

Ukrainian Migrants in Europe Are Boon, Not Burden to Host Economies

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Our international partners provide unprecedented support to Ukraine, helping the Armed Forces of Ukraine to hold the frontline and free the Russian-occupied territories in southern and eastern Ukraine. Apart from military, financial, and humanitarian aid, substantial support has been provided to our forced migrants.

However, it is important to consider the other side of the process: our citizens have been actively spending their savings in the host countries, finding employment and paying taxes, thus making a significant contribution to the economies of the EU countries. Therefore, Ukrainians staying in Western countries are not a burden but valuable assets that boost the European economies. Such conclusions can be drawn from the [recent State Discussion Note by the NBU experts](#).

The findings of this study once again prove that Ukrainians (in this case mostly women), unused to sitting idly by, have been actively integrating into the labor market. In particular, they are setting up businesses in the countries, where they are forced to stay to escape the war. These migrants are rather a boon than a burden for Europe and a tremendous loss for Ukraine. We hope that the loss is temporary: until Ukraine wins the war. We, on our part, must spare no effort to bring them back.

From the breakout of the full-scale invasion up until 15 November 2022, 15.3 million of Ukrainians were forced to leave their home country. Over half of them – 7.7 million – returned, but another 7.6 million are still abroad, according to the Office of the United Nations High Commissioner for Refugees ([UNHCR](#)). In order to imagine the scale of the data, one should be reminded that 7.6 million of people exceed the current population of such an EU country as Bulgaria by only half a million. Thus, we are dealing with a large-scale displacement of human capital, both in the national and global dimension.

Also, over 3 million out of 7.6 million of Ukrainians forced to live abroad are currently staying on the territories of russia and belarus, including those who were forcibly deported there by the russian invaders during the full-scale war. At the same time, around 4.5 million of our fellow citizens have been living in the European countries, which, in comparison, exceeds of the population of Croatia as of 2020.

Europe has been facing the largest wave of migrants since World War II. According to a [UNHCR survey](#), some 87% of migrants are women and children, while 65% are able-bodied women aged 18 to 59. Some 70% of migrants possess higher education qualifications. And so, this 4.5-million army of Ukrainians – mostly women and children – has been additionally ramping up the European economies during nearly ten months of russia's brutal war against Ukraine.

How did they do it? First, Ukrainians' expenses abroad have increased significantly. In 2022, after russia launched its full-scale invasion, the imports of travel services have soared to USD 2 billion per month. In general, from March to October (for eight months), Ukrainians spent over USD 15 billion abroad, according to the NBU's estimates. I assume that this amount can reach around USD 20 billion by the end of this year.

In addition, the NBU analysts estimate that these expenses have been made using funds accumulated on Ukrainians' accounts in Ukrainian banks, withdrawing cash, or paying with Ukrainian bank cards in retail networks abroad. In October, for example, Ukrainians spent USD 1 billion, compared to USD 2 billion in the earliest months of the full-scale invasion. This was reflected, in particular, in an instantaneous surge in retail trade turnover, that was mostly observed in Poland and Estonia during the earliest months of the russian invasion of Ukraine.

When staying abroad, Ukrainians made the largest spending (in fact, quite a significant contribution to the EU national economies) in Germany and Ukraine's bordering countries, primarily Poland, Slovakia, and Romania. The NBU analysts drew such conclusions based on the findings of a survey of five Ukrainian banks that are the leading card issuers in the country.

At the outset of the invasion – in the spring and summer 2022 – Ukrainians' expenses were primarily financed from savings and transfers from Ukraine. Over time, however, the share of labor income in the cost structure has grown in size, as more and more Ukrainians are actively joining the labor market. For example, since the outbreak of Russia's barbaric invasion, Ukrainians in Poland paid PLN 10 billion (nearly USD 2.4 billion) in taxes, which exceeds the amount of social assistance provided to Ukrainian migrants, according to data [published by Prof. Maciej Duszczak](#) from the Center of Migration Research at the University of Warsaw.

Specifically, the state budgets of the countries hosting our migrants are still under notable fiscal pressure. [IMF experts](#) estimate its short-term impact on EU economies at EUR 30–37 billion, or 0.19%–0.23% of the EU's GDP. If two-thirds of EU-registered Ukrainian migrants were to continue to receive support going forward, total expenditures to meet their needs could range from EUR 26.4 billion to EUR 73.3 billion a year. Overall, however, a positive scenario is more likely to materialize here: the ECB puts the mid-term euro area labor force participation rate of Ukrainian migrants at between 25% and 55%. Meanwhile, the Ukrainian participation will add 0.2%–0.8%, or 0.3–1.3 million people, to the euro area's labor force. Therefore, as Ukrainians' mid-term involvement in the labor market grows more active, fiscal pressure will ease, resulting in a net fiscal gain for Europe.

Before the year is out, EU countries will see their labor force expand by 0.5% as more Ukrainian migrants participate, [according to OECD data](#). This is twice the increase observed during the Syrian migration crisis. Ukrainians' largest contribution to the labor force is expected in the Czech Republic, Poland, and Estonia.

This trend lays the solid groundwork for an increase in the production of goods and services in EU countries, specifically those that have accepted most of our migrants. Based on the findings of the [IMF study](#) and UN and Razumkov Center surveys, in 2026, because of the participation of Ukrainian migrants, the output of goods and services in Estonia, Poland and the Czech Republic may rise by 2.2%–2.3% more, and in Germany by 0.6%–0.65% more, than in the scenario with no migrants from Ukraine, other things held equal.

What can we currently infer from the above?

The first conclusion: Ukrainian migrants are an asset – not a burden – for EU economies. This indicates the relatively high level of quality and strong competitive edge of Ukraine's human capital, and that it retains these attributes even in extreme conditions.

The second conclusion: Though located on the receiving end of international macrofinancial assistance, Ukraine is also, through its migrants, a kind of donor and a meaningful player in the international (EU) labor market in the long run.

The third conclusion: Ukrainian migrants pack a great deal of value. In today's world, fierce competition for high-quality labor resources and human capital continues on a global scale. Human capital itself is the most valuable resource for any country. Ukraine therefore needs to do its best to entice the migrants to come home after it wins the war. Those who return will help the rebuilding effort.

A few personal, human observations.

While the Armed Forces of Ukraine are bringing Ukraine's victory closer as they fight on the battlefield to protect us, and the rest of Europe, from Russian aggression, our compatriots in the EU are making significant contributions to the economies of their host countries. The latter, in turn, are

helping Ukraine with funds and weapons deliveries. Among other things, this means that we are a nation of workers and warriors. Since the war broke out, Ukraine has been going through an incredible stress test of resilience. To give credit where credit is due, it is with dignity that we are standing the test of war, both in the battle zone and on the labor front.

Often, our migrants work blue-collar jobs in factories or on farms or do seasonal agricultural work. In the EU, Ukrainians primarily fill the vacancies that EU citizens either take reluctantly or have no interest in taking. This is also, to a large extent, owing to the heroic nature of our people, who do not shy away from the hardest work.

You may be wondering, then, what it is that makes me so proud. Especially given the tremendous loss of labor resources that Ukraine suffered as workers left. The answer is very simple. Almost all EU polls of Ukrainian migrants have shown that about 80% of them want to return home.

From this, I infer that we, the people of Ukraine, are the greatest treasure we have. I take pride in this fact. I pride myself on both our defenders and our forced migrants. As we bring our victory closer, the primary goal we must pursue is continue to work as best we can, each in their own line of business. When Ukraine wins the war, almost all of our people will return home to their peacetime lives, to an economy that will offer enough jobs for everyone as it builds itself back better than ever before.