



2024
UPDATE

MONITORING LIVING CONDITIONS IN UKRAINE

KEY TAKEAWAYS

This note outlines the status of living conditions in Ukraine as Russia's invasion of Ukraine, which began in February 2022, enters its fourth year. Findings in this note are based on a combination of official surveys before 2022 and unofficial data collected in 2023 and 2024 financed by the World Bank and UNICEF. Persistent challenges are found in the form of elevated poverty, widening inequality, barriers to employment, and access to certain services that cannot be avoided during an invasion.

The findings from 2024 highlight increasing levels of poverty and inequality.



- A rise in poverty and inequality was estimated for 2023 relative to 2021. Poverty rates and inequality have remained elevated based on data from L2UKR collected in 2024.
- Economic optimism and financial well-being worsened in 2024 compared with 2023.
- Widening inequality in household income is driven partly by labor market factors such as lower employment rates affecting poorer households more, disparate impacts on employment across regions, and faster rising wages in high-skilled sectors.
- A smaller labor force contributed to labor shortages and high labor demand.
- Despite high labor demand, low labor force participation (LFP) suggests that labor market mismatches are emerging from a rapidly transforming economy.

- Social assistance expanded during the invasion, but the increase cannot fully offset larger welfare losses from lost jobs and lower labor income.

Conditions under the current circumstances remain challenging.



- Government functions and services remain for the most part open, and payments to salaries, pensions, and social assistance are largely made on time.
- However, disruptions still persist due to challenges that are hard to avoid until a durable ceasefire is achieved, with the population still concerned about their day-to-day safety.
- Disruptions to water supplies and utilities were more widespread in 2024 than in 2023, reflecting the growing strain on infrastructure.

BOX 1. LISTENING TO UKRAINE HOUSEHOLD PHONE SURVEY



The Listening to Ukraine (L2UKR) phone surveys were conducted by the World Bank in collaboration with the Kyiv International Institute of Sociology from April 2023 to December 2024 (excluding September 2024). Each month, the L2UKR survey interviews between 1,500 and 2,000 households. These households were originally drawn from a 2021 representative sample of the Ukrainian population. Random digital dialing has been used to replace households in the sample since then, which makes it possible to cover all parts of Ukraine under Ukrainian cell service, which excludes Luhansk and Crimea. Thus, the survey also includes respondents from regions under active hostilities who remain accessible by phone, although the number of respondents in the Donetsk and Kherson oblasts is small and coverage is limited. When the data are pooled over several rounds, the results can be broken down with reasonable confidence by rural and urban areas, and by regions—with the exception of the regions targeted by the invasion, where survey coverage is limited. The same households are tracked over time until they drop out. When this happens, they are replaced by other randomly assigned households. From October to December 2024, all respondents are contacted through random digit dialing.

Region groupings

- Western: Lviv, Ivano, Ternopil, Rivne, Volyn, Chernivtsi, Zakarpattia
- Southern: Mykolaiv, Odesa
- Central: Zhytomyr, Kyiv city, Kyiv oblast, Vinnytsia, Kirovohrad, Khmelnytskyi, Cherkasy
- Eastern: Sumy, Chernihiv, Dnipropetrovsk, Kharkiv, Poltava
- Targeted regions: Donetsk, Zaporizhzhia, Kherson

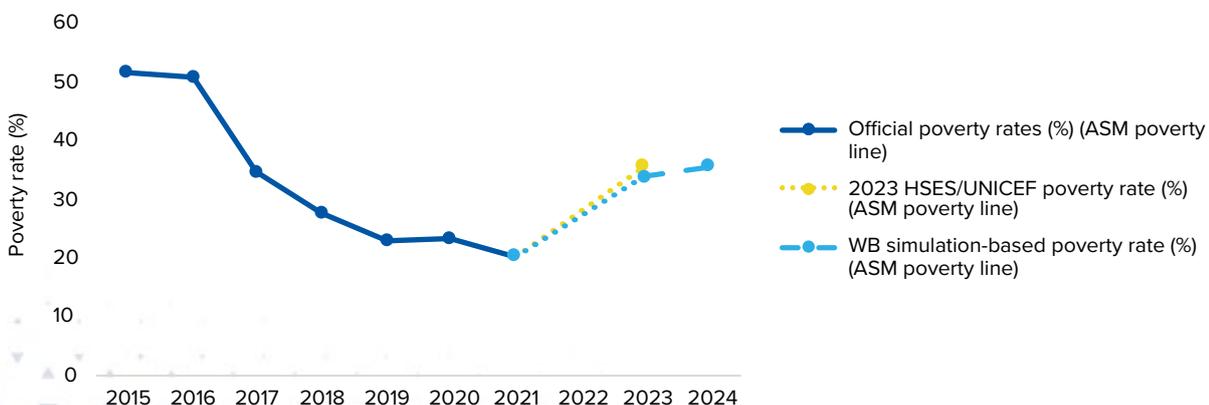
MAIN FINDINGS

1 Rising poverty and inequality



Poverty rates remain elevated. The World Bank simulated poverty rates of 37.0 percent based on a 2024 actual minimum subsistence threshold of UAH 6,953 per adult equivalent. This is a slight increase from 2023 poverty estimates based on two independent surveys collected; national poverty rates were estimated between 34.0 and 35.5 percent in 2023 (Figure 1 and see Box 2 for details on poverty estimation methodology).

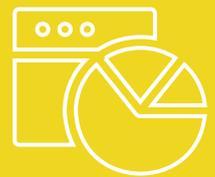
Figure 1. Poverty rates have been rising since February 2022



Notes: See Box 2 for information regarding data sources. Source: HLCS, 2023/4 HSES, 2023/4 L2UKR.

The current situation continues to erode economic optimism and financial well-being. In Q4-2024, 44 percent of L2UKR respondents were optimistic about the country's future economic situation in 2–3 years, a decline from 67 percent of respondents who felt optimistic in Q2-2023. Financial well-being is also taking a toll; in Q2-2023, 60 percent of respondents had considered their financial well-being to be worse or much worse than before February 2022, rising to 69 percent in Q4-2024. Households in the targeted regions face greater financial hardships, with over 20 percent of households financially unable to pay for utilities in the past 30 days in Q4-2024, compared with about 15 percent in the Western regions. Households in the targeted regions are also the least likely to have any savings (44.9 percent with no savings) compared with 27.5 percent in the Central region (including Kyiv). These financial strains are leading to food insecurity. For example, compared with other regions, households in the targeted regions are also the most likely to report being unable to eat healthy and nutritious food, or having to skip a meal in Q4-2024.

BOX 2. UKRAINE'S POVERTY RATE: AVAILABILITY AND SOURCES



Measurement

- The welfare aggregate is household income per adult equivalent (pae).
- Poverty rates discussed in this note are based on the “Actual Subsistence Minimum poverty line” (ASM) published by the Ministry of Social Policy, in per adult equivalent terms.

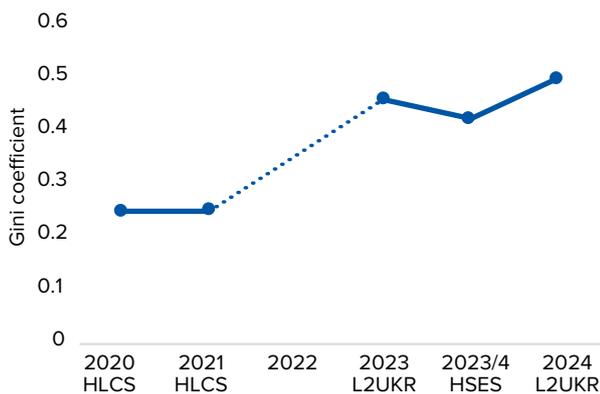
Availability

- Pre-2022 poverty rates from 2015–2021 are calculated from official household surveys (Household Living Conditions Survey – [HLCS](#)) collected by the Ukraine State Statistics Service.
- In 2022, no surveys were collected and no poverty estimates are available.
- In 2023, two donor-financed surveys used different approaches and obtained similar estimates for poverty based on the 2023 ASM poverty line of UAH 6,166 per adult equivalent.
 - The National Academy of Sciences of Ukraine reported a poverty rate of 35.5 percent in 2023, computed using a UNICEF-financed household survey.
 - The Socio-Economic Status of Households in Ukraine survey ([HSES](#)) was conducted from December 2023 to February 2024 by the Institute for Demography and Life Quality Problems of the National Academy of Science of Ukraine, with UNICEF support. See Liudmyla Cherenko, “Measuring Poverty in the Conditions of War in Ukraine,” Working Paper 1, Economic Commission for Europe Conference of European Statisticians, Workshop on Harmonization of Poverty Statistics, Geneva, November 27, 2024, [Link](#).
 - The World Bank reported a similar simulated poverty rate in 2023 of 34.0 percent, based on micro-simulations using data from the 2020 HLCS and the 2023 Listening to Ukraine ([L2UKR](#)) phone surveys.
 - The estimated 2023 poverty rate in this note is higher than in a previous [version](#) which utilized a CPI-adjusted poverty line. This note utilizes the final 2023 ASM poverty line published by the government.
- In 2024, the World Bank estimated 2024 poverty rates using the same microsimulation methodology as in 2023, resulting in a poverty rate of 37.0 percent.
 - 2024 actual subsistence minimum threshold of UAH 6,953 per adult equivalent.
 - The 2024 Listening to Ukraine phone surveys were collected monthly from January to December 2024, excluding September 2024.

Income-based inequality is rising. Lower average household incomes at the bottom of the income distribution and higher incomes at the top of the distribution are leading to a wider spread of incomes and higher income inequality. Before 2022, the Gini coefficient based on household income in per adult equivalent (pae) terms was about 0.25—low by international standards but comparable with its European neighbors. After 2022, the Gini coefficient is estimated to have increased to more than 0.4 based on the HSES and L2UKR surveys collected in 2023 and 2024 (Figure 2).

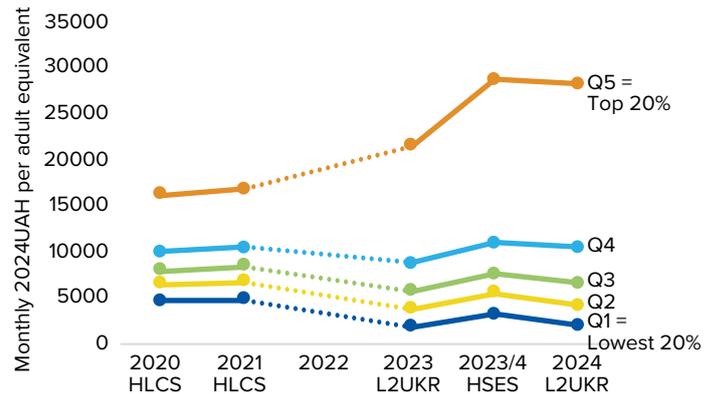
Poverty and inequality increased as a result of uneven losses and gains. Incomes for households at the bottom of the income distribution declined while incomes for households at the top of the distribution grew. Households in the top 20 percent (T20) experienced the most rapid increases in household income (pae) (Figure 3), while income declined the greatest for those households at the bottom of the distribution. For households near the bottom of the income distribution (B20), average household incomes (pae) in 2023 and 2024 are lower than in 2020 and 2021. Large losses in income for the majority of the population during an invasion are to be expected, but it is possible that some segments of the population may also gain from new economic drivers related to a rapidly changing economy, spurring uneven gains and losses across the population and widening inequality.

Figure 2. The Gini coefficient has risen since February 2022



Note: Household income per adult equivalent in UAH 2024.
Source: 2020/21 HLCS, 2023/4 HSES, 2023/24 L2UKR.

Figure 3. Since February 2022, household incomes have also declined for most households



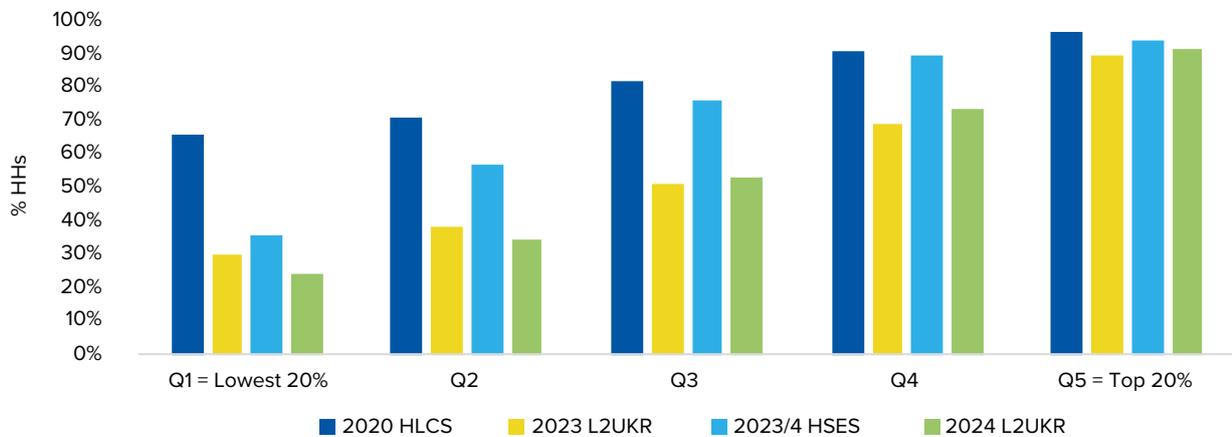
Note: Real household income per adult equivalent in UAH 2024. 2023/24 HSES in nominal values, no date of interview provided, fieldwork between December 2023 to February 2024.
Source: 2020/21 HLCS, 2023/4 HSES, 2023/24 L2UKR.

2 Fewer people are working, especially at the bottom of the income distribution



Labor market disruptions are negatively impacting more households at the bottom of the distribution. For the poor, pension and labor incomes are the largest sources of household income. But, unlike pensions that have remained a relatively reliable and stable source of income, labor incomes have dropped considerably. Households at the bottom of the distribution have seen the largest declines in labor as a source of income (wage, self-employment, agricultural production) since February 2022, while households at the top of the distribution have maintained similar rates in wage-earning as in the preceding period. In 2020, about 66 percent of households in the bottom 20 (B20) reported having labor income as a source of household income, compared with less than one-third in 2023 and less than one-quarter in 2024 (Figure 4). However, the share of households in the top 20 percent of the income distribution (T20) had high rates of employment before February 2022 and these have continued to be high since then.

Figure 4. Compared with the pre-February 2022 period, the share of households earning a labor income in the bottom of the distribution (B20) has significantly declined



Note: Labor income includes wage income, other labor income, self-employment, and agricultural income. Source: 2020 HLCS, 2023/4 HSES, 2023/4 L2UKR.

Labor shortages are an increasing challenge. Due to out-migration, long-standing demographic trends, and a larger active military, the civilian labor market is now much smaller. The size of the labor force (15–70 years of age) is estimated to have decreased by 16.8 percent from 2021 to 2023 (UNICEF, 2024). The share of firms that cite labor shortages as the most important problem increased from less than 20 percent in 2022 to over 60 percent by the end of 2024 (NBU, 2025).

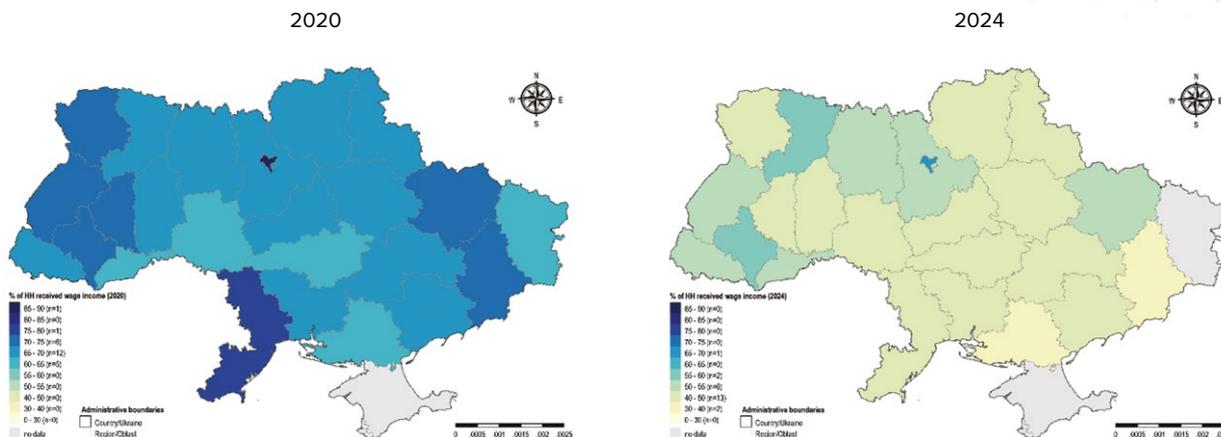
Despite high labor demand, some structural labor challenges still persist, in particular the gap between female and male labor force participation rates. The 2023 UNICEF HSES survey finds the gender employment gap, at 63.1 vs 48.7 percent employment rates among men and women aged 15–70, respectively, to be wider than what it was in 2021 (UNICEF, 2024). Women still face challenges in the labor market, including barriers ranging from household responsibilities to discrimination. Women aged 36–45 report challenges to working, including balancing work with family responsibilities, lack of childcare support, and age-related discrimination (IOM, 2024). Elderly workers and those in rural areas also face greater challenges in finding employment than workers in urban areas. Narrowing barriers is an important emerging employment policy area for increasing household welfare, in particular those constraining women, the elderly, or those in rural areas.

3 A rapidly shifting economy and rising labor mismatch



Employment opportunities are shifting geographically. Active hostilities and the destruction of infrastructure have shifted the population and the economy westward. The number of business entities declined from 2021 to 2023 in the targeted regions and in Luhansk, Mykolayiv, Odesa, Sumy, and Kharkiv (SSS). Before February 2022, some of the main economic activities in the east were agriculture and manufacturing, which are difficult to relocate. Wage earners declined throughout the country, with larger declines in the east than in the west. In 2024, oblasts with the highest rates of households earning wage incomes are in the western oblasts and Kyiv city.

Figure 5. % of HHs with wage incomes has dropped throughout the country. In 2024, Kyiv city has the highest share of HHs with a wage income

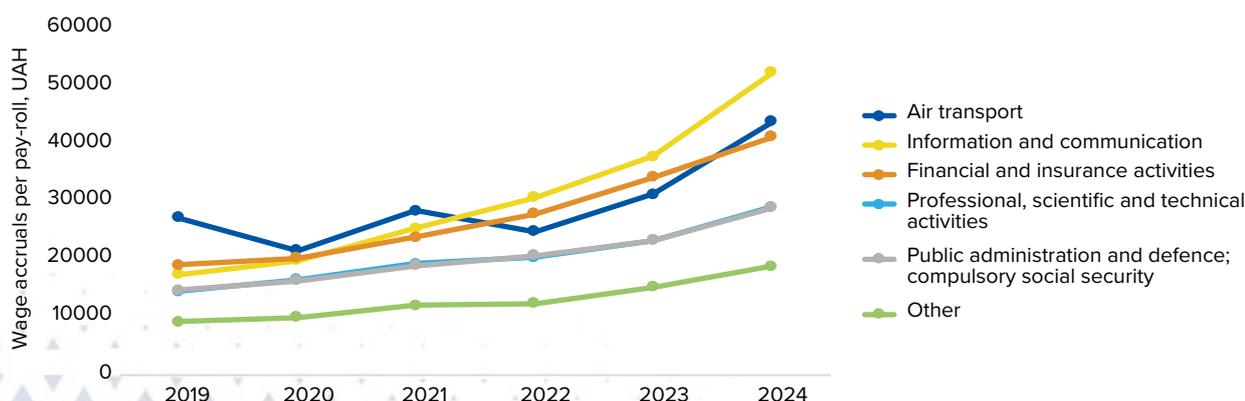


Source: 2020 HLCS, 2024 L2UKR.

The shift in economic activities towards west and central parts of the country has increased income inequality across regions. These economic shifts are correlated with household incomes. In 2024, households in urban areas in the Western and Central regions were more likely to be in the top 20 percent of the distribution (T20). In 2020, about 18 percent of the population in the urban west were in the T20 compared with nearly one-quarter in 2023 and 2024. Urban areas in the Central region already had a high share of its population in the T20 pre-2022, at about 27 percent, which rose slightly since then.

Among households still earning a wage income, high wage growth in some skill-intensive sectors compared with low skill-intensive sectors is exacerbating inequality. Wage growth has been high across all sectors, but particularly rapid in high-skilled and technology, finance and defense-related sectors (Figure 6). Across sectors, high-skilled and technology sectors have the highest wages, in particular air logistics, IT, financial services, and other professional occupations. The State Statistics Service (SSS) reported a 23.1-percent increase in wages among employees in enterprises from 2023–24. The International Organization for Migration (IOM) reported wages being 33 percent higher in August 2024 compared with June 2023, based on IOM’s General Population Survey (IOM, 2024).

Figure 6. Top-5 highest growth sectors: air transport, financial services and insurance, IT, public administration and defense



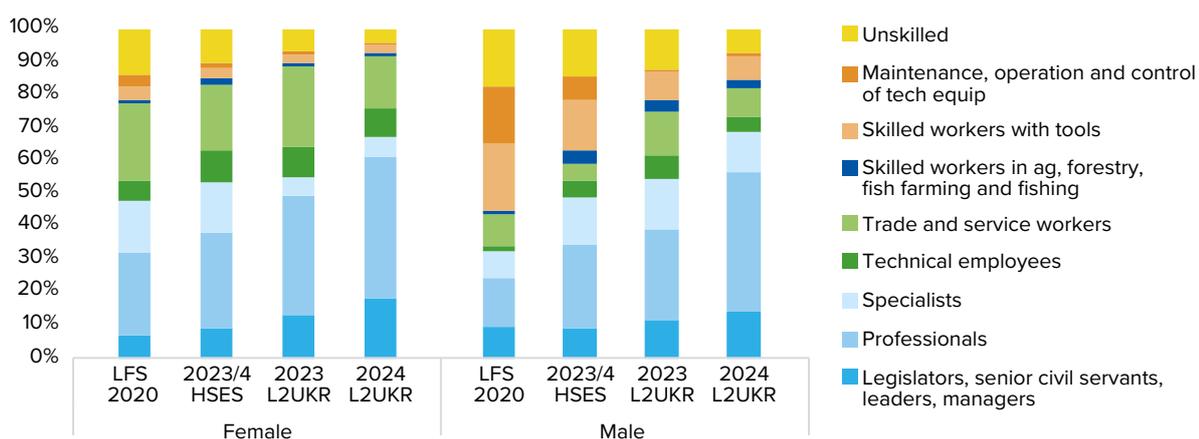
Notes: Average monthly wages of regular employees by types of economic activity. Source: UKR State Statistics Service (SSS).

During 2023 and 2024, a smaller share of workers is found in low-skilled manual occupations than in the preceding period. In addition, impacts from geographical shifts, the recruitment of men into the active military, and migration and demographic trends are changing the structure of the workforce. Among prime-age workers aged 25–45, there are larger occupation composition shifts seen among men than among women (Figure 7). Among men, the share of men in white-collar jobs such as legislators, professionals, and specialists rose from 33 percent in 2020 to over 50 percent in 2023 and 2024. Meanwhile, the share of men working in manual occupations declined significantly. One potential reason for this is that manual labor may take longer to relocate in the event of damage to facilities and factories, while services may be easier to relocate in new locations or done remotely. Among prime-aged women, the occupation distribution has also shifted, but is more comparable to the female occupation distribution before February 2022. In the pre-2022 period, women rarely worked in manual occupations, at only 7 percent, compared with 30 percent in services and 48 percent in professional, specialist, and management positions. Since then, the proportion of women in lower-skilled occupations has also declined, while the proportion in higher-skilled occupations has increased.

The lower share of people earning a wage despite the smaller size of the workforce under the current circumstances, together with rising wages in high-skilled sectors, suggests a mismatch in the labor market.

The mismatch could be due to numerous factors related to demographic shifts and skills gaps. From the demographic side, the population now comprises more elderly. However, women are still not participating in the labor force at higher rates than in the period before February 2022, suggesting some impact from persistent cultural or social barriers. Given that the economy is already shifting more toward high-skilled sectors, workers need to catch up on their skills, but retraining traditional workers or training the silver population is a medium-term transition. To rapidly fill skills shortages, attracting skilled workers to return to Ukraine may be a speedier option, but one that also faces significant challenges without a durable peace. The reintegration of affected groups, including displaced populations, veterans, and disabled groups into the labor market, is also a priority.

Figure 7. Distribution of occupations, by gender and time period



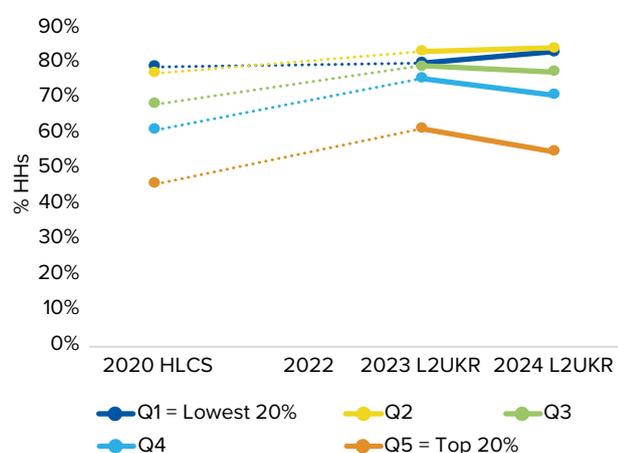
Note: Assume civilian labor force. Source: 2020LFS, 2023/4 HSES, 2023/24 L2UKR.



4 Poor households are more reliant on public transfers

In 2023 and 2024, reliance on pension and social assistance income increased as labor incomes fell, especially among the poor. Pensions and social assistance (SA) payments are important sources of income for the poor. In 2020, pension income was the most common source of income for the bottom 40 of the distribution (B40); about 65 percent of households in the B40 received pension incomes, and 50 percent of B40 households earned wage income. In 2023, the share of households with pensions or social assistance income increased (Figure 8). Despite the difficult conditions, L2UKR respondents reported near universal on-time payments of public payments and transfers in 2023 and 2024, highlighting the continuity of these key government functions and services.

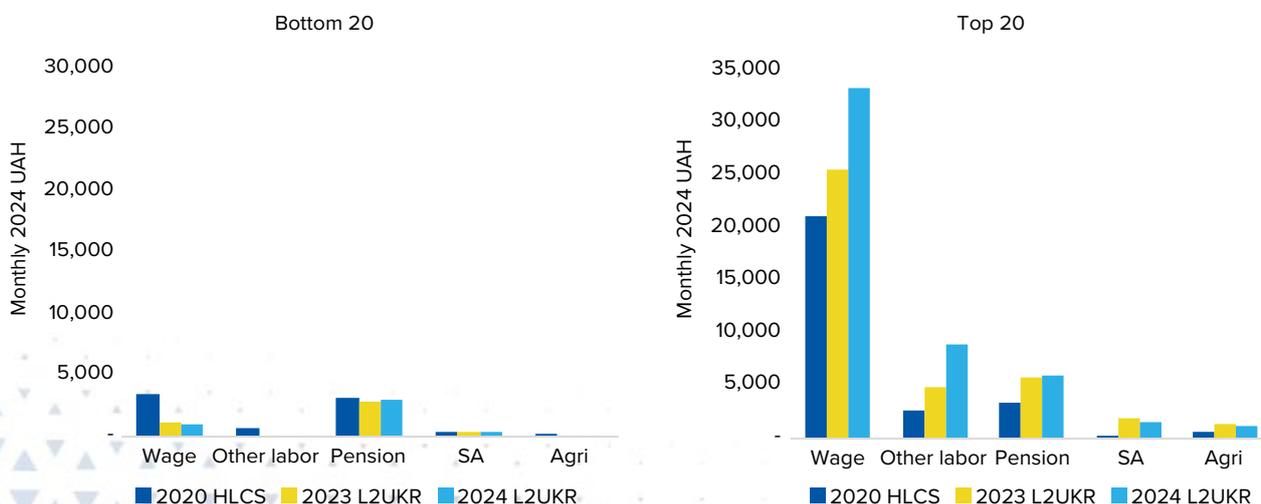
Figure 8. Households with pension and/or SA income



Note: It is not possible to separate HH-level pension and SA income in the HSES, thus they are combined. Source: 2020 HLCS, 2023/24 L2UKR.

There has been a broad expansion in social assistance coverage. Social assistance expanded from 8.27 million beneficiaries in 2021 to about 8.9 million in 2024. Taking into account the declining population during these years, the share of the population receiving social assistance income in 2024 is higher than in 2021 (28.6 vs 22.4 percent). At its peak, assistance to internally displaced persons (IDPs) reached an average of 2.6 million beneficiaries per month in 2023. The Housing and Utilities program, which subsidizes energy expenditures to low-income households, also reached over 1 million households. Despite the expansion of the social protection system, the amount of social assistance payments per household remains a small source of income on average (Figure 9). The average amount of social assistance income is lower than pensions or wage incomes, even with the decline in wage incomes seen in the B20 group. Larger groups of vulnerable populations are being created due to impacts from the current situation, and poverty remains elevated, calling for a greater role for social protection.

Figure 9. Despite an expansion of SA income, it remains a small share of total household income



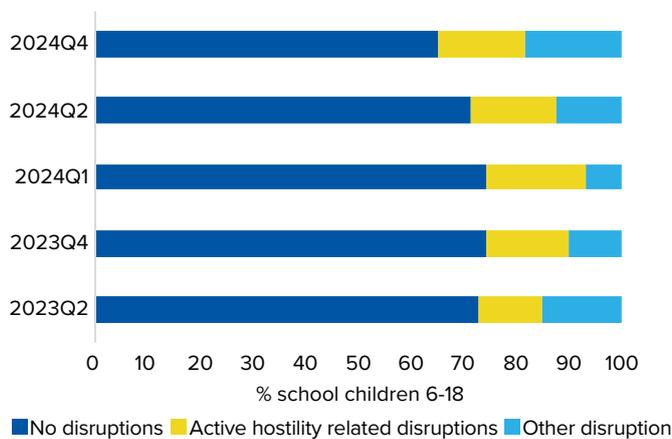
Source: 2020 HLCS, 2023/24 L2UKR.

5 Access to services and utilities – some disruptions to public services are unavoidable under the current circumstances



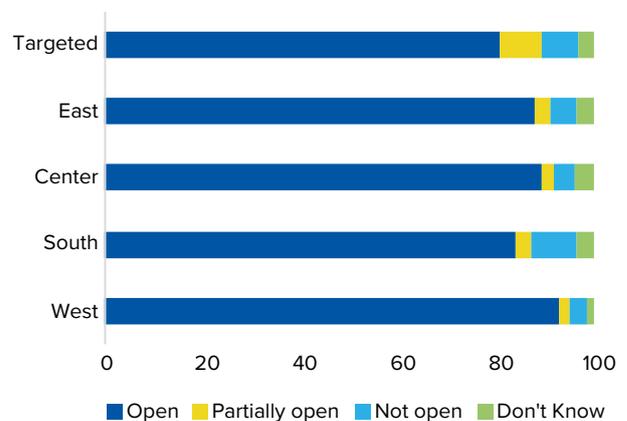
Many functions of government and public services have remained operational and open during this period, although some disruptions have been unavoidable. Schools and health clinics have remained for the most part open and in service. Throughout the invasion, about 90 percent of school-aged children 6–18 years of age have been enrolled in school. Health clinics have also remained open in the majority of locations, even in the targeted regions. However, disruptions mainly due to invasion-related factors are still frequent. In Q4-2024, about 16.6 percent of school-aged children experienced schooling disruptions in the past 30 days, compared with 11.9 percent in Q2-2023.

Figure 10. In Q42024, ~16.6% of children experienced invasion-related schooling disruptions in the last 30 days



Note: Have there been disruptions in access to learning in the past 30 days? Education questions not asked during the summer months. Source: 2023/24 L2UKR.

Figure 11. Most health clinics have remained open



Note: Were the health clinics in your community open in the past 30 days? Source: 2023/24 L2UKR.

Disruptions in water supply remain widespread, with regional disparities intensifying since 2022. As of Q4-2024, over 30 percent of households reported unexpected disruptions in water supply in the past 30 days, with the Eastern and targeted regions facing the highest rates of interruption. The average number of disrupted days increased to 12 days per month in the Eastern regions, compared with only four days in the Western regions. This reflects the compounded impact of damaged infrastructure and underinvestment in rural water systems.

The frequency and duration of water supply disruptions have worsened in rural and targeted regions. Nationwide, the average number of days with water supply disruptions increased from 5.2 days in 2023 to 5.7 days in 2024, indicating a growing strain on water service delivery. Rural areas saw a sharper increase from 7.7 to 8.9 days, underscoring the difficulties faced by non-urban households. The Eastern regions remain highly unstable, with an average of 5.5 days of disruptions per month, while the targeted regions remain the worst affected, increasing from 8.7 to 8.9 days per month from 2023 to Q4-2024. Regional disparities in water supply disruptions have widened. Donetsk continues to report the highest level of service interruptions, with households facing 11.6 days per month without stable access to water. In contrast, Kyiv city and Western Ukraine remain the least affected, reporting 4.9 days and 4.4 days per month of disruptions, respectively. These trends indicate a strong geographical divide, with the invasion-affected regions experiencing prolonged instability in essential services.

Electricity availability has improved marginally but remains highly unstable in the targeted regions. Households in the Eastern and targeted regions report having electricity for an average of only 12 hours, compared with nearly 20 hours in the Western regions. Energy infrastructure damage, including power plants and transmission lines, continues to disrupt supply. The L2UKR survey shows that nearly 20 percent households faced disruptions in electricity access in Q4-2024.

Figure 13. Water disruption (% of HHs)

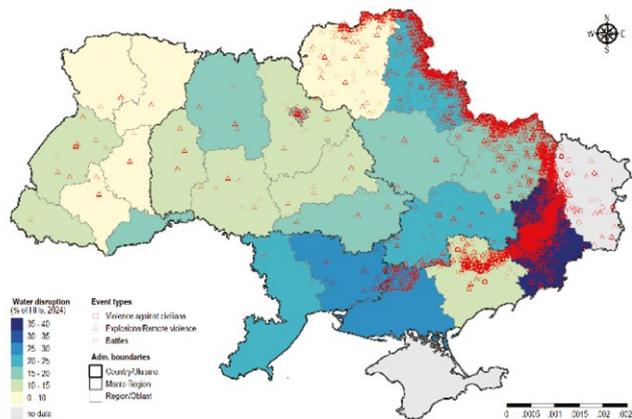
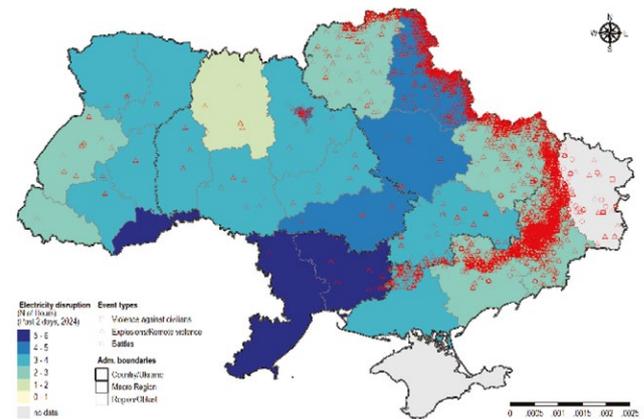


Figure 14. Electricity disruption (N hours)



Source: 2023/24 L2UKR.

6 The current situation continues to impact people's overall conditions



Households have experienced serious damage to their assets. With daily aerial attacks continuing, about 17.3 percent of Ukrainian households experienced damage to their housing or apartments between February 2022 and December 2024. Geographically, almost 40 percent of households in the targeted regions experienced damage to housing.

Households remain most concerned about the invasion and their day-to-day safety. Aside from a sharp increase in concerns related to disruptions in utilities in Q3-2024 that have since been resolved, safety remains a top and rising concern. Mental health has worsened. On average, 14.9 percent of L2UKR respondents reported poor mental health in Q2-2023, rising to 22.9 percent in Q4-2024.

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Data sources

Survey	
2020	<ul style="list-style-type: none"> Household Living Conditions Survey – Ukraine State Statistics Service Labor Force Survey – Ukraine State Statistics Service
2021	<ul style="list-style-type: none"> Household Living Conditions Survey – Ukraine State Statistics Service
2022	No survey this year
2023	<ul style="list-style-type: none"> World Bank Listening to Ukraine (L2UKR) (April–December 2023) Household Socio-Economic Survey financed by UNICEF, requested by MOSP, analyzed by National Academy of Sciences (December 2023–February 2024)
2024	<ul style="list-style-type: none"> World Bank Listening to Ukraine (January–December 2024, excluding September)