the formalization of more than 120,000 workers in 2023. The State Employment Service continues to provide information to employers and workers on labour relations under martial law and has supported refugees by providing free legal advice on labour relations in their host countries. Meanwhile, although wage arrears remain a challenge and even slightly increased in 2023 (to 2,950 million hryvnia, or roughly US$ 78 million), the State Employment Service has helped 71 per cent of economically active enterprises with wage arrears to restructure their debts and follow adopted payment schedules. Challenges remain with wage arrears from insolvent and economically inactive enterprises, which make up 18.6 per cent of all arears. With ILO support, the State Employment Service has also developed expertise to promote psychosocial support in the workplace. Inspectors now advise enterprises on practical steps for implementation.

19. The National Agency for Civil Service has requested the ILO's expertise in the adaptation of the national legislation to international labour standards and related EU acquis in the context of the right to strike for civil servants.

20. The ILO's strategic partnership with the Office of the First Lady of Ukraine has been key to mainstreaming Ukraine's progress in bridging the gender pay gap, particularly through the adoption of a national strategy on that subject. A joint event during the mission of the ILO Regional Director for Europe and Central Asia to Kyiv in October 2023 further strengthened that partnership. In November, an ILO gender specialist presented the results produced for Ukraine by the ILO Care Policy Investment Simulator, taking into account that the lack of accessible childcare is one of the main challenges to the labour market participation of women and that overcoming that shortfall is a central pillar of the national strategy. Constituents acknowledged the value of framing care costs as an investment but raised concerns about the immediate budget implications and asked that the issue be raised with donors as well. The Office continues to support pilot projects involving alternative childcare provision and is facilitating the exchange of knowledge with the Republic of Moldova, which has made substantial progress in the area of childcare in recent years.

21. Furthermore, the Office has expanded its cooperation with other ministries, including: the Ministry of Environment, in respect of the recent ratification of the Chemicals Convention, 1990 (No. 170); the Ministry of Education, in respect of digital technology-based technical and vocational education and training (e-TVET) and childcare; and the corresponding parliamentary committees.

Trade unions and employers' organizations

22. Trade unions and employers' organizations remain operational but are severely affected by the war. Concerns about the financial sustainability of the social partners' operations due to the loss of membership dues persist. The social partners do not receive financial support other than some donations from sister organizations. With the next stage of EU integration commencing, the social partners will require additional support to fulfil their functions within EU social dialogue forums and their responsibilities towards their members.

23. The three national employer and business membership organizations in Ukraine report that enterprises are expanding their operations in view of an economic rebound in the last quarter of 2023, which is also reflected in broader business sentiment surveys. [25] Nevertheless, economic activity in Ukraine has remained severely constrained by the destruction of production facilities, power outages, the disruption of logistical routes and the mining of agricultural land, all of which have also negatively affected the country's ability to export.

24. The Federation of Employers of Ukraine, with assistance from the ILO, has continued to facilitate business matchmaking and the promotion of Ukrainian producers on the EU market through its newly set up Export Help Desk. In addition, training on EU trade regulations has been delivered to more than 360 companies, along with tailored follow-up consultancy. The Help Desk will be expanded to include additional services designed to assist Ukrainian companies in accessing the EU market and complying with related new legislation. The Association of Employers' Organizations of Ukraine has engaged in a new ILO-supported initiative aimed at piloting the implementation of childcare services within enterprises to alleviate labour shortages. The Confederation of Employers of Ukraine, with ILO support,

[25] National Bank of Ukraine, *Business Outlook Survey, Q3 2023*, November 2023.

finalized the implementation of a new online service providing guidance for companies on the recruitment, retention and integration of people with disabilities into the workplace. A campaign was conducted to raise awareness of the benefits of such integration and promote innovative and inclusive practices. The Confederation of Employers of Ukraine has also joined the ILO's Global Business and Disability Network.

25. The two main national trade union federations – the Federation of Trade Unions of Ukraine and the Confederation of Free Trade Unions of Ukraine – continue to assist internally displaced persons, particularly by providing shelter and distributing provisions. Overall, the situation for trade unions remains difficult, due to losses in membership dues and the destruction of facilities in aerial attacks. Both organizations recently joined the European Trade Union Confederation.

26. Workers in the territories occupied by Russian forces continue to report violations of their labour rights. In letters addressed to the Director-General dated 2 November and 7 December 2023, the IndustriALL Global Union (IndustriALL) reported that workers belonging to the trade union Atomprofspilka – one of its affiliates – had been abducted from the Zaporizhzhia nuclear power plant, and requested the ILO to assist in their location and release. In the occupied Zaporizhzhia, the Federation of Independent Trade Unions of Russia – a Russian trade union – created a territorial union under its own organizational structure, posing challenges to the work of Ukrainian trade unions. Meanwhile, the International Atomic Energy Agency (IAEA) has reiterated its concerns for the mental well-being of nuclear workers. [26] According to the Committee of Experts on the Application of Conventions and Recommendations, these last concerns also apply to staff at the Chornobyl site. The presence of directional anti-personnel mines at the Zaporizhzhia plant is inconsistent with IAEA safety and nuclear security standards and places immense pressure on the workers. The Committee of Experts urged the strengthening of the implementation of the Radiation Protection Convention, 1960 (No. 115), with a view to ensuring the effective protection of workers against ionizing radiations in the course of their work. [27]

27. The situation faced by teachers in the occupied territories remains dire. [28] The Office of the United Nations High Commissioner for Human Rights (OHCHR) reported at least one case of a teacher being repeatedly pressured by her manager to obtain a Russian passport. [29] The Ukrainian teachers' unions and Education International report that teachers have been allegedly forced to teach pro-Russian curricula and propaganda and to join Russian trade unions. Furthermore, these measures have been enforced by coercing school directors, children and their families to report teachers that fail to comply with the demands of the occupying forces. [30]

[26] IAEA Board of Governors, *Nuclear Safety, Security and Safeguards in Ukraine*, *Report by the Director General*, 16 November 2023.

[27] ILO, Direct request of the Committee of Experts on the Application of Conventions and Recommendations concerning the Safety and Health in Mines Convention, 1995 (No. 176), Ukraine, adopted in 2022.

[28] New research by two international human rights organizations, based on visits to teachers, school officials and affected families, have found that intimidation and coercion are a daily reality for families, children and teaching staff. See Amnesty International, *Ukraine: Children's education is one more casualty of Russian aggression*, Research Briefing, December 2023, and Human Rights Watch, *"Tanks On the Playground": Attacks on Schools and Military Use of Schools in Ukraine*, November 2023.

[29] OHCHR, *Report on the human rights situation in Ukraine: 1 February – 31 July 2023*, 5 October 2023.

[30] Education International, "Ukraine: Education International condemns Russian attacks against teachers and education in occupied territories", 30 September 2022.

28. The Office has continued to hold regular meetings with the International Maritime Organization and representatives of the Government of Ukraine, the Marine Transport Workers' Trade Union of Ukraine, the International Transport Workers' Federation (ITF), the International Chamber of Shipping and several seafarers' welfare organizations on the impact on seafarers of the Russian Federation's aggression against Ukraine. On 16 October 2023, at the request of the ITF, the Director-General staged an urgent intervention with the Government of the Russian Federation regarding the declaration of the ITF as an undesirable organization. That declaration subjects anyone who cooperates with the ITF to potential fines and imprisonment under Russian law, which raises serious concerns about freedom of association. Concerning news emerged in early February 2024 as the Russian Ministry also officially labelled IndustriALL as an undesirable organization.

29. The Marine Transport Workers' Trade Union of Ukraine has reiterated its concerns over the weakening position of Ukrainian seafarers in the global maritime industry caused by the war. Traditionally among the top-five largest workforce suppliers to the maritime industry, Ukraine may gradually lose its position. The Union has also continued to raise concerns about the unilateral cancellation of the Black Sea Grain Initiative by the Russian Federation and the risks posed to seafarers working on board ships passing through the unilateral export corridor established by Ukraine in response to the annulment of the Initiative.

30. In view of the reports by trade unions of violations of their members' fundamental rights at work in the occupied territories of Ukraine, the ILO continues its cooperation with the OHCHR, particularly the UN Human Rights Monitoring Mission in Ukraine. The Office and the OHCHR are currently exploring possible ways of improving the ability of OHCHR staff to identify labour rights violations in occupied and de-occupied territories, within the framework of the broader human rights mandate. [31]

Development cooperation

31. The ILO Regional Director for Europe and Central Asia, with a delegation of ILO staff, visited Kyiv and surroundings in October 2023. Meetings were held with the Ministries of Economy and Social Policy, the social partners, key members of the Ukrainian Parliament, the private sector, sister United Nations (UN) agencies and international development partners. The discussions highlighted the need for long-term ILO support. In particular, humanitarian actors and development partners appreciated the need for ILO support in guiding the transition from humanitarian assistance to sustainable labour market development, and in ensuring that decent work principles are respected during recovery and reconstruction. The ILO decision to open a country office in Kyiv was widely welcomed, including by development partners, who highlighted the importance of a strong presence for successful development cooperation projects.

32. The immediate outcome of the mission was the development of the ILO Transitional Cooperation Strategy for Ukraine 2024–25, which was welcomed by constituents in Ukraine. Under the strategy, the ILO's work in Ukraine will be restructured under three pillars: (i) investing in people; (ii) creating quality employment and sustainable enterprises; and (iii) improving labour market governance and social dialogue. The strategy will complement the existing Decent Work Country Programme (DWCP) for 2020–24 and pave the way for the

[31] Details on the mandate of the UN Human Rights Monitoring Mission in Ukraine can be found on the OHCHR website.

discussion of a new DWCP in 2025, aligned with the UN Sustainable Development Cooperation Framework for Ukraine.

33. Beyond adapting to the evolving needs since the initial stages of the war, the strategy aims to improve the coherence of project support and the broader policy frameworks governing the world of work in Ukraine. The strategy has been shared with the tripartite constituents for final review and endorsement. The Office will continue to engage with development partners to ensure that adequate support can be provided to implement the strategy. Multiple project and programme proposals are currently being developed in coordination with the Ukrainian constituents and development partners.

34. Under pillar 3 of the strategy, the Office is supporting the constituents in the development of a road map on social dialogue, aligned with the requirements under international labour standards and related EU acquis. Fruitful discussions took place during a training and self-assessment activity for the National Mediation and Conciliation Service and the social partners, held at the International Training Centre of the ILO in November 2023. The road map will help the Ukrainian constituents to find a way to reconcile the special circumstances under martial law with the need to strengthen tripartism and to develop effective social dialogue mechanisms.

35. The work on the various technical priorities highlighted by the constituents during meetings in Geneva in April and June 2023, as well as during the mission in Kyiv in October 2023, has been integrated within the framework of the new transitional cooperation strategy and is progressing.

36. The employment projections requested by the Government were launched in December and have already been used to inform the budget for education and training in the forthcoming state budget. The projections are an essential input to the formulation of a high-quality demographic strategy that responds to the growing concerns among the Ukrainian constituents and the international community about a shortage of labour preventing economic recovery. The phase of background research and data gathering for the actuarial evaluation of the pension system is nearly finalized and will be the basis for developing the second phase of the evaluation, to be completed by the end of the year.

37. In addition, the ILO has increasingly engaged with other UN agencies. Since 2022, the Office has been closely involved in the work of the Regional Socio-Economic Inclusion Working Group for Ukraine co-led by the Office of the United Nations High Commissioner for Refugees (UNHCR) and the United Nations Development Programme (UNDP) by participating in its regular coordination meetings and contributing to its knowledge products. Through this mechanism, the Office contributed to the Regional Refugee Response Plan 2024, which was launched on 15 January 2024 with ILO participation. In addition, reflecting the ILO–UNHCR Joint Action Plan for 2023–25, the agencies promoted the implementation of the Humanitarian-Development-Peace-Nexus. [32] Joint programmatic approaches are currently being developed with the UNHCR on local employment partnerships and broader livelihoods approaches in regions more severely affected by the war, as well as with the International Organization for Migration (IOM) on a broader demographic strategy and adjacent capacity-building needs to facilitate the labour market inclusion of returnees, labour migrants, women, persons with disabilities and veterans.

[32] ILO and UNHCR, *ILO-UNHCR Joint Action Plan 2023–25*, June 2023.

38. In coordination with the Ministry for Social Policy, the Office connected with members of the Technical Assistance Facility of the multi-organizational *Perekhid* initiative, which was established in May 2023. The aim of the initiative is to develop recommendations for transitioning from humanitarian aid and cash transfers to a national social protection system that is shock responsive. The initiative serves to coordinate the various social protection interventions in Ukraine and to align them with ILO policy advice resulting from the actuarial evaluation of the pension system. At the suggestion of the Ministry, the Office has sent a formal request to become a member of the platform.

39. The Office has also engaged more actively with international financial institutions in recent months. Fruitful discussions took place with the International Monetary Fund (IMF) Mission Chief for Ukraine, who highlighted the synergies between IMF efforts to bolster public finances and ILO technical advice on formalization and pension expenditures. Both sides agreed on the importance of alignment during the recovery phase. The Office also approached the World Bank representative in Ukraine to exchange experience with respect to policy guidance on social insurance and pension reforms, and the safeguards related to international labour standards in the lending portfolio of the World Bank. The informal meetings resulted in a commitment to enhance the technical cooperation between the two agencies, with the reassurance that the World Bank Group's Environmental and Social Standard 2 (ESS2) applies, mitigating future potential negative social impacts of the reconstruction phase. The Office also collaborated with the World Bank on the third Rapid Damage and Needs Assessment. The Ministry of Economy, with support from the European Bank for Reconstruction and Development, has invited the ILO to join the expert advisory committee delivering technical oversight and coordination for the functional analysis of Ukraine's State Employment Service, which was launched in December 2023. The ILO's engagement, working closely alongside the Bank and the other international partners, will support the Ministry in developing a reform pathway and assessing capacity-building needs to modernize the State Employment Service and ensure its wartime and longer-term effectiveness.

Situation of ILO staff in Ukraine

40. The ILO currently employs 12 staff members in its Country Office for Ukraine in Kyiv, including the newly appointed Country Office Director. The Office has recently secured additional office space in the location it shares with the UNHCR to accommodate the growing team. The daily life of ILO staff remains stressful, due to increased Russian airstrikes against Kyiv and other cities in Ukraine since the onset of winter. International staff are entitled to regular rest and recuperation cycles outside Ukraine, and the Office has taken additional measures to mitigate the stress of national staff, including by granting additional leave days. The Staff Union supported a retreat dedicated in part to mental health. The duty of care remains the highest priority of the Office.

41. The Office continues to closely monitor the overall security situation while it aims to increase its operational capacity in Ukraine. Negotiations with the Government of Ukraine on the signing of a host country agreement are progressing.

Impact on the ILO's constituents and on the implementation of Decent Work Country Programmes and development cooperation in other affected countries in the region

42. As outlined above, countries in the South Caucasus and Central Asia have seen positive economic growth, albeit accompanied by high inflation rates negatively affecting housing and energy prices, while unemployment across Central and Western Europe remains low. Nevertheless, targeted support to constituents will be critical to further minimize negative impacts on labour markets.

43. In the Republic of Moldova, thanks to strong political will, donor support and strengthened partnerships, the implementation of the DWCP is on track to deliver the envisioned results. [33] Additional resources were mobilized to support DWCP activities, as follows: (i) an amount of US$2 million was received from Switzerland to enable access to better employment, skills and working conditions; (ii) another amount of €2 million was mobilized with the European Union to support the reforms of the State Labour Inspectorate and the National Employment Agency; and (iii) an amount of €1.5 million was mobilized with the Austrian Development Agency and the Liechtenstein Development Service (LED) to promote green skills in the renewable energy sector in the Republic of Moldova. There are promising prospects for funding by the Swiss development cooperation for a four-year joint programme with the United Nations Entity for Gender Equality and the Empowerment of Women (UN-Women) on women's economic empowerment, to start in 2024. The overall value of the programme is €4 million.

44. In Georgia, the first DWCP is under development, with a focus on two priority areas: improved social dialogue and just transitions to adapt to economic change. Key areas of ILO support will be on introducing a minimum wage setting mechanism, a collective and individual labour dispute settlement mechanism and an unemployment insurance scheme, on skills development, transition to formality, OSH and the expansion of collective bargaining. Resources are being mobilized to start implementing the DWCP as of mid-2024.

45. In support of trade unions in the region, the Bureau for Workers' Activities and the International Training Centre of the ILO conducted a course on decent work, peace and resilience in October 2023. Workers' representatives from Hungary, Poland, Romania, the Republic of Moldova, Slovakia and Ukraine received training on the implementation of the Employment and Decent Work for Peace and Resilience Recommendation, 2017 (No. 205), which focuses on creating employment opportunities and promoting decent work during crisis situations caused by conflicts and disasters.

46. The DWT/CO-Moscow continues to provide technical cooperation and assistance to all countries in the subregion other than the Russian Federation and Belarus, [34] with the necessary adjustments, including the reduction of office space in Moscow. The modus operandi remains the same, as outlined in the previous report, with international staff having the choice of temporary relocation to Budapest. The Regional Office for Europe and Central Asia monitors the evolving situation, including with regard to the costs and benefits of the current

[33] The Republic of Moldova's DWCP covers the period 2021–24. It has three priorities: inclusive and productive employment for young people; effective protection at work; and improved social dialogue. Eight outcomes are to be achieved between 2021 and 2024 and activities have been launched under all eight outcomes and are advancing well.

[34] Armenia, Azerbaijan, Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan and Uzbekistan.

organizational structure, and is also engaged with the constituents of the subregion and donors to respond to emerging needs and opportunities. To this end, the Director-General, the Regional Director and her Deputy have emphasized the importance of travel to the subregion to enhance ILO visibility and support constituent needs more effectively. During a visit to Armenia in December 2023, the Director-General offered increased ILO support for refugees who have arrived in Armenia following the recent hostilities and encouraged the Government to strengthen social dialogue. In Azerbaijan, a new DWCP for 2024–28 is expected to be signed soon. The Government of Kazakhstan has requested the ILO's technical assistance on OSH, social dialogue and other areas related to ILO's mandate, opening opportunities for tripartite discussions on a road map for cooperation. In Uzbekistan, areas of cooperation have expanded substantially, with the launch of operations under the Better Work programme, the development of a road map on the Global Accelerator on Jobs and Social Protection for Just Transitions, and the promotion of activities in support of gender equality. Following the mission of the Regional Director to Uzbekistan in November 2023, the German Federal Ministry for Economic Cooperation and Development approved a technical cooperation project on labour inspection and OSH. During the mission, consultations were held on how to further improve working conditions across the cotton supply chain. A high-level mission to Turkmenistan is planned for February 2024 to further discuss areas of technical assistance with the tripartite constituents, with an initial focus on fundamental principles and rights in the cotton sector.

▶ Areas for further action

47. An inter-agency assessment of the socio-economic impact of the war in Ukraine on host communities and emerging migration and displacement patterns is calling for greater involvement by the ILO to address the mismatch between the skills and actual jobs of many Ukrainian refugees in host labour markets. [35] The Office will engage in further discussions with host countries with substantial refugee populations and aid in knowledge exchange. Sensitizing governments, workers and employers on the ILO's *General principles and operational guidelines on fair recruitment* can contribute to the safe return of refugees.

48. The Office aims to strengthen its delivery capacity towards reconstruction and recovery in Ukraine and towards the better labour market integration of refugees and host communities in other affected countries, which is in line with priority needs of the Ukrainian constituents and with the outcomes of the 2023 Ukraine Recovery Conference in London. The Office will continue supporting constituents in playing an active role in the broader recovery efforts, including towards the 2024 Ukraine Recovery Conference in Berlin. The ILO's contributions to the Recovery Conference will be coordinated through the ILO Office for Germany in Berlin and the ILO Country Office in Kyiv.

49. To expand its ongoing assistance in the reconstruction and recovery of Ukraine, in line with decent work principles, the Office will use the ILO Transitional Cooperation Strategy for Ukraine 2024–25 as a basis for engaging with development partners to support the implementation of a broader technical support programme. Beyond existing projects, the Office has invested major efforts in analytical work during the past year, laying the foundation

[35] UNHCR and UNDP, *Socio-Economic Impacts of the War in Ukraine on Host Communities and Emerging Migration and Displacement Patterns*, forthcoming.

for moving into a more operational phase of support. Multiple bilateral discussions are ongoing, and the Office continues to engage in all relevant international forums.

50. In this process, the Office is in close contact with the Ukrainian constituents every step of the way, to ensure that ILO support is based on actual demands and meets the most urgent needs of the constituents. A similar approach is being followed in other affected countries across Europe and Central Asia.

51. Following the decision by the European Council to open accession negotiations with Ukraine and the Republic of Moldova, the ILO will support the two Governments and their social partners in promoting alignment with international labour standards and related EU acquis, as well as the active participation of the constituents in relevant EU forums on social dialogue, employment and social protection. In a recent communication on the EU enlargement policy, from among the ILO areas of competence, the European Commission set the focus on improving the legislation on labour relations and OSH, enabling the environment for bipartite and tripartite social dialogue, and strengthening employment policy. Furthermore, it indicated that it supports the consolidation of the fragmented non-contributory social protection system and measures to address shortcomings on non-discrimination in employment. [36]

Draft decision

52. In the light of the developments in Ukraine outlined in document GB.350/INS/13 and the resolution concerning the Russian Federation's aggression against Ukraine from the perspective of the mandate of the International Labour Organization (ILO), adopted at its 344th Session (March 2022), and taking into account the discussions held and the guidance provided during its 350th Session, the Governing Body:

(a) noted the information provided in the document;

(b) reiterated its most profound concern at the continuing aggression by the Russian Federation, aided by the Belarusian Government, against Ukraine and at the impact that this aggression is having on the tripartite constituents - workers, employers and the democratically elected Government - in Ukraine, and on the world of work beyond Ukraine;

(c) urged the Russian Federation again to immediately and unconditionally cease its aggression and withdraw its troops from Ukraine;

(d) urged once again the Russian Federation to meet all the obligations following from its ratification of ILO Conventions, including the Maritime Labour Convention, 2006, as amended (MLC, 2006), in particular in relation to the repatriation of seafarers and access to medical care; the Radiation Protection Convention, 1960 (No. 115), in relation to the exposure of workers to ionizing radiations in the course of their work; and the Forced Labour Convention, 1930 (No. 29), and its accompanying Protocol of 2014, and to ensure the full protection provided by these instruments to all workers currently performing work under its control;

(e) reiterated its unwavering support for the tripartite constituents in Ukraine, requested the Director-General to continue to respond to the constituents' needs in

[36] European Commission, *Ukraine 2023 Report*, November 2023, 108–111.

Ukraine and to expand the ILO's resource mobilization efforts, including in forthcoming international donor conferences on recovery and reconstruction, and welcomed the appointment of the Director of the ILO Country Office for Ukraine;

(f) requested the Director-General to continue to enhance resource mobilization efforts for other affected countries across Eastern Europe and Central Asia;

(g) requested the Director-General to continue to monitor the impact on the world of work of the Russian Federation's aggression against Ukraine and to report to the Governing Body at its 351st Session (June 2024) on developments in the light of the resolution, including the ILO's continued engagement with the relevant United Nations bodies involved in monitoring human rights violations and the situation of maritime and nuclear workers.