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Ukraine Diaspora Engagement and Returnees' Policy

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Executive Summary

This report examines how Ukraine can address critical human capital shortages resulting from the displacement of millions of its citizens due to Russia's full-scale invasion. Drawing on survey data from the UK and other host countries, a review of relevant literature, case studies from post-conflict and diaspora-engaged countries, and consultations with over 20 key stakeholders, the report analyses the role of migration in post-war recovery. It focuses particularly on refugees in the UK and the existing policy landscape supporting Ukrainians abroad. The report considers strategies to promote the return of displaced citizens and to engage the Ukrainian diaspora, leveraging the knowledge, skills, and networks migrants acquire while overseas. By identifying benchmark policies for return migration and diaspora engagement, the report highlights how forced displacement can serve as a catalyst for economic development and long-term reconstruction in Ukraine.

Findings

Context

Return migration and diaspora engagement offer substantial economic benefits through knowledge transfer, entrepreneurship, and investment channels. There is a growing and new literature examining how migrants serve as drivers of international diffusion in their home countries. Research shows that returning migrants play a crucial role in transferring knowledge and skills into their home countries. Returnees are more likely to become entrepreneurs, particularly those with overseas savings and extended stays abroad. Diasporas also contribute to economic development through multiple channels, supporting innovation and productivity through cross-border knowledge flows and co-patenting, often acting as conduits for "knowledge remittances." They expand exports, reduce transaction costs, and facilitate investment by acting as intermediaries for foreign direct investment, leveraging leadership positions in international firms and mobilising professional networks.

Ukraine's economy was already struggling with structural weaknesses before the war, including the slowest GDP growth among post-Soviet nations, but had developed strengths in agriculture and IT services. Since independence in 1991, Ukraine's GDP per capita remained stagnant for three decades. However, the country successfully pivoted its trade relationships from Russia to Europe, with EU trade share increasing from 25% in 2000 to 46% in 2022. The IT sector emerged as a particular bright spot, contributing over 4% of GDP by 2021 and employing more than 300,000 specialists.

The full-scale invasion has devastated Ukraine's economy, causing a 30% GDP loss in the first year and requiring an estimated \$542 billion for reconstruction over the next decade. In 2024, direct damages were valued at \$176 billion, with housing, transportation, and energy infrastructure most affected. The human capital impact is equally severe: nearly 22% of the pre-war population is displaced (6 million externally, 3.7 million internally), educational outcomes have declined significantly, and labour shortages constrain 38% of businesses despite high unemployment.

While the full-scale invasion has accelerated emigration, Ukraine has long experienced significant outmigration. The country's migration history predates the 2022 invasion, with population decline beginning after the dissolution of the USSR. Between 1992 and 2021, Ukraine's population fell from approximately 52 million to 44 million—a 15% decrease driven by sustained negative demographic trends. Even prior to the invasion, Ukraine was among the top ten countries globally in terms of emigration, with around 6 million citizens living abroad as of 2020.

Characterisation of the refugees

Analysis of existing surveys indicates that Ukrainian refugees displaced by the full-scale invasion have a distinct demographic profile. Due to martial law restrictions, 58% are women and 30% are children under the age of 18. They also come predominantly from eastern and northern oblasts, regions heavily affected by the war. This refugee population is notably well-educated: 74% hold higher or incomplete higher education, a rate that exceeds both the general Ukrainian population and other refugee groups. They also have a strong employment background, with 70% reporting prior work experience before the invasion. Refugee employment rates have increased significantly, from 42% in 2022 to 56% in 2024, though outcomes vary widely by host country. However, only 39% of employed refugees have been able to work in their original fields, highlighting ongoing challenges in labour market integration.

Return intentions among Ukrainian refugees have declined sharply, while economic factors increasingly outweigh security concerns in decision-making. Surveys conducted at the end of 2024 indicate that the share of those who definitely plan to return has fallen by more than half in two years, from 50% to 20%. The official end of war would motivate only 43% to return, while 46% cite the need for higher living standards and 33% for well-paying jobs in order to return to Ukraine.

The UK hosts over 220,000 Ukrainian refugees, representing the largest population in Europe outside the EU. The demographic profile of refugees in the UK closely mirrors that in other host countries, with notable characteristics including a high proportion of women (64%) and the second-highest share of individuals with higher education (85%) among destination countries. Surveyed Ukrainians who are employed reached 69% by 2024, up from 52% in 2023, though 66% work in different sectors than in Ukraine. Language barriers remain the primary employment obstacle, with 50% citing English requirements as a key challenge. Notably, 68% express desire to remain in the UK even if Ukraine becomes safe, citing work opportunities (60%) and existing employment (52%) as primary factors, a figure significantly higher than the 40% average willingness to stay reported across other countries.

Return policies literature review

The literature review on return migration highlights nine key thematic pillars shaping returnee experiences and outcomes. First, timing is relevant. Return rates are highest within the first five years post-conflict, with most returns occurring spontaneously rather than through formal programs. Refugees tend to settle in urban areas, rarely returning to their rural places of origin, driven by better economic opportunities and services. Economic factors such as access to

livelihood assets, property restitution, and financial resources accumulated in exile strongly influence return decisions, while economic integration in host countries can reduce return likelihood. Family and social connections, including emotional attachment, reunification, and community dynamics, play a critical role in motivating and facilitating return. Security and access to essential services like healthcare and education are paramount, especially for women and children, although challenges like academic credential recognition persist. Individual characteristics, including age, gender, and cultural identity, further shape return preferences. Decisions to return often involve comparisons between host and origin country conditions, with legal status and mobility restrictions influencing choices. The return process is complex and often temporary, involving repatriation, reintegration, rehabilitation, and reconstruction, with no single definition of “successful return.” Finally, effective institutional support requires coordinated efforts across humanitarian, development, government, and private sectors, emphasising long-term planning, investment, and property restitution to ensure sustainable reintegration.

Case studies

Case studies from Bosnia and Herzegovina, reveal critical lessons for designing effective return and diaspora engagement policies. Despite being a central part of the peace agreement, return policies faced criticism for slow, uneven progress and limited sustainable reintegration. Housing reconstruction efforts, largely led by international actors, fell short by neglecting essential infrastructure and services, highlighting the need for comprehensive planning beyond shelter alone. Host countries’ policies significantly influenced return outcomes, with more inclusive approaches, such as those in Sweden and Denmark, facilitating better integration and informed voluntary return, unlike more restrictive policies in Germany. Additionally, Bosnia’s ongoing emigration emphasises that a significant portion of displaced populations may remain abroad long-term, underscoring the critical role of robust diaspora engagement initiatives. Two successful examples of such policies are *Diaspora Invest* and *Diaspora4Development*, which focus on diaspora investment and knowledge exchange.

The Baltic states—Estonia, Lithuania, and Latvia—offer Ukraine valuable lessons on how to respond to large-scale emigration while harnessing diaspora potential for national development. These former Soviet countries, which have faced sustained outflows due to limited domestic opportunities, have evolved from focusing primarily on return migration to adopting dual-track strategies that combine long-term diaspora engagement with targeted return initiatives. Rather than treating emigration solely as a “brain drain,” they now view their diasporas as long-term partners for investment, entrepreneurship, and knowledge exchange. Programmes like *Talents for Lithuania* and *LT Big Brother* illustrate how to mobilise skilled nationals abroad, while regional return coordinators in Latvia and tailored reintegration schemes in Lithuania offer concrete examples of practical support for returnees. Estonia’s investment in digital infrastructure—particularly through its e-residency programme—shows how digital tools can attract global talent and streamline service delivery. For Ukraine, these experiences underscore the need to build a balanced migration strategy from the outset: one that promotes business-oriented diaspora engagement, addresses on-the-ground reintegration needs, and develops robust communication and digital systems to maintain strong ties with Ukrainians abroad.

Albania offers a valuable model for Ukraine as a non-EU country with one of the highest emigration rates and a rapidly evolving diaspora policy framework. It has established a strong legal and institutional foundation to engage its diaspora, promote both temporary and permanent returns, and support national development through investment and skills transfer. Key initiatives include the *Albanian Diaspora Development Fund* and the *Diaspora Business Chamber*, which foster economic ties with diaspora communities, and *Connect Albania*, a platform linking diaspora members with foreign investors. Albania also supports knowledge engagement through programmes like the *READ Fellowship* for academic returnees. On return migration, Albania has adopted an inclusive approach, offering tailored reintegration services, such as career counselling, job-matching, and vocational training, not only for skilled returnees but also for vulnerable groups. Its experience highlights the importance of coordinated long-term strategies that integrate diaspora engagement and reintegration into broader development goals.

Current policy landscape

Ukraine's current diaspora policy framework remains fragmented, with recent institutional changes including the creation of the Ministry of National Unity in December 2024, though implementation faces significant challenges. Prior to 2022, policies focused primarily on cultural preservation rather than economic engagement. The new ministry follows a three-pillar approach covering strategic communication, facilitating engagement and return, and redefining national identity, but lacks dedicated 2025 budget funding. Recent initiatives include Unity Hubs in host countries and pending constitutional changes to allow dual citizenship, signalling a strategic shift toward comprehensive diaspora engagement.

The UK, as a host country, has developed new VISA routes for Ukrainians, but there is no pathway for permanent settlement. The UK has created specific visa routes for Ukrainians, such as the *Homes for Ukraine* scheme, that allowed rapid entry, immediate work rights, and access to benefits and healthcare. However, these schemes do not provide a pathway to permanent settlement. Time spent in the UK under these visas does not count toward residency or citizenship, creating long-term uncertainty for beneficiaries.

Recommendations

Based on these findings, key recommendations for Ukraine focus on five strategic pillars:

- **Strengthening the domestic economy.** Ukraine must implement economic policies that enhance employment prospects and wage competitiveness through anti-corruption measures, rule of law improvements, business environment reforms, and EU alignment, including banking sector harmonisation.
- **Developing a comprehensive migration policy.** Ukraine should adopt a two-pillar migration strategy that simultaneously addresses diaspora engagement and return migration, recognising that migration is circular and requires multi-dimensional services with clear institutional frameworks at national and local levels.
- **Establishing a robust diaspora engagement framework.** A comprehensive diaspora engagement framework must include improved consular services, integrated data collection systems, public perception campaigns to reframe emigrants as "global

connectors," remote work facilitation, and a multifunctional digital platform building on existing tools like *Diia*. This framework should leverage diaspora investment through local engagement mechanisms, improved remittance systems, chambers of commerce partnerships, one-stop shops for investors, and knowledge transfer programmes modelled on successful initiatives implemented globally.

- **Creating sustainable return policies with long-term reintegration support.** Return policies must focus on sustainable reintegration through coordinated multi-stakeholder collaboration, recognition of optimal timing (the first five years post-conflict), inclusive support for all returnees including vulnerable groups, digital service delivery, strong involvement of local governments and public employment services, labour reallocation programmes, investment in housing and urban infrastructure, family support mechanisms, financial incentives, skills recognition systems, and targeted programmes to attract skilled professionals.

Moreover, this report recommends that the UK implement five key policies to support Ukrainian refugees and facilitate future reintegration: enhanced data collection, IT sector support, automatic visa extensions, pathways to permanent settlement, and flexible post-war visa schemes.

- **Address data gaps:** Conduct targeted surveys on Ukrainian employment, skills, and other information to better understand diaspora contributions and design effective support measures.
- **Support Ukraine's IT sector:** Strengthen bilateral collaboration through trade agreements, remote work partnerships, and active engagement with the Ukrainian tech diaspora, building on initiatives like the UK-Ukraine TechBridge launched in 2024.
- **Implement automatic visa extensions.** Provide stability and reduce administrative burdens for the 220,000 Ukrainians who have arrived under special schemes.
- **Establish pathways to permanent settlement.** Recognise that 68% of Ukrainians wish to remain long-term, including 27% who are children; current visas do not count toward the five-year residency requirement, creating uncertainty.
- **Introduce post-conflict flexible visa schemes.** Modelled on Denmark and Sweden's "look and visit" programmes for Bosnian refugees, allowing multiple entries and extended stays for Ukrainians to assess conditions before permanent return, supported by a dedicated return centre providing comprehensive reintegration guidance.

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Introduction

The full-scale invasion of Ukraine has led to a significant outflow of citizens seeking safety and stability abroad. Nearly six million Ukrainians have been recorded as refugees worldwide as a result of Russia's full-scale invasion, with most finding refuge in Europe (UNHCR, n.d.). As the country looks towards post-war reconstruction, a major challenge will be addressing the potential shortage of human capital necessary for rebuilding the country. The success of Ukraine's recovery, both in the short and long term, is heavily dependent on the return of these refugees and the active participation of the diaspora.

This report examines the urgent issue of human capital shortages resulting from the displacement of Ukrainians due to the war. Currently, approximately 43% of Ukrainian refugees express plans to return, a significant decline since 2022 (74%) (CES, 2025). Without targeted policies to encourage repatriation, many may choose to remain abroad, drawn by better economic opportunities, higher living standards, and stable institutions. This could lead to a critical shortage of skilled workers, undermining the country's reconstruction efforts.

A growing body of research is exploring how forced migrants can act as catalysts for international diffusion, bringing new knowledge and connections to their home countries. Encouraging the return of Ukrainians after the war is economically vital. Return migration restores human capital by bringing back valuable skills, knowledge, and networks that can drive innovation, productivity, and investment. However, there is currently no comprehensive strategy in place for the return of forced migrants, nor is there a clearly defined body responsible for managing this process. Simultaneously, the diaspora plays a crucial role in Ukraine's reconstruction by acting as economic bridges, facilitating trade, investment, and technology transfers between their host countries and Ukraine. The diaspora also contributes significantly through remittances, helping stabilise Ukraine's national economy and providing much-needed financial support for families back home. Moreover, the diaspora can play a key role in advocating for international support and mobilising resources for Ukraine's reconstruction.

This desk-based report examines the role of migration in post-war recovery, with a focus on how forced displacement can act as a catalyst for economic development. It seeks to identify policies that address Ukraine's human capital shortages by promoting the return of displaced citizens and strategically engaging the Ukrainian diaspora abroad. The analysis draws on survey data from the UK and other host countries, a review of relevant literature, case studies from post-conflict settings and diaspora-engaged countries, and consultations with more than 20 key stakeholders.¹ It explores how to harness the knowledge, skills, and networks migrants acquire while abroad, considering both return migration policies and strategies for effective diaspora engagement, particularly in relation to the UK's role as a host country. Through comparative analysis and a review of existing frameworks, the report offers actionable recommendations to support Ukraine's reconstruction and long-term development.

¹ We conducted a total of 17 meetings with stakeholders, including representatives from academia, civil society, NGOs supporting refugees, Ukrainian refugees themselves, and the British government.

In this context, it is important to clarify the definition of "diaspora" used throughout the report. While definitions of diaspora vary across countries, institutions and academic literature² (Qaisrani, et al., 2023), this report adopts a broad approach. It considers not only traditional long-term emigrants, but also circular migrants and those who have moved abroad for shorter periods and may not have developed strong ties to their host countries. Accordingly, the Ukrainian diaspora, as defined in this analysis, includes both individuals who were already living abroad prior to the full-scale invasion and those who have left Ukraine more recently as refugees and have remained abroad. As such, the recommendations for diaspora engagement extend beyond long-term emigrants to also include those who have been displaced since 2022 and continue to reside outside Ukraine.

The report will be structured as follows. The first section will examine the economic motivation for engaging the diaspora and promoting the return of displaced citizens. The second section will analyse the economic impact of the conflict on Ukraine against the backdrop of economic trends since its independence, highlighting the broader consequences of the war. The third section will focus on the Ukrainian diaspora abroad, analysing its size, composition, geographical distribution and key concerns, with particular emphasis on the diaspora in the UK. In the fourth section, a case study will be presented to explore the policy implications for Ukraine, drawing lessons from other post-conflict countries and assessing policies aimed at managing return migration and engaging the diaspora. Section five examines the current policy landscape of the countries under analysis, focusing on the policies being implemented by the UK as a host country and the prevailing diaspora policies in Ukraine prior to the full-scale invasion. Section six presents detailed policy recommendations, with a particular focus on strategies that the UK government can adopt to support Ukraine's reconstruction.

By proposing actionable policies for return migration and diaspora engagement, this report aims to help Ukraine maximise its human capital for long-term economic recovery and growth. Effective strategies for encouraging return migration and capitalising on the diaspora's potential will play a pivotal role in Ukraine's reconstruction, driving innovation, investment and facilitating trade. The success of these policies will be essential to the country's ability to stabilise, rebuild and thrive in the post-war era.

² The concept of "diaspora" is used in various policy reports to refer broadly to nationals living outside their country's territory. However, this definition can be imprecise, as some interpretations emphasize the need for a sustained connection to the country of origin—distinguishing diaspora members from emigrants more generally (Qaisrani et al., 2023). Acknowledging the complexity of this definition, this report adopts a broad interpretation to highlight the urgent need for policies that engage Ukrainians currently living abroad. In the recommendations section, we underscore the importance of developing a clear definition of the diaspora and gaining a better understanding of its composition.

1. Theoretical motivation: economic benefits of return migration and diaspora ties

The Russian full-scale invasion in 2022 has forced millions of Ukrainians to seek refuge and opportunities in other countries. During their time abroad, many of them have had access to different educational systems, professional experiences, and exposure to new markets and institutions. These experiences have the potential to significantly contribute to Ukraine's economic recovery if returning citizens are effectively reintegrated into the domestic economy.

There is a growing body of research examining how migrants³ serve as drivers of international diffusion to their home countries. Studies suggest that returning migrants play a crucial role in transferring knowledge and skills, contributing to the development of their home countries. For example, Bahar et al. (2024) analysed the impact of the return of forced refugees on export performance in the former Yugoslavia. According to the authors, there is a consistent relationship between refugees gaining work experience in a foreign country and the subsequent performance of the same sectors in which they had worked while abroad in their home country upon their return. Their findings revealed that industries with 10% more returning refugees experienced an increase in exports of 0.1% to 0.16% between the pre-and post-war periods. These effects are primarily driven by skilled workers in occupations requiring analytical tasks and by those employed in top-paying firms within each industry as well as by workers who experienced faster wage growth when being abroad. These groups are more likely to transfer knowledge, technologies, and best practices across borders, thereby fostering productivity improvements.

Similarly, Hausmann and Nedelkoska (2017) examined how Greece's economic depression disproportionately affected the Albanian diaspora, resulting in the return of many to their home country. This study explores the consequences of this large-scale return on the Albanian labour market and the impact on the employment opportunities and earnings of Albanians who never migrated. The authors highlight that these return migrants bring valuable knowledge and skills acquired in host countries, which they can leverage to benefit their home countries through entrepreneurial ventures. The authors find that most Albanians return to their district of origin, where they are more likely to engage in self-employment and entrepreneurship compared to Albanians who remained in the country, particularly in the agricultural sector. Additionally, they also create jobs for Albanians who did not migrate. In a similar vein, Diodato et al. (2024) examined return migration from the United States to Mexico, finding comparable effects. Their study revealed that Mexican returnees with industry experience in the U.S. contributed to the expansion of those industries in Mexico. However, the influx of skilled returnees lowered wages for non-migrants in the same occupations but raised them for those in different roles within the same industry. This suggests that returnees bring industry-specific knowledge that boosts productivity. While knowledge spillovers are often linked to high-skilled migrants, this study challenges that view, suggesting that even lower-skilled returnees can bring valuable expertise from a more advanced economy, benefiting local industries through skill complementarities and

³ The literature reviewed here covers different types of migration. Some papers examine the return of forced migrants, while others focus on the voluntary return of labour migrants. To ensure clarity, studies referring to forced migration return will be clearly identified.

knowledge spillovers. Both studies emphasize that migrants from developing countries to advanced economies often accumulate financial capital and build extensive social networks abroad. While their home countries may struggle with knowledge shortages, a significant share of the diaspora engages in more productive economic environments, facilitating knowledge transfer and fostering economic development.

Further evidence underscores the relationship between overseas experience and entrepreneurial activity. Studies show that both overseas savings and the duration of stays abroad significantly increase the likelihood of literate returnees becoming entrepreneurs, as observed in Egypt (McCormick & Wahba, 2001, Wahba & Zenou, 2012) and Mozambique (Batista et al., 2017). McCormick and Wahba examine how work experience in high-wage countries allows return migrants to bring back savings, new skills, and innovative ideas that can contribute to modernisation and economic growth in their home country. They identify different factors influencing the likelihood of entrepreneurship upon return. For literates, both savings (which reduce liquidity constraints) and the length of overseas employment (which reflects skill acquisition) play a role. For illiterates, savings are key, while the duration of their stay abroad does not significantly impact entrepreneurial chances. Wahba and Zenou (2012) highlight similar mechanisms that make Egyptian returnees more likely to become entrepreneurs compared to non-migrants. These findings illustrate the dual potential of returning migrants to contribute to their home countries through financial investment and innovation-driven entrepreneurship.

Another strand of literature highlights the significant contributions of diasporas, especially highly skilled individuals, to knowledge transfer and diffusion of innovation, benefiting their home countries. Kerr (2008) underscores the role of ethnic scientific communities in frontier countries, like the United States, in diffusing technologies, citing India's success partly due to its strong U.S.-based entrepreneurial community. Agrawal et al. (2006) find that knowledge flows to an inventor's home country are 50% greater if they have lived there, emphasising the importance of social and institutional ties. Similarly, Breschi et al. (2017) document a "diaspora effect" where U.S.-based inventors cite patents from their ethnic peers at higher rates, benefiting home countries, though this effect is less pronounced among European inventors.

Migration also drives productive knowledge diffusion. Bahar and Rapoport (2018) find that skilled migrants can significantly expand a country's export basket by transferring tacit knowledge, reducing transaction costs, and fostering innovation. Miguélez (2018) and Miguélez et al. (2019) highlight how skilled migrant networks facilitate international co-patenting and knowledge flows, with "knowledge remittances" occurring through personal connections or return migration, bringing back new skills and networks. Furthermore, remittances can boost investments in education (Ashraf et al., 2015) and foster capital-intensive entrepreneurship, while Fackler et al. (2020) find that emigrants from Eastern Europe increased knowledge transfer, driving innovation in their home countries.

Finally, the diaspora can also contribute through direct investment to the country. Contrary to other foreign investors, diaspora investors are willing to accept lower returns or higher risks in the investments due to the affective ties to the country (Nielsen & Riddle, 2009). Studies suggest that multinational companies are more likely to direct investment toward a country where there

is notable involvement of nationals in its ownership or leadership (Graham, 2012, 2019). In this context, members of the diaspora can act as influential intermediaries, often serving in senior management positions within international companies, who help steer foreign direct investment (FDI) toward their country of origin. While they are not required to invest their own capital, they serve as informal brand ambassadors, leveraging their professional networks and influence to attract investment. These diaspora trade agents typically hold managerial roles abroad and maintain strong cross-border business ties (World Bank, 2024a).

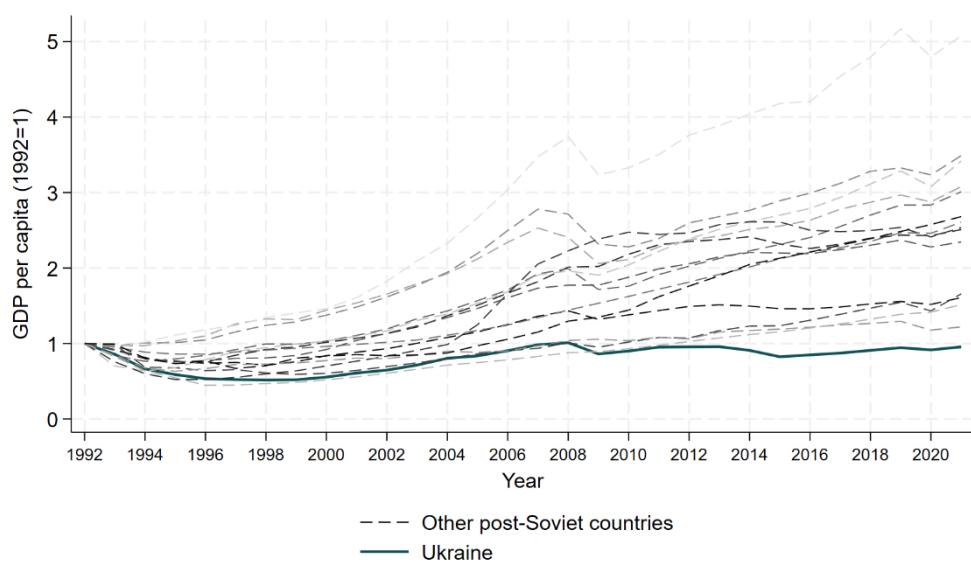
New evidence has also highlighted the growing relevance of remote cross-border work. While much of the existing literature focuses on the benefits of offshoring services to developing countries and the estimation of the jobs that can be done at home (Baldwin & Dingel, 2021), recent and limited evidence also suggest that facilitating cross-border remote work to the diaspora could significantly boost the country's economy and global competitiveness. A case study of Latvia, for example, demonstrates the potential of remote work to mitigate human capital losses caused by emigration (Mierina & Šūpule, 2024). However, the authors also point to the need for adjustments in tax legislation, social benefits, and labour regulations to support the effective implementation of such policies. Additionally, the shift to remote work may encourage return migration, as it allows diaspora members to maintain high-paying jobs abroad while living closer to family, reintegrating into their communities, and enrolling their children in schools in their country of origin, factors that many consider important (Klave & Šūpule, 2019).

2. The economic impact of the war

The ongoing war in Ukraine, following Russia's full-scale invasion in February 2022, has triggered a severe humanitarian crisis, causing widespread loss of life, displacement, and destruction. Beyond its devastating impact on Ukraine's infrastructure, economy, and industries, the conflict has exacerbated existing vulnerabilities and created new economic shocks. The war has significantly affected living conditions within Ukraine, forcing millions to flee and placing economic strain not only on Ukraine but also on the countries hosting displaced individuals.

Since gaining independence from the Soviet Union, Ukraine has undergone a profound transformation. However, remnants of its old economic system and the influence of powerful vested interests continue to hinder economic growth. Ukraine was among the poorest of the former Soviet republics. Since gaining independence in 1991, the country's GDP per capita saw some improvement following the sharp decline in the first decade of independence. However, by 2021, the GDP per capita had returned to the same level it was three decades earlier. When compared to other post-Soviet nations, Ukraine experienced the slowest GDP growth since the dissolution of the USSR (Figure 1).

Figure 1: GDP per capita growth – Ukraine versus post-Soviet countries



Source: Authors' elaboration using WDI data.

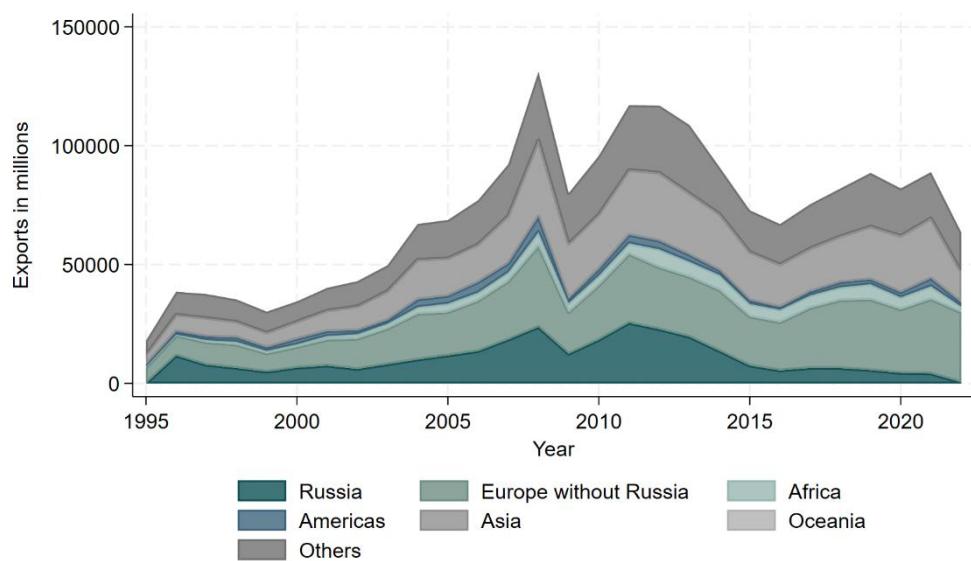
Note: The list of soviet countries includes Russia, Belarus, Moldova, Lithuania, Latvia, Estonia, Georgia, Armenia, Azerbaijan, Kazakhstan, Uzbekistan, Kyrgyzstan, Tajikistan, and Turkmenistan.

Over the past three decades, Ukraine has struggled with structural economic weaknesses, including corruption and weak institutions (World Bank, 2022). State-owned enterprises (SOEs), which account for 10% of GDP (Ash et al., 2017), and politically connected firms dominate key sectors essential for productivity. In addition, oligarchs—mainly from the Soviet-era industrial sector - have maintained significant control over relevant sectors of the economy (Haddad et al., 2021). Furthermore, the financial sector, while restructured, remains small, and domestic capital markets are underdeveloped (OECD, 2025). Into the bargain, the lack of a functioning

land market further restricts agricultural potential while pension and tax system inefficiencies strain public finances (Ash et al., 2017). These structural challenges have been further exacerbated by multiple crises, including the 2014 Russian annexation of Crimea and the ongoing conflict in the Donbas region.

Ukraine has developed a strong agricultural sector and expanded its trade with Europe, reducing its historical dependence on Russia (Figure 2). In the early 2000s, around 20% of Ukraine's exports went to Russia, but this share declined sharply after 2014, falling below 10%. By 2021, only 4.6% of Ukrainian exports were directed to Russia. In contrast, trade with Europe grew substantially, with the region's share of Ukrainian exports increasing from 25% in 2000 to 46% in 2022, making Europe Ukraine's largest trading partner.

Figure 2: Ukraine exports by region



Source: Authors' elaboration using the *Atlas Complexity database*.

Notes: Exports in constant value (2022 \$US).

Ukraine's export composition has also shifted, moving away from more complex industrial goods towards lower-complexity agricultural products. In the early 2000s, metal products—mainly iron and steel—accounted for 33% of total exports, followed by services at 22%. Agricultural goods made up just 10%, while minerals accounted for 8%. However, by 2021, agriculture had become the dominant export sector, rising to 34%—nearly nine times its share in 2000. Before the war, the country had established itself as a major global supplier of wheat, corn, and sunflower oil,⁴ ranking among the world's top exports (Crescenzi & Harman, 2023).

In recent years, Ukraine has developed a thriving IT services sector, positioning itself as an emerging tech hub. The country benefits from a highly educated workforce and strong human capital, supporting rapid growth in the ICT industry. Between the early 2000s and 2022, the

⁴ Harvard Growth Lab (n.d.).

sector's share of total exports surged from 6.43% to 18%, underscoring Ukraine's increasing role in global technology and digital services.⁵ By 2021, IT services had become the leading export category within the service sector, contributing to more than 4% of GDP, and generating \$12.7 billion in 2022 (Lviv IT Cluster, 2024).

Ukraine's digital infrastructure and talent pool have played a key role in this expansion. With more than 2,000 verified tech companies, the industry has more than 300,000 tech specialists (Lviv IT Cluster, 2024). This expansion occurred in the context of a massive shortage of IT specialists in Europe. Many companies have increasingly relied on Ukrainian IT providers, either through direct partnerships with Ukrainian firms or via IT service outsourcing (Schnitzer, 2023).

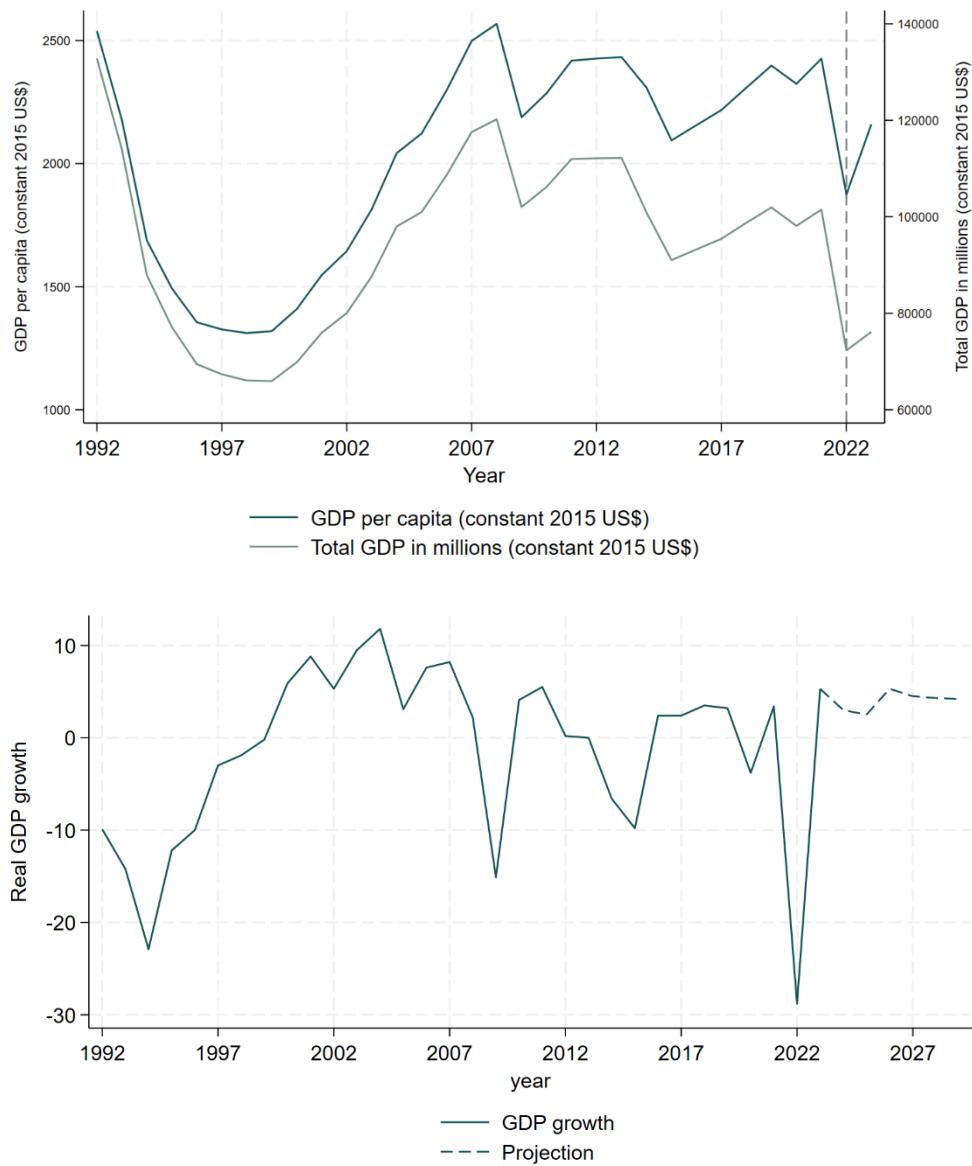
Although Ukraine's trade improvements before 2022, the country's integration into global value chains has been limited, as the country was a supplier of raw materials and intermediate goods, with a limited role in final production (Movchan, 2022). Moreover, FDI has remained undeveloped, contributing only to 0.4% of total employment. Despite the country's strong educational foundation and expertise in software programming, FDI remained low in high-potential sectors such as business services, software development and R&D (Neffke et al., 2024).

The full-scale invasion in 2022 has further exposed and exacerbated Ukraine's pre-existing structural economic challenges, significantly limiting the country's capacity to effectively address the economic repercussions of the crisis. The war in Ukraine has caused profound disruptions to the country's economy, with direct consequences for its infrastructure and industries. In the first year of the full-scale invasion, Ukraine experienced a staggering 30% loss in GDP, marking the deepest recession in the country's history (Figure 3). The Fourth Rapid Damage and Needs Assessment, published by the World Bank, the Government of Ukraine, the European Union (EU), and the United Nations (2025), estimates that the total cost of reconstruction and recovery over the next decade will amount to US\$542 billion. From February 2022 to the end of 2024, direct damages have been assessed at US\$176 billion, with the most impacted sectors being housing, transportation, energy, commerce, industry, and education.

To put the scale of the challenge into perspective, the estimated reconstruction cost is nearly three times Ukraine's projected nominal GDP for 2024 (World Bank, 2025). Among the most visible impacts is the widespread destruction of housing. According to the last damage assessment, 13 percent of the total housing stock has been damaged or destroyed (World Bank, 2025). This represents around 3 million people that are living in damaged homes (9% of the population) (OECD, 2025b).

⁵ Harvard Growth Lab (n.d.).

Figure 3: GDP per capita level (above) and real GDP growth (below), Ukraine



Source: Authors' elaboration using WDI data, and IMF data.

Furthermore, incomes have dropped drastically, pushing at least 1.8 million more people into poverty, while nearly a third of the remaining population was living in poverty as of December 2023 (World Bank, 2024b). The growing deprivation in Ukraine is partly driven by job losses caused by Russia's destruction of key infrastructure, including ports and manufacturing plants - with over a fifth of formerly employed citizens losing their jobs, there is increased dependency on social transfers, which now constitute more than half of household incomes. Consequently, food security poses a pressing concern, as one-quarter of Ukrainians lacked enough money for food at some point in 2023 (World Bank, 2024b). In addition, gendered economic disparities have increased, as evidenced by the doubling of the gender pay gap since 2021 and the heightened caregiving responsibilities due to the closure of kindergartens and the shift to remote schooling (UN Women, 2025).

The war has also had a devastating impact on human capital in Ukraine. With millions of people displaced, injured or killed, a significant portion of the labour market has either been unable or unwilling to work. In May 2025, almost six million Ukrainian refugees had been registered globally (UNHCR, n.d.), and nearly 3.7 million were displaced internally⁶ (UNHCR, 2025).⁷ Together, these two groups represent approximately 22% of Ukraine's pre-war population.⁸ Besides, the war has also led to a significant decline in educational outcomes and the skills and capabilities of the workforce, effects that are expected to persist and gradually diminish over the coming decades. Research indicates that these human capital losses will result in a decrease of about 7% in total factor productivity by 2035 (Angrist et al., 2023). In addition to the overall erosion of skills, skill losses may result from composition effects, as better-educated individuals, particularly women with children, are more likely to leave the country—sometimes permanently. Composition effects may also arise if younger people, who tend to be more skilled than older generations, are disproportionately killed in the conflict. Another challenge is that the skills needed in a post-war economy might differ significantly (Gorodnichenko et al., 2022).

Additionally, labour shortages have become an increasing constraint for businesses. According to the National Bank of Ukraine (2024), the proportion of businesses citing worker shortages as a limiting factor rose from 26% in 2022 to 38% in 2024 (Dombrovskis et al., 2024). This labour shortage, driven by conscription, casualties, and both internal and external displacement, persists alongside high unemployment. Employment rates for the working-age population⁹ decreased from 73% in February 2022 to 67% in August 2024 (IOM, 2024).

The rise in unemployment reflects the heightened vulnerabilities of internally displaced persons (IDPs) and women, who face disproportionately low employment rates. According to IOM data,¹⁰ approximately 3.6 million people have been displaced internally since the start of the full-scale invasion, primarily women, children and older people. This group is less likely to be employed, with a 56% employment rate, compared to 68% for the non-displaced population. Gender disparities in employment are evident, with 72% of men employed compared to only 63% of women. Among internally displaced persons (IDPs), the gap is even more pronounced, as 71% of men are employed, while the rate drops to just 48% for women (IOM, 2024).

Moreover, many Ukrainian women are increasingly engaged in informal care work, intensified by the invasion. Female IDPs are particularly affected as many are single parents, accounting for 21% of IDP households. Consequently, a significant portion of working-age IDP women (25%) are out of the labour force due to caregiving responsibilities, compared to just 3% of male IDPs. Additionally, skill mismatches contribute to labour shortages, especially in sectors such as mining, processing plants, agriculture, manufactories and utilities (water supply, electricity,

⁶ The number for internally displaced persons is based on data from December 2024.

⁷ This data excludes Ukrainians in Russia. According to UNHCR, as mid-June 2023, approximately 1.2 million of refugees were recorded in the Russian Federation under different legal forms of stay. However, this figure has not been updated since June 2023 and therefore UNHCR has longer included them in the official statistics (UNHCR, n.d.).

⁸ 44.3 million in 2021.

⁹ In this study the working-age population is composed of individuals between 18 and 60 years old, while official statistics indicate the employment rate for individuals between 15 and 70 years old.

¹⁰ International Organization for Migration, n.d.

gas). The most frequently advertised jobs are in manufacturing and skilled trade, which are traditionally male-dominated occupations, they furthermore require specialised skills, which challenge women to transition into these jobs as they tend to be trained in other sectors, including education, services and trade (accounting for 58% of female employment). As a result, particularly displaced women struggle to find suitable employment due to care responsibilities and skill mismatch, while businesses face labour shortages (IOM, 2024).

Despite the substantial damage caused by the Russian full-scale invasion, Ukraine's economy has shown remarkable resilience. The private sector of Ukraine has shown adaptability, with many firms adjusting to the new scenario. According to the latest World Bank report, businesses have increased trade with Western markets, and the labour market is seeing a modest recovery. However, the ongoing war continues to erode firms' capital, posing a significant challenge to sustained growth (World Bank, 2024c). Additionally, the macro stability has been supported by international financial aid, including the four-year IMF programme launched in March 2023, as well as domestic policies such as increased public spending, tax incentives, and subsidies, which have facilitated industrial relocation and sustained economic activity (IMF, 2023). The high resilience has led the IMF to revise growth projections upwards, with GDP growth expected to stabilise at 4–5% and FDI inflows set to rise, helping to offset the current account deficit after its projected peak this year (IMF, 2023).

As long as the war persists, the country will continue to face ongoing losses in economic output and infrastructure, further delaying its development and recovery. The destruction of vital infrastructure has greatly impaired Ukraine's ability to maintain supply chains, provide essential public services, and sustain economic activity. While planning for post-war reconstruction and strengthening the resilience of the private sector are undeniably important, these efforts alone are unlikely to lead to a substantial increase in production or the rapid return of refugees.

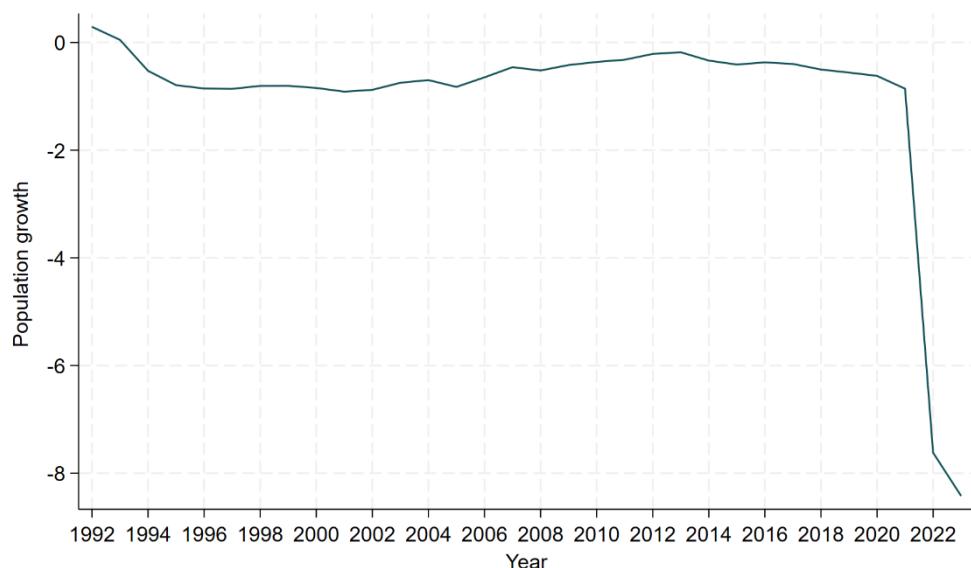
3. Characterisation of the refugees

3.2. A long history of emigration

Ukraine has a long migration history that predates Russia's full-scale invasion in 2022. Since the dissolution of the Soviet Union, the country's population has steadily declined, experiencing negative annual growth over the past three decades (Figure 4). Between 1992 and 2021, Ukraine's population fell from approximately 52 million to 44 million: a 15% decrease. Even before the 2022 invasion, Ukraine ranked among the top ten countries with the highest emigration levels, with around 6 million Ukrainians living abroad in 2020 (United Nations, 2020).¹¹

The economic hardships following the collapse of the Soviet Union resulted in a migration wave. During this period, limited recognition of Ukrainian qualifications and employment restrictions in destination countries led many migrants to take low-skilled jobs, characterising the migration of the 1990s and early 2000s as largely "unskilled labour migration" (Adema et al., 2023). By the 2010s, factors such as the global financial crisis, economic globalisation, and Ukraine's political turmoil spurred emigration among highly educated Ukrainians, raising concerns about brain drain (Adema et al., 2023).

Figure 4: Population growth, Ukraine



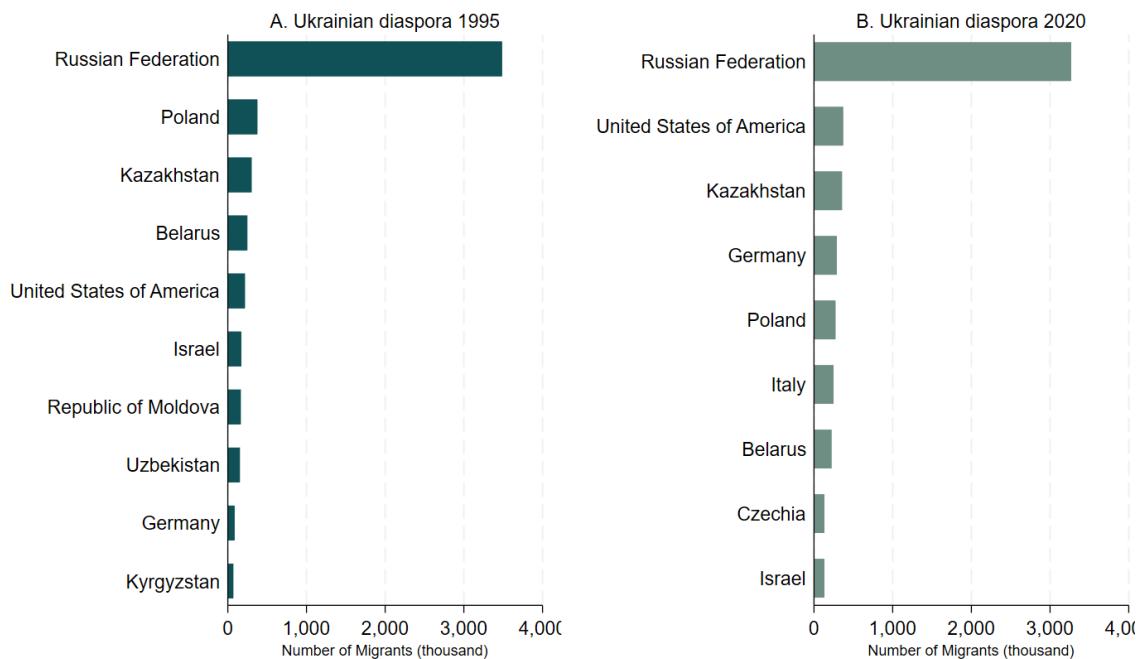
Source: Authors' elaboration using WDI data.

The destination of Ukrainians has evolved. In 1995, the largest Ukrainian diasporas were predominantly in former Soviet countries, with Russia, Belarus, Moldova, Kazakhstan, and Uzbekistan among the top 10 destinations. By 2020, European countries and the United States emerged as key destinations, although Russia remained the primary destination for Ukrainians

¹¹ Ukraine ranked 8th, following India (18 million), Mexico (11 million), Russia (10.8 million), China (10.4 million), Syria (8.4 million), Bangladesh (7.4 million), and Pakistan (6.3 million) (United Nations, 2020).

(Figure 5). Migration to the EU surged following Russia's annexation of Crimea and the onset of the armed conflict in Donbas in 2014. By 2019, the number of Ukrainian immigrants was more than four times higher than in 2014 (European Commission, 2022).

Figure 5: Top 10 countries with the highest number of Ukrainians, 1995 vs 2020



Source: Authors' elaboration using United Nations Department of Economic and Social Affairs, Population Division (2020). International Migrant Stock 2020: Destination and origin: [link](#).

Before the full-scale invasion, a relevant factor behind the significant movement of Ukrainians to the EU was the visa-free travel scheme, implemented in 2017. This policy allowed Ukrainian citizens with biometric passports to enter Schengen Area countries for up to 90 days within 180 days without a visa, facilitating their mobility.¹² Besides, since 2017, Poland has simplified the employment process for Ukrainian citizens, allowing them to work without a VISA.¹³ These accessible employment policies, combined with proximity to Ukraine and Poland's strong demand for labour, have made Ukrainians the largest migrant group in the country.

¹² Except for Ireland and Great Britain, Iceland, Liechtenstein, Norway and Switzerland.

¹³ They request holding a biometric passport and a declaration of employment. Once authorized to work, Ukrainian employees are protected under Polish labour regulations, and employers are required to register them with the Social Insurance Institution (ZUS).

3.3. Migration following the 2022 full-scale invasion

3.3.1. General characterisation of the refugees¹⁴

Demographics

With the escalation of Russian aggression against Ukraine on the 24th of February 2022, Ukrainians were forced to face the decision of whether to stay in the country or seek refuge abroad. To safeguard Ukrainians fleeing the invasion, the Council of the EU unanimously adopted the Council Implementing Decision (EU) 2022/382 on 4 March 2022, activating the Temporary Protection Directive. Temporary protection status entitles Ukrainians to residence, access to medicine, education, and the labour market on a par with EU citizens. Some EU countries provide additional benefits for Ukrainians (e.g., free accommodation in hostels or separate housing, cash payments, and training). Temporary protection is an exceptional status granted only in cases of mass displacement to support those unable to return to their country of origin. Initially issued for a period of three years, it has since been extended twice—the most recent extension in June 2024 extends protection until March 2026 (European Council, 2024).

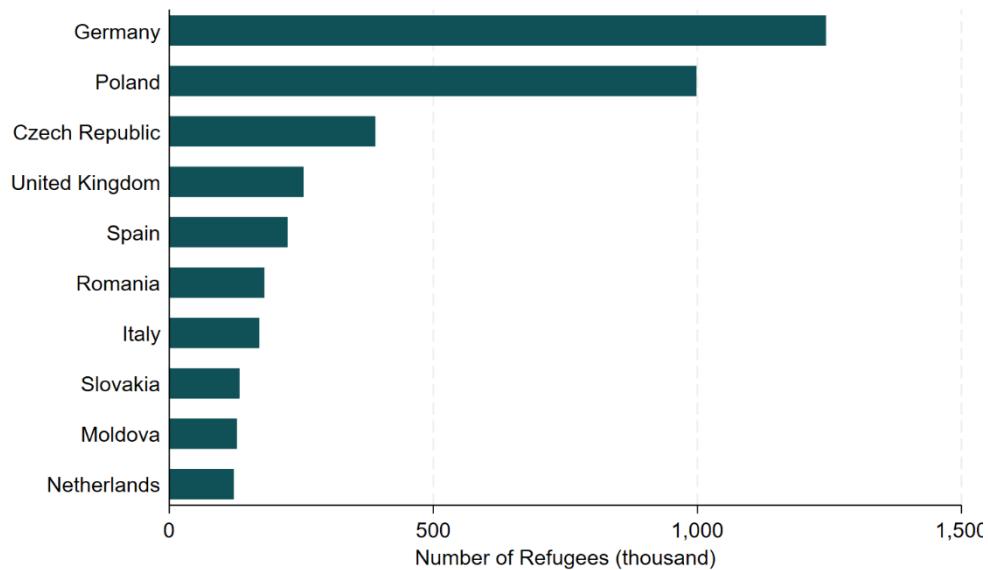
To date, millions of Ukrainians have decided to leave the country temporarily or permanently. According to data from the UNHCR, there are currently 5 million Ukrainian refugees in Europe, with an additional 560,000 residing in other parts of the world (UNHCR, n.d.).¹⁵ By the end of April 2025, around 4.3 million refugees from Ukraine had registered for temporary protection in the EU (EU, 2025). Germany and Poland host the largest numbers of Ukrainian refugees in Europe, with each country accommodating over one million individuals. The United Kingdom (UK) ranks fourth, providing refuge to over 250,000 Ukrainians in 2025 (Figure 6).

Most refugees are coming from the eastern and northern oblasts. By December 2024, 32% of the refugees were from the east, and 28% from the north of Ukraine (CES, 2025). When considering the population of each region, less than 10% of each of the western region's population left Ukraine by Dec 2022 (Figure 7). According to the Centre of Economic Strategy (CES) (2023), almost a quarter of Zaporizhzhia oblast population (23%) moved abroad. Kyiv has experienced similarly strong emigration, with 19% of its inhabitants leaving the country.

¹⁴ This section is mainly based on the information provided by the Centre of Economic Strategy (CES) and Info Sapiens. They use data from representative sociological surveys conducted every year since 2022. To the date, there are four waves available, the last one published in February 2025. This survey does not consider those refugees in Russia and Belarus.

¹⁵ This data excludes Ukrainians in Russia.

Figure 6: Top 10 countries with the highest number of Ukrainian refugees in Europe, 2025



Source: Authors' elaboration using UNHCR data: [link](#). Note: Last update June 2025.

Figure 7: Proportion of the population that became refugees



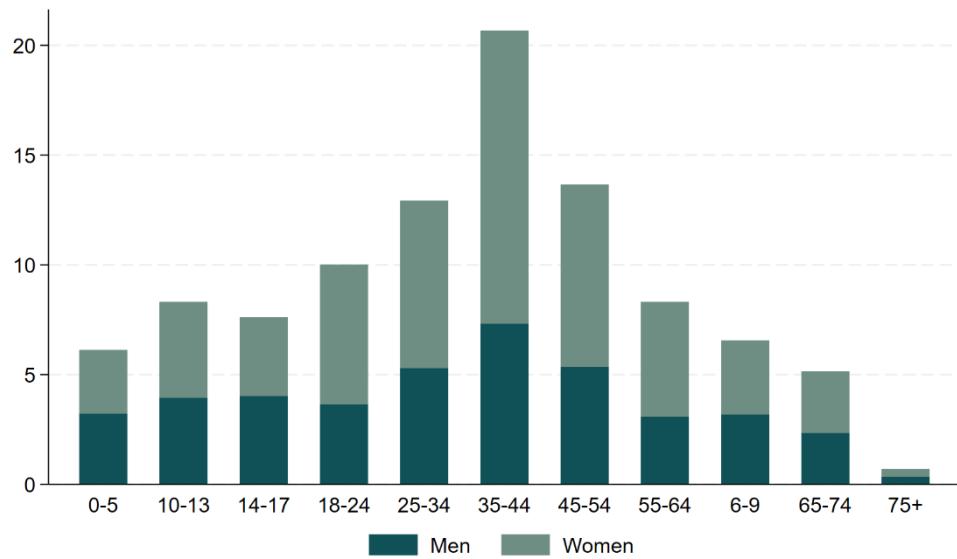
Source: CES report (2023). Note: In this wave of the survey, refugees in Belarus and Russia were not included.

Shaped by travel restrictions and individual vulnerabilities, the Ukrainian refugees represent a specific subset of the Ukrainian population. The imposition of martial law restricts most men of conscription age (18 to 60 years) from leaving the country, resulting in their limited representation among refugees. In the first months after the full-scale invasion (Nov 2022), only 17% of Ukrainian refugees were men (CES, 2023). This gender distribution has shifted

drastically. According to the last CES survey, most refugees are middle-aged women and children (CES, 2025). In December 2024, 58% refugees were women, while 42% were men. The growing trend of men leaving the country despite martial law has also undermined the government's position. In 2025, the government shifted its approach, aiming to encourage their return not only to fight, but also to work in defence enterprises—offering exemptions from military service as an incentive (Tokariuk, 2025).

Overall, women aged 35–44 remain the largest group, accounting for 13% of all refugees, with the majority (54%) fleeing with their children. Children under 13 make up 20% of the refugee population, while those under 18 comprise approximately 30% (Figure 8).

Figure 8: Refugees by age groups and gender



Source: Authors' elaboration using CES data (2025).

Employment and financial situation

The proportion of Ukrainian refugees with higher or incomplete higher education varies depending on the survey and the population considered. According to the CES (2025), 74% of surveyed Ukrainian refugees possess higher education or have incomplete higher education. A similar trend is observed in the second round of the UNHCR's intentions survey¹⁶ (UNHCR, 2023a), which indicates that nearly two-thirds of refugees are tertiary educated. Data collected online by the EUAA, IOM, and OECD across several EU countries reveal that 71% of Ukrainian refugees report having a tertiary education, with most holding a master's degree or higher (EUAA, IOM, OECD, 2022).¹⁷ The OECD (2023) also highlights that, despite the limited data and variations across different surveys, Ukrainian refugees demonstrate significantly higher

¹⁶ Regular intention surveys with refugees from Ukraine. The data was collected from December 2022 to May 2023. The total respondents were 7,757, and they were interviewed through a phone-based and web-based survey.

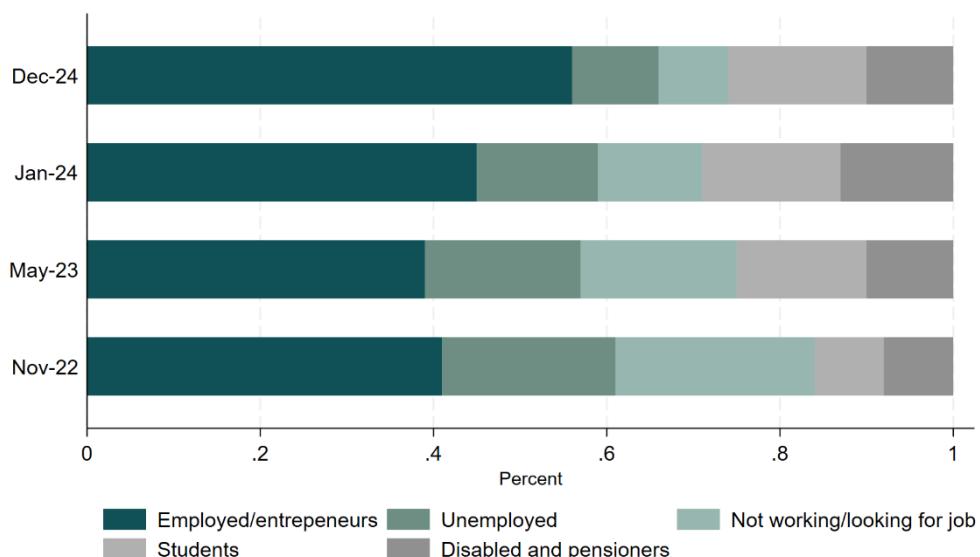
¹⁷ The OECD-EUAA Survey of Arriving Migrants from Ukraine. The data was collected in April 2022. The total respondents were adults, and they were interviewed using their mobile phones.

educational attainment compared to both other refugee groups and the general Ukrainian population.

Different surveys indicate that many refugees have a history of employment or entrepreneurship.¹⁸ In the last CES survey wave, around 70% of Ukrainian refugees surveyed reported being employed before the full-scale invasion (CES, 2025). The overall employment rate for the working-age population in Ukraine before the war was 65.3% in 2021, and 60.7% for women (State Statistics Service of Ukraine, 2022). This quota is significantly higher for surveyed refugees.

Three years after the invasion, 56% of Ukrainian refugees surveyed report being employed or active as entrepreneurs, while 10% were unemployed and searching for a job (CES, 2025). This number has increased compared to the first waves of the survey, indicating that they have become more active in the labour market. In 2022, 42% were employed and 20% unemployed (Figure 9). Moreover, it is important to note that these average figures do not represent uniform employment rates across different host countries. Employment rates vary significantly, ranging from 39% in Germany to 79% in Italy. This variation is closely related to differences in educational participation; for instance, 35% of refugees in Germany are studying, whereas only 6% of Ukrainians in Slovakia are enrolled in educational programmes (CES, 2025). The differences come from the diverse integration policies, childcare provision and differences in educational systems.

Figure 9: Employment status, by round of the survey



Source: CES report (2025).

¹⁸ For example, prior surveys as the OECD-EUAA survey indicates that 77% of respondents were employed before fleeing. Similarly, the UNHCR's intentions survey (2022) reports that 63% of refugees had prior employment.

Work connections with Ukraine have remained stable: across all three survey waves, approximately 8% of respondents reported continuing to work remotely in the same job they held in Ukraine before the full-scale war, while around 2% stated they had secured a new remote job in Ukraine (CES, 2025).

Additionally, employment rates differ according to age and family structure. Despite the high levels of education and the employment record, the family composition of Ukrainian refugees poses a significant challenge to their labour market integration. Many of these refugees are mothers who fled the country with their children. The absence of their partners and the exposure of their children to various stressors in the new environment increase their caregiving responsibilities, making it difficult to balance family obligations with employment. A survey conducted by Rating Lab¹⁹ indicates that while 52% of women abroad were employed in 2023, 75% of Ukrainian men were in the workforce, indicating a 1.5-fold increase in their employment rate. Furthermore, a greater proportion of women than men, specifically 8% compared to 0%, provide full-time childcare. The presence of children in the household is another crucial factor influencing employment, as Ukrainians living abroad without children exhibit a 17% higher employment rate (Rating Lab, 2023).

Among employed Ukrainians, most have faced a mismatch between their current jobs and their previous occupations in Ukraine. While the situation has improved since 2022, as of December 2024, only 39% of employed refugees are working in their original fields, with an additional 13% in a related speciality. In November 2022, these figures were 30% and 10%, respectively, indicating some progress in reducing qualification mismatch (Figure 10). Despite this, many report earning more than they did before the invasion (Jauhainen et al., 2024). A rapid entry into the labour market is generally positive, as it helps refugees rebuild their livelihoods, fosters integration with the host society, and reduces public expenditures, potentially enhancing public acceptance. However, there is a risk that refugees may remain in low-skilled jobs due to missed training opportunities, skill depreciation, limited job search efforts, or other factors (OECD, 2023).

Even when employed, the income of Ukrainians is seldom exclusively reliant on wages. In November 2024, 68% of Ukrainians surveyed received welfare assistance with social protection benefits from the host government, being the most prominent source of income (54%). Housing subsidies (28%) and pensions from Ukraine (22%) are other popular sources of income next to personal savings (32%) and remittances (23%) (UNHCR, 2023b).

Overall, the economic situation of Ukrainian refugees has improved substantially over the last 2 years. There has been a consistent downward trend in poverty rates. While 12% of respondents of the CES survey saved on food in November 2022, this figure dropped to 4% by December 2024. Additionally, among Ukrainians living abroad, the proportion of those who feel they can

¹⁹ Ukrainians aged 18 years and older who found temporary asylum in European countries after 24.02.2022. The study includes 31 European countries and a total of 2,116 respondents.

purchase anything they need at any time has nearly returned to prewar levels (8% now compared to 2% previously (CES, 2025).

Strikingly, the development of the economic situation of refugees diverges strongly for different subgroups. Stark differences are visible between people working for Ukrainian firms and those employed in the host country. Rating Lab survey indicates that while 56% of Ukrainians working in host countries report some improvement in their financial situation over the past year, only 17% of those working remotely for Ukrainian companies can say the same. Moreover, refugees employed by Ukrainian companies are three times more likely to experience a significant decline in their financial situation compared to those working abroad (33% compared to 11%). Likewise, refugees actively seeking employment tend to face worsening conditions rather than improvement. Gender disparities also emerge, with 51% of men reporting some financial improvement, compared to just 37% of women. An additional strong split is evident among Ukrainians from different income classes. Refugees receiving high income reported an improvement in their financial situation 60% of the time, whereas 35% indicated a deterioration. In contrast, refugees with a low-income background reported improvement in only 13% of cases, with their financial situations worsening 61% of the time (Rating Lab, 2023).

Figure 10: Field of experience



Source: CES report (2025).

Note: This graph shows the answer to the question "Do you work in the same profession as before the war?"

Satisfaction with living abroad

Varied income levels as well as household characteristics shape the experience of Ukrainians abroad fundamentally. According to the UNHCR, 45% of Ukrainian refugees rate their quality of life in host countries as good, while 4% consider conditions very good and 6% label them as bad, with the remaining individuals expressing neutral feelings (UNHCR, 2023a). However, more detailed survey data from Rating Lab reveals a strong correlation between these assessments and income levels; 52% of refugees in the upper-income bracket report feeling quite comfortable

with their life abroad, compared to only 30% of those with middle incomes and a mere 18% of low-income refugees sharing this positive perspective on their living conditions abroad (Rating Lab, 2023).

Ukrainians provided insights into public service comparisons between Ukraine and European countries when surveyed by the Rating Lab. For most spheres, respondents rated Ukraine more favourably than Europe, including online public services, financial services, housing availability and health care (both in terms of accessibility and quality). Education evaluations were mixed, while Europe received higher ratings for public transport and road infrastructure (Figure 11). The assessment of opportunities in Europe compared to Ukraine reveals a significant shift in perspective. Overall, Ukrainians perceive greater opportunities in Europe than in their home country. The disparity is particularly strong regarding the potential for higher income, with 87% favouring Europe while only 3% believe the situation is better in Ukraine. There is also a notable difference in social security (75% in favour of Europe versus 15% in favour of Ukraine), protection of citizens' rights and freedoms (67% versus 19%), opportunities for a comfortable living (60% compared to 26%), and the likelihood of finding employment (54% versus 30%). Opinions are tied to the matter of "achieving success", and when it comes to opportunities for running one's own business, there is a higher preference for Ukraine (Figure 11).

Importantly, this assessment is not based on uniform responses among all subgroups. Overall, a pattern appears: female refugees and those with lower incomes are more inclined to view Ukraine positively than their male and higher-income counterparts (Rating Lab, 2023).

Return Intentions

Several surveys are concerned about the return intentions of Ukrainians. The last CES survey (2025), which contains 4 rounds since November 2022, indicates that the number of those who definitely plan to return has more than halved in the last two years, from 50% to 20% in Dec 2024.

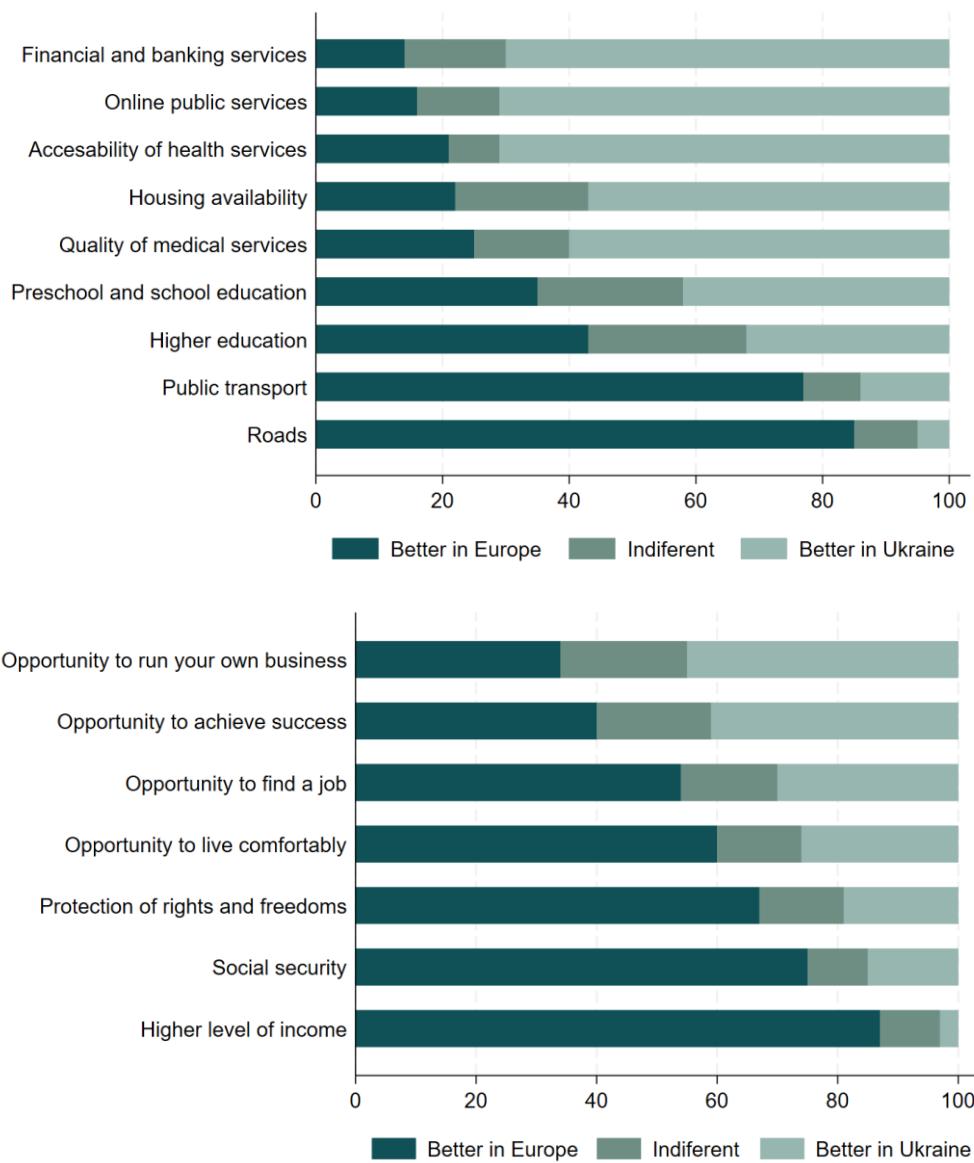
In 2025, less than half of Ukrainian refugees (43%) say they would be motivated to return to Ukraine by the official end of the war. Other significant factors include a higher standard of living in Ukraine (46%), the opportunity to secure a well-paying job (33%), the cessation of hostilities and airstrikes in the city they plan to return to (31%), and the end of hostilities in their home region (24%). An analysis of responses over time reveals a growing emphasis on economic factors compared to security concerns in the decision-making process (CES, 2025).

Furthermore, 14% of refugees are willing to relocate to regions other than their home areas. Interestingly, even in regions where it is unsafe to return—such as the Eastern region, where only 0.4% of refugees consider the area safe for living—over 60% of refugees report that they do not wish to relocate. A similar trend is seen in Southern Ukraine, with more than 50% of refugees expressing a preference not to move to another region (CES, 2025).

An intriguing study conducted a longitudinal survey of Ukrainian refugees, shedding light on how their intentions to return evolve (Adema et al., 2024). Cross-sectional data alone are often insufficient to determine the causal effects of conflict on return intentions, as unobserved individual differences may be influenced by the intensity of conflict before departure.

Additionally, the composition of the refugee population changes over time, as some have already returned to Ukraine. The results of this study reveal a strong desire among Ukrainians to return home. Initially, around two-thirds of Ukrainian refugees intended to return either soon or when it became safe, with one in ten planning to settle permanently abroad. However, 600 days after arrival, the proportion of refugees intending to return had dropped to approximately 40%, while the percentage planning to settle abroad had increased (Adema et al., 2024). Parts of the results of the study indicate that the liberation of home districts significantly increases the likelihood of returning to Ukraine, especially to their home municipality. Other predictors of return include having a partner in Ukraine, which increases the likelihood of returning by 9.7 percentage points. Notably, tertiary education does not correlate with return intentions or plans.

Figure 11: Services (above) and opportunities (below) comparison Ukraine vs. Europe



Source: Rating lab report (2023).

Note: The graphs show the answers to the question "In your opinion, where is the best level of such services/opportunities?".

3.3.2. Refugees in the United Kingdom

VISA schemes

The UK offers several pathways for Ukrainian refugees to obtain legal residence. One option is the *Ukraine Family Scheme*, which allows applicants to join family members (residing in Ukraine as of January 1, 2022) to reunite with British nationals or those living in the UK. This scheme closed to new applications in February 2024. Another option is the Ukraine sponsorship scheme (also known as *Homes for Ukraine*), a sponsorship programme where refugees can receive housing from charitable organisations, legal entities, or individuals. Refugees under this scheme can live and work in the UK for up to three years, access healthcare, social benefits, employment support, education, and other services, with housing provided for at least six months.

The *Ukraine Extension Scheme* initially provided temporary visa extensions, allowing Ukrainians to apply for a three-year stay with the same rights and entitlements as their original visa. In February 2024, the UK government announced a new scheme, the *Ukraine Permission Extension* (UPE), which replaced the *Ukraine Extension Scheme*, closing it to new applicants in May 2024. Applications for the UPE opened in February 2025 (UK Visas and Immigration, 2025). Unlike in many other countries, the extension is not granted automatically; individuals must submit an application. This has led to significant challenges: many Ukrainians face uncertainty around tenancy renewals due to expiring visas, while employers are hesitant to renew contracts without confirmation of legal status (Booth, 2025).

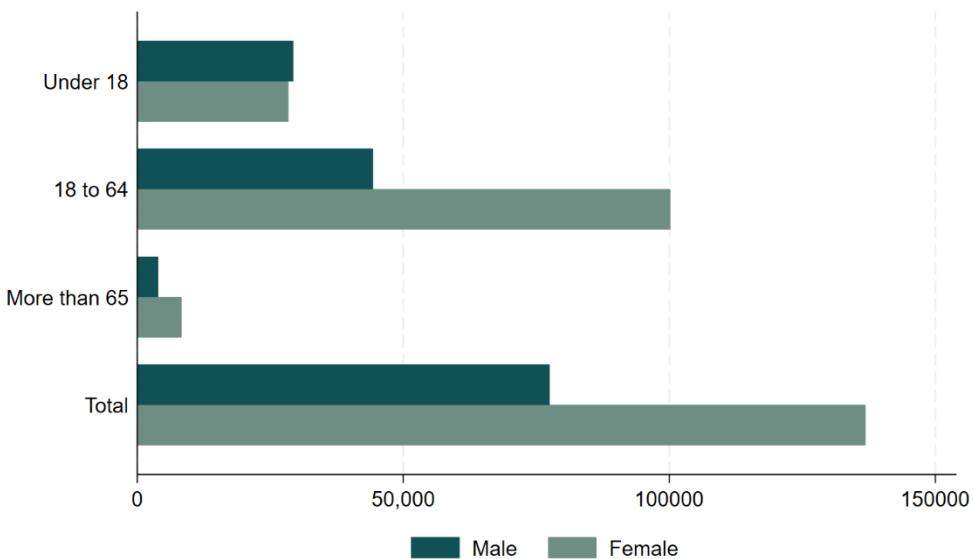
According to the Home Office, as of March 2025, approximately 220,000²⁰ people had arrived in the UK using the entry VISAs for Ukrainians. Most applications, visa approvals, and arrivals were under the Ukraine Sponsorship Scheme (74% of the total arrivals), while about 26% of Ukrainian refugees entered the UK through the Family Scheme.

Demographics

Outside the EU and excluding Russia, the UK hosts the largest number of Ukrainian refugees (Figure 6). According to the Home Office's latest quarterly visa update,²¹ 64% of Ukrainian refugees in the UK were women. Additionally, 27% of all arrivals under the visa schemes were under the age of 18 (Figure 12). The proportion of women among Ukrainian refugees in the UK exceeds the proportion across all countries analysed in the CES survey, where women made up 58% of refugees (CES, 2025). An OECD comparison further highlights that the UK has one of the highest proportions of female refugees (OECD, 2023).

²⁰ The most recent data tables available are from March 2025 and can be accessed at the following [link](#).

Figure 12: Age and sex distribution of arrivals in the UK

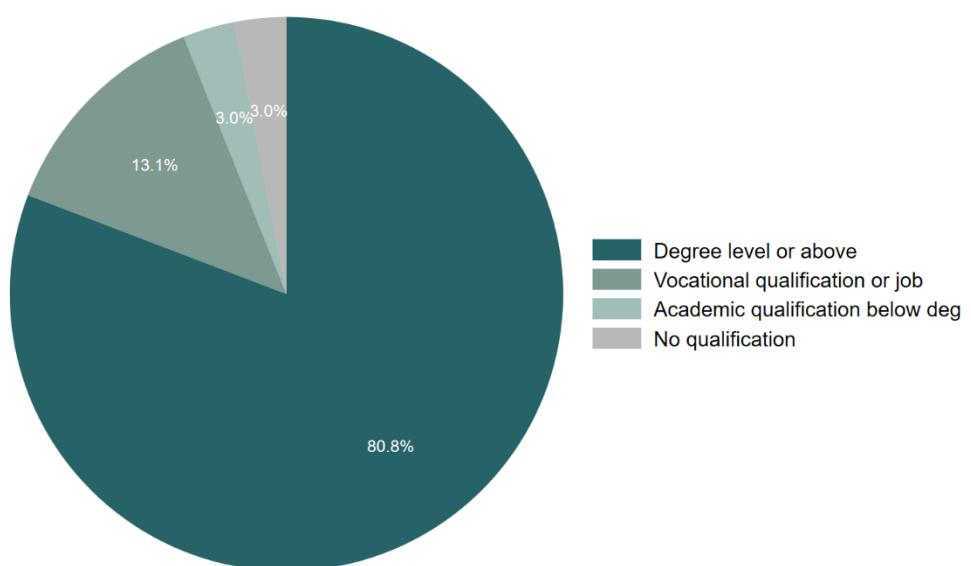


Source: Authors' elaboration using Home Office Ukraine visa schemes summary data, March 2025, [link](#).

Employment

Ukrainian refugees arriving in the UK have high levels of education and qualifications. According to the ONS, the proportion of surveyed Ukrainians in the UK with a degree level or above is over 80% (Figure 13). Compared to other countries, the UK has the second-highest proportion of Ukrainian refugees with complete or incomplete higher education, at 85% of those surveyed, just below the United States (92%) (CES, 2024).

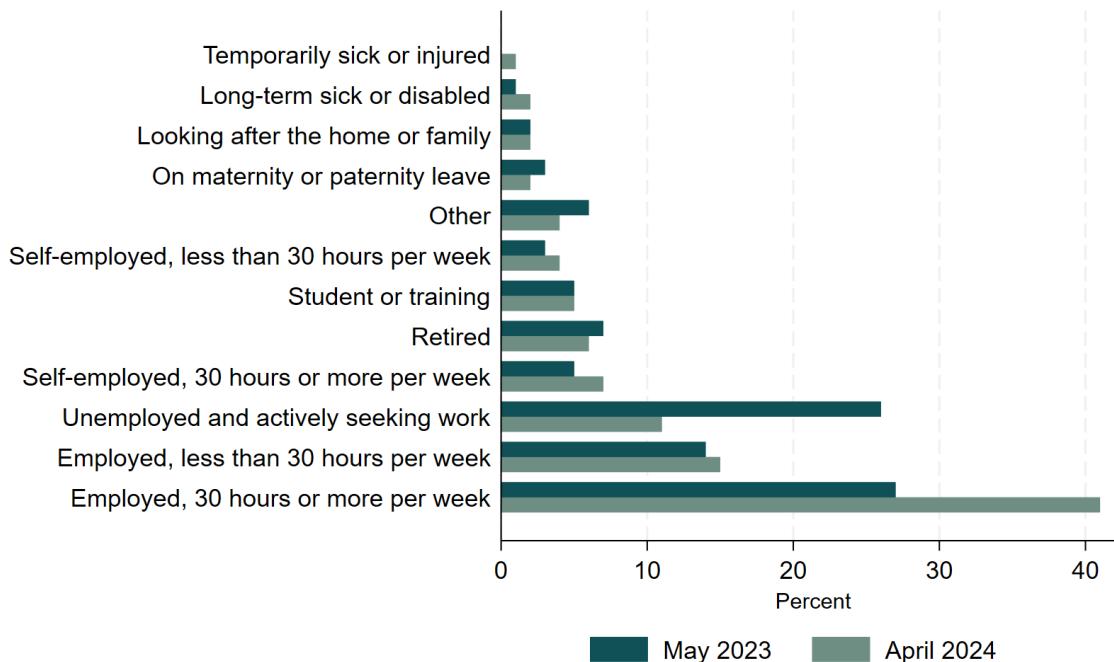
Figure 13: VISA holders in the UK by educational level



Source: Authors' elaboration using the ONS Visa holders survey data for April 2024, from the [link](#).

According to the ONS survey (2024), as of April 2024, approximately 69% of surveyed adults were employed,²² a significant increase from 52% in 2023 (Figure 14). However, employment levels in 2024 remain below the 76% rate reported by respondents when asked about their employment status while living in Ukraine before the full-scale invasion (ONS, 2023). Similarly, the CES survey (2024) indicates that, as of January 2024, the UK ranked third among countries with the highest employment rates, also reporting a 69% employment rate—behind Slovakia (71%) and Czechia (69%).

Figure 14: Ukrainians in employment in the UK (from survey data)



Source: Own elaboration using the ONS Visa holders survey data from May 2023 and April 2024, from the [link](#).

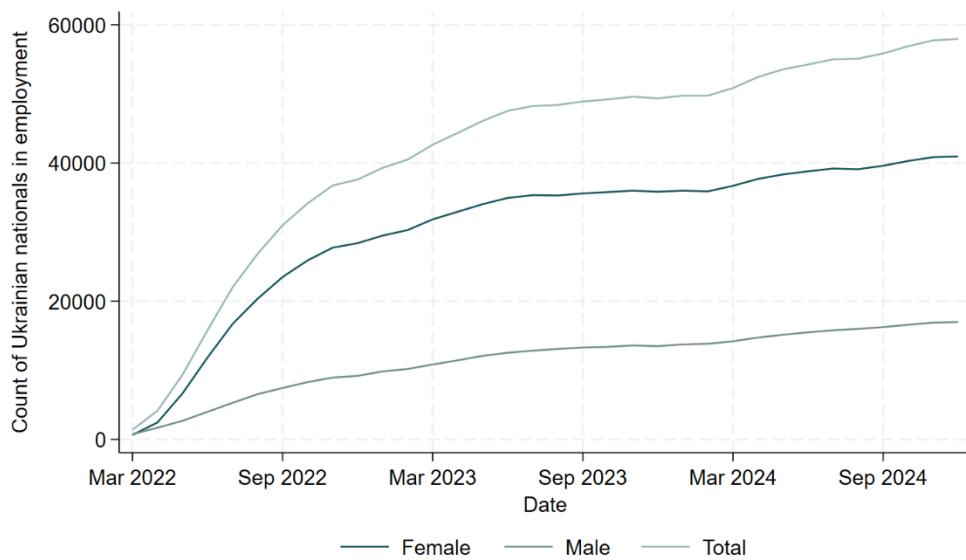
As of December 2024, 58,000 Ukrainians were employed in the UK with a National Insurance Number and paid through the PAYE system, representing 37% of the adult Ukrainian arrivals.²³ These figures do not consider people working in self-employment or low-income jobs (below the PAYE threshold of £12,570 per year in 2024/25). This estimate is lower than the employment rate reported by the ONS survey, which found that 56% of surveyed Ukrainian adults in the UK were employed full-time or part-time when excluding the self-employed (ONS, 2024). The difference may be explained by the fact that the ONS survey includes people earning below the £12,570 threshold, Ukrainians working remotely for employers in Ukraine, or it may result from response bias linked to the ONS survey's online format.

²² Working includes employees, self-employment and maternity and paternity leave.

²³ As of September 2024, a total of 156,700 adults (over 18 years old) has arrived at the UK.

When analysing the number of Ukrainians in employment paid through the PAYE system, the data show a steady increase since March 2022, with a sharp rise in the first year, suggesting a strong initial integration of Ukrainian migrants into the UK workforce, particularly women. However, after mid-2023, employment growth slows and stabilises for both women and men, suggesting a more settled workforce with fewer new entrants (Figure 15).

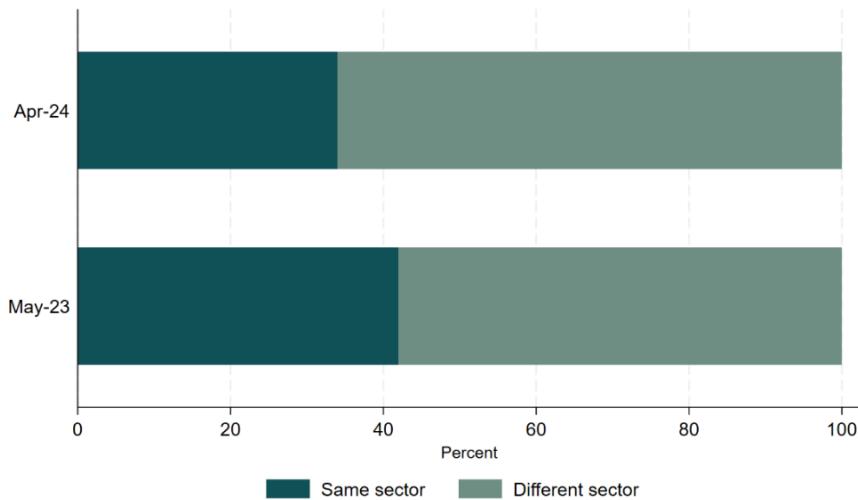
Figure 15: Ukrainians in employment in the UK (PAYE system)



Source: Own elaboration from HMRC PAYE real-time information (PAYE RTI) and Migrant Worker Scan (MWS). Data as received from HM Revenue and Customs in January 2025. Notes: The data represent the number of Ukrainian nationals who received a NI No and were paid through the PAYE system each month. This data does not include the self-employed.

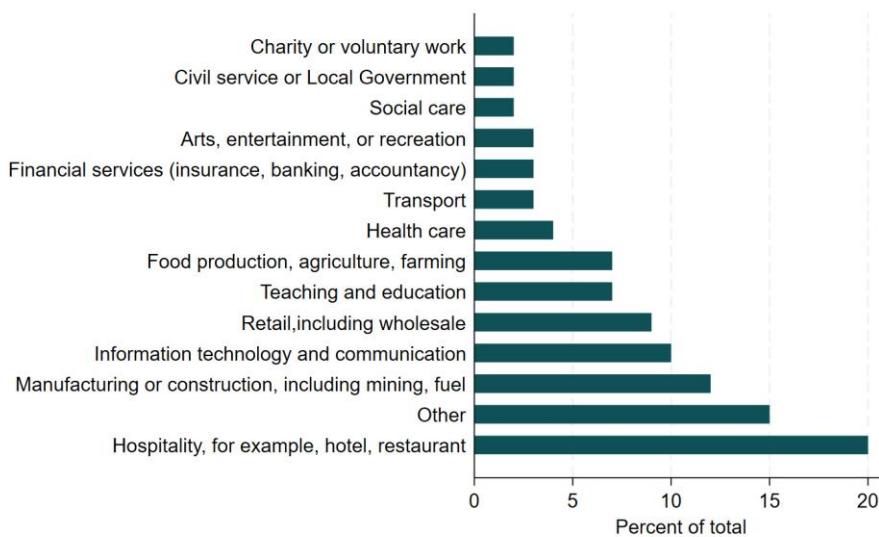
Around two-thirds (66%) of employed Ukrainians are working in a different sector than they did in Ukraine. This proportion exceeds the figures in 2023, when 58% of the respondents reported working in a different sector (Figure 16). Additionally, 19% are working remotely in the UK in the same role as in Ukraine (ONS, 2024). When asked whether their job matched their skills, over 60% agreed. Additionally, 70% reported being satisfied with their job, and 46% earned a take-home salary exceeding £1,400 per month. Notably, 46% agreed that their earnings were sufficient to live comfortably in the UK (ONS, 2024). In terms of sectors, one-fifth of Ukrainians in the UK work in the hospitality sector, approximately 12% in manufacturing, and 10% in information technology and communication (Figure 17).

Figure 16: Percentage of Ukrainians working in the same sector in the UK as in Ukraine



Source: Own elaboration using the ONS Visa holders survey data from May 2023 and April 2024, from the [link](#).

Figure 17: VISA holders in the UK by sector (% of total)



Source: Own elaboration using the ONS Visa holders survey data for April 2024, from the [link](#).

The language barrier remains the biggest challenge for Ukrainian refugees seeking work in the UK. Since English proficiency is essential for most jobs, many struggle with limited English language skills, affecting their job prospects. According to the ONS, half of adults are facing difficulties finding work (even those that already have a job), with 50% citing English requirements as a key obstacle, 40% indicating difficulties in finding roles matching their skills, and 30% indicating qualifications have not been recognised or are not valid in the UK. Accordingly, nearly 4 in 10 (37%) of all adults, including those employed, feel their English level limits their ability to work (ONS, 2024). The challenge of learning a new language, coupled with the time it demands, traps many refugees in a difficult cycle. While they must work to support their families, limited English skills prevent them from accessing higher-paying jobs, and low-

wage employment offers few opportunities to improve their language abilities. Notably, a 2024 ONS survey found that 27% of all Ukrainians reported being fluent in English, showing an improvement from 14% in 2023 (ONS, 2023, 2024).

These challenges persist despite the UK government's efforts to support English language learning and employment acquisition. The ONS survey reveals that 58% of surveyed Ukrainians have participated in formal English language support programmes, such as the STEP Ukraine Programme or English for Speakers of Other Languages (ESOL). Similarly, the CES survey (2025) shows that the UK and Germany report the highest percentages of refugees receiving assistance with paperwork and employment compared to other countries. However, in terms of language courses, the UK falls behind other countries, with only 40% of respondents receiving support in this area. This compares to 57% in Germany, 53% in Italy, and 43% in Canada.

In terms of education, nearly a third of adults (31%) were engaged in education or training, while in the UK, 46% of them were working toward a formal qualification. Among those pursuing qualifications, almost a third (31%) are aiming for degree-level or higher credentials. Half of these individuals (50%) plan to utilise their new qualifications if they return to Ukraine. Additionally, 8% of those studying reported that their education is being delivered remotely by a Ukrainian institution (ONS, 2024).

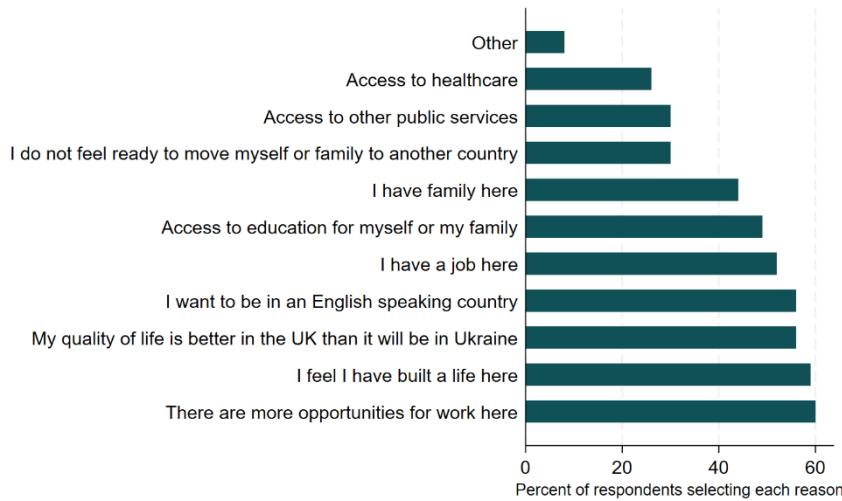
Satisfaction with living abroad and return plans

The CES survey indicates that the UK is among the countries where a significant share of Ukrainian refugees prefer living abroad over returning to Ukraine. The highest percentages are found in Spain (52%), Italy (47%), the UK (46%), and the United States (46%) (CES, 2025).

The Visa Holders Survey reveals that 78% of respondents described their personal connection to the UK as either strong or very strong. Ukrainians living in the UK have also expressed a degree of satisfaction with public services. High satisfaction levels were reported for GP services (74%), hospitals (81%), English language courses (87%), public transport (88%), mental health services (73%), adult social care services (94%), and childcare services (95%). However, employment services received a lower satisfaction rating of 67%, and dental services were rated the lowest at 65% (ONS, 2024).

In the UK, 68% of adults express the wish to remain living in the UK in a future in which it is safe to return to Ukraine, notably higher than the 52% the year before (ONS, 2023). The reasoning: they have opportunities to work in the UK (60 %), they have a job in the UK (52%), as well as family (44%) (Figure 18). This proportion is above international surveys that interview Ukrainians in other countries, with approximately 40% of Ukrainians indicating that they want to return (CES, 2025).

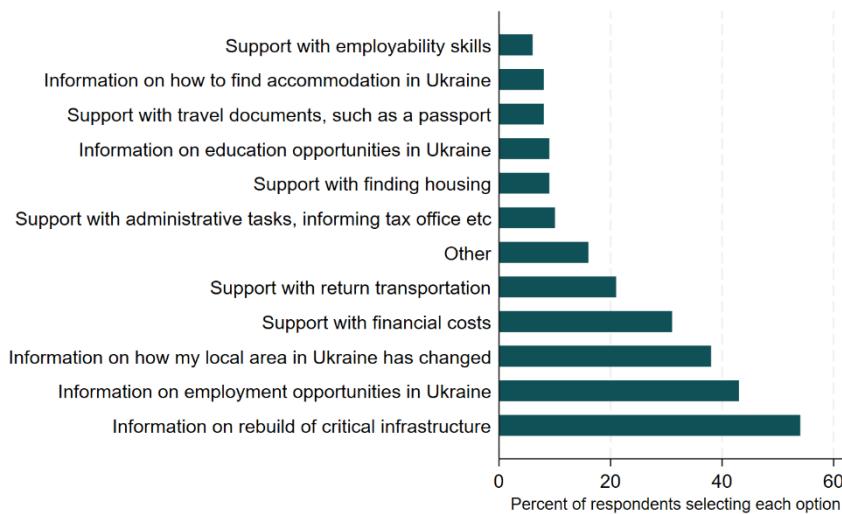
Figure 18: Factors to remain in the UK



Source: Author's elaboration using the ONS Visa holders survey data for April 2024, from the [link](#). Notes: The respondents can choose more than one option. The figure indicates the answers to the question "What are the factors that make you want to stay in the UK?"

Among those who expressed a willingness to live in Ukraine if it were safe (15% of all adults), over half (56%) stated they would return immediately, while 14% would delay their return, and 29% remained uncertain. Key factors influencing their decision to return include access to information on the reconstruction of critical infrastructure (54%), employment opportunities in Ukraine (43%), and changes in their local communities (38%) (Figure 19).

Figure 19: Factors that would help to return to Ukraine



Source: Authors' elaboration using the ONS Visa holders survey data for April 2024, from the [link](#). Notes: The respondents can choose more than one option. The figure indicates the answers to the question "In a situation in which you feel safe to return to Ukraine to live, what would help you return?".

4. Case studies and policy implications for Ukraine

A deep understanding of refugee returnees and the dynamics of forced migration caused by wars or conflicts is essential to identify the primary challenges that those who have fled Ukraine will face. By examining the factors influencing displacement and return, we can better address the barriers these individuals encounter and develop more effective policies to support their reintegration and long-term stability. Accordingly, analysing diaspora engagement policies of countries with large diaspora populations is particularly relevant to the Ukrainian context. This may provide valuable insights into strategies for maintaining connections and fostering support for displaced communities.

This section reviews the existing literature on forced migration to identify relevant findings on the effectiveness of refugee return policies. This is followed by a five-country case study to identify relevant policies that could inform Ukraine's returnee and diaspora engagement policies. The selected countries are Bosnia and Herzegovina, Estonia, Latvia, Lithuania and Albania. While Bosnia and Herzegovina serves as a key example of returnee policies, the remaining four cases provide valuable insights into diaspora engagement strategies. Finally, we analyse benchmark policies for diaspora engagement and returnee initiatives.

4.2. Return policies literature review analysis

Some studies have combined case analysis with literature review to explore the factors influencing the decision to return among forcibly displaced refugees from conflict-affected areas. In 2015, the World Bank conducted a desk study analysing returning refugee decision-making, building on a case study of eight countries²⁴ (Harild et al., 2015). This research confirms that, unless return is forced, refugees are the primary agents in deciding spontaneous or voluntary repatriation. Such decisions are either made individually, at the household or community level, or influenced by political entities.

In their study of the effectiveness of international assistance, Harild et al. (2015) point to the following findings.

First, refugees tend to migrate to urban centres, both during their time in exile and upon returning to their home country. The case studies show that while some of those seeking refuge in urban areas also fled from cities and towns, most came from the countryside, and many of these do not expect to go back to the rural communities they hailed from. Part of the reasons to return to the urban area include a lack of job opportunities, the absence of crucial services, changes in power, or the inability to reclaim property. This underscores the critical need for urban development policies to support returnees in Ukraine, ensuring their successful reintegration into urban environments.

Second, spontaneous return seems to be influenced by access of refugees' households to livelihood assets. The most important factors are the possibility to reclaim land and property, financial resources and social network. For this, life in exile and the extent to which this provides

²⁴ Afghanistan, Angola, Bosnia-Herzegovina, Burundi, Cambodia, Iraq, Liberia and South Sudan.

livelihoods and built-up assets are very relevant for the ability to reintegrate and re-establish livelihoods upon returning to the country of origin.

Third, another relevant aspect is the fact that in general, displaced families or communities divide themselves up before return, sending some members to explore conditions and establish entitlements, and explore the basis for a permanent return.

Fourth, the research suggests that four key conditions influence refugees' decisions to return: security, access to essential services, adequate housing, and livelihood opportunities. In the absence of these conditions in the country of return, voluntary repatriation is unlikely to resolve protracted displacement situations.

Fifth, decisions to stay or return depend on the comparison of the living conditions of the host country compared to the country of origin. This indicates the importance of forced migrants having opportunities in the host country through their participation in the economy. The study concludes that a comprehensive and sustainable refugee return requires interconnected processes of repatriation, reintegration, rehabilitation, and reconstruction. These are all within a broader framework of institutional collaboration among humanitarian, development, government, and private sector actors. The refugees' strategies may involve returning, remaining in exile, or adopting a temporary or permanent combination of both. The likelihood of a more comprehensive return depends on the ability of international actors to support authorities in creating conditions that align with refugee priorities. In addition to peacebuilding and security, development efforts that enhance livelihoods, access to services, and housing play a crucial role. At the same time, both during displacement and after return, mobility and continued migration remain essential livelihood strategies that can contribute to long-term recovery and sustainable solutions.

In 2021, a study commissioned by the U.S. State Department's Bureau of Population, Refugees, and Migration sought to identify durable solutions for displaced populations (Constant et al., 2021). The report examines key barriers to—and enablers of—safe and sustainable refugee return, drawing on data analysis and three case studies.

Drawing on UNHCR data from 53 post-conflict cases between 1989 and 2008, the authors found that even a decade after the end of conflict, only one-third of refugees had returned. Return rates were highest in the early post-conflict years, gradually declining over time. This suggests that the first five years following a conflict represent a critical window for implementing return policies. The study also highlights the lack of a consistent definition of what constitutes a "successful return". Whether return is understood as merely crossing the border, achieving long-term reintegration, or attaining a level of well-being comparable to that in the host country, these interpretations significantly shape both the design and assessment of return strategies.

To better understand the complexity of return decisions, the authors propose a framework built around four interconnected dimensions: the characteristics of returnees and their households, conditions in the home country, conditions in the host country, and the role of national and international actors. Each dimension is explored through a comprehensive literature review and

further supported by qualitative research, including interviews and focus groups conducted across three case studies.²⁵

Personal characteristics and household dynamics are key to understanding why refugees choose to return. The literature review indicates that factors such as age and gender influence return intentions. Young people, for instance, often feel less attached to their home country, while women and children tend to prioritise the availability of essential services like education and healthcare. Among those who do return, younger individuals may prefer resettling in urban areas that offer better employment prospects and amenities, rather than returning to rural communities from which they were originally displaced.

Emotional and familial connections also consistently emerged as powerful motivators across all three case studies. Returnees frequently cited a deep-rooted attachment to their homeland (be it cultural identity, proximity to family members, or significant personal events) as a major influence in their decision to return. These personal ties are often linked to practical concerns, such as the ability to reclaim and rebuild housing. This process typically depends on coordinated efforts by governmental and non-governmental organisations.

The situation in the country of origin also plays a crucial role in shaping return decisions. Refugees are more inclined to return when they believe that basic standards for safety, job opportunities, and access to public services are being met. Among these factors, security often stands out as the most influential in encouraging return. Across all case studies, there were strong tendencies for refugees and returnees to prefer remaining or returning to communities where they were not ethnic minorities. Additional factors that encourage return include a strengthening economy, systems that enable the restitution of property, and improved access to essential services like education and healthcare. Personal relationships and social networks in the country of origin, particularly those that offer trustworthy information about local conditions, also play a significant role in the decision to return.

Another key finding is that while improvements in home country conditions can support return, many individuals continue to encounter significant obstacles upon arrival. These challenges include concerns around safety and security, prospects for social reconciliation, the status of economic, political, and social institutions, and the availability of property restitution and reconstruction efforts. Most of these conditions remained unresolved. Peace and security do not always come with the end of armed conflict to guarantee a sustainable return. Besides, all the cases studied struggled to rebuild the economy and political and social institutions. Fragile economies posed major challenges for returnees, particularly in securing employment. Beyond economic barriers, the recovery of key social institutions, such as education and healthcare, was also essential. In all three case studies, the poor state of these services discouraged returns and hindered the reintegration process. Additionally, the lack of systems to recognise and validate academic qualifications obtained abroad continued to be a significant obstacle, especially for young people who had completed their studies outside their country of origin.

²⁵ The cases analysed were Kosovo, Bosnia and Herzegovina, and Iraq.

Regarding the conditions in the host country, the main conditions that push return are the lack of stability and security in the host country, the lack of economic opportunities, as well as the bad perceptions in terms of being welcome. Nevertheless, the case analysis revealed that this factor was not that relevant for return decisions.

The fourth dimension of the framework highlights the critical role of policy and institutional actors in shaping return outcomes. National governments, international organisations, and NGOs play a central role in designing and implementing return strategies. Effective coordination, long-term planning, and sustained investment are essential to address the complex challenges of post-conflict return. In all three case studies, multilateral organisations actively supported return efforts by strengthening the capacity of newly formed government institutions tasked with managing displacement and promoting durable solutions, though the effectiveness of these interventions varied across contexts.

A study conducted by the Joint Data Centre on Forced Displacement, the World Bank, and UNHCR (Alrababah & Casalis, 2024) examined refugee return through a literature review to identify key factors influencing the decision to return. The study highlights that safety and security are fundamental preconditions for return. For refugees displaced by violence or political conflict, the likelihood of returning is virtually non-existent without guarantees of security. While security is often the primary concern, economic factors such as economic stability, property rights, access to services and psychological and social ties to home communities significantly influence return decisions. Besides, the findings suggest that while security improvements are necessary to encourage return, they must be accompanied by the restoration of services and infrastructure to ensure a feasible and sustainable repatriation process.

Lastly, according to the authors, evidence suggests that refugees who have successfully integrated into the local economy of their host country, gaining employment and economic stability, may be less inclined to return. Therefore, the decision to return is shaped not only by economic prospects in the country of origin but also by the relative security and opportunities available in the host country.

A recent OECD study (2024) explores the dynamics of return migration, with particular emphasis on the role of family and community ties. The study finds that while assisted voluntary return and reintegration (AVRR) programmes exist, they account for only a small share of total return movements. Return migration is shaped by a broad range of motivations, and family emerges as one of the most influential factors. In both spontaneous and planned returns, the desire to reunite with loved ones or to support family members back home is often a key driver.

Community dynamics also influence return decisions, particularly through shaping migrants' perceptions and expectations of reintegration. In addition, the possibility of re-migration plays a critical role in shaping return intentions. Migrants who retain legal status or residence rights in the destination country often view return as a temporary or reversible choice, enabling circular migration. In contrast, those who return due to a lack of legal status (such as following a deportation order) face barriers to re-migration, including visa bans. These bans tend to be shorter for individuals who opt for voluntary return than for those who are forcibly returned.

However, even short-term re-entry restrictions can act as a deterrent to the uptake of voluntary return assistance.

The study also highlights that re-migration, defined as the departure of returnees back to a destination country or another one, is a common and often anticipated outcome. Many return migrants, whether they return voluntarily or spontaneously, express an intention to migrate again. This underscores the complex and non-linear nature of return migration, which is frequently part of a broader cycle of mobility rather than a final resettlement.

From this literature review, we can compile the findings into nine main pillars, summarised in Table 1.

Table 1: Return policies: Summary of findings from the literature

Theme	Key Findings
Return rates and timing	<ul style="list-style-type: none"> Only 1/3 of refugees return within 10 years post-conflict. Return rates are highest in the first 5 years, then decline. The first 5 years are a critical window for return policies. Most returns are spontaneous, not through assisted programmes.
Urban vs rural settlement	<ul style="list-style-type: none"> Refugees predominantly migrate to urban centres. Most are originally from rural areas but do not return there. Young returnees especially prefer urban areas. Cities offer better jobs, services, and infrastructure.
Economic factors	<ul style="list-style-type: none"> Access to livelihood assets is crucial for return. Property reclamation possibilities are a key factor. Financial resources built in exile matter. Economic integration in the host country may reduce the return. Fragile economies pose major challenges for returnees.
Family and social connections	<ul style="list-style-type: none"> Emotional attachment to the homeland is a major influence. Family reunification is a key driver. Social networks provide trusted information. Families have a key role in the return process. They host refugees. Families often split - some test conditions first. Community dynamics shape reintegration expectations.
Security and services	<ul style="list-style-type: none"> Security is the most influential factor for return. Four key conditions: security, services, housing, livelihoods. Access to healthcare and education is crucial. Women and children prioritise services. Academic qualification recognition problems persist.
Individual characteristics	<ul style="list-style-type: none"> Age affects attachment (younger, less attached). Gender influences priorities and decisions. Preference for returning where no ethnic minorities. Cultural identity influences return desire.

Host vs origin country comparison	<ul style="list-style-type: none"> Decisions based on comparing conditions. Host country factors are less influential than origin conditions. Feeling unwelcome in the host country can push the return. Legal status enables circular migration. Visa bans and restrictions deter voluntary return.
Return process	<ul style="list-style-type: none"> Return is often temporary or part of circular migration. Many returnees intend to migrate again. Requires 4 processes: repatriation, reintegration, rehabilitation, reconstruction. No consistent definition of "successful return". Mobility remains an essential livelihood strategy.
Institutional support	<ul style="list-style-type: none"> Requires collaboration from humanitarian, development, government, and private actors Coordination challenges persist across contexts. Long-term planning and investment are essential. Development efforts must enhance livelihoods, services, and housing. Property restitution seems necessary.

Source: Authors' elaboration.

4.3. Bosnia and Herzegovina

4.3.1. Migration background and importance for Ukraine

The migration crisis caused by the Bosnian War (1992–1995) shares several key similarities with the Ukrainian refugee crisis. In Bosnia, approximately 2.2 million people were displaced, with 1.2 million fleeing to Western countries (Harild, et al., 2015). This exodus marked the largest forced migration in Europe since World War II until the Ukrainian crisis. About half of the displaced Bosnians went to Montenegro, Croatia or Serbia. As with Ukraine, Bosnian refugees were eligible for temporary protection status in the EU; refugees fled primarily to Germany (320,000), Austria (87,500) and Sweden (59,000) (Barslund et al., 2016).

Particularly relevant is that, once the war was over, the return and visa regulations diverged within the EU (Mykhailyshyna, Samoiluk, & Tomilina, 2023). Germany never transitioned the temporary status of Bosnian refugees into permanent residency. They had only limited access to the German labour market, and few integration measures were implemented to support them (Barslund et. al 2017). Other countries like Sweden and the Netherlands eventually granted refugee status or permanent residency to Bosnian emigrants (Barslund et. al 2017). The limited options for Bosnians to extend their stay in Germany after the signing of the Dayton Agreement (DPA) in December 1995 forced many to return to their home country. As a result, a decade later, fewer than 10% of the Bosnian refugees who had lived in Germany remained there. In contrast, in four other EU countries (Austria, Denmark, the Netherlands, and Sweden) most Bosnian refugees settled permanently (Barslund et al., 2017).

Over the past two decades, economic factors have become a major driver of emigration from Bosnia and Herzegovina. While there has been some recent progress, the country's labour market continues to lag compared to other European nations, with persistent unemployment, informality, low productivity, and weak wages fuelling emigration since the early 2000s (World Bank, 2024a).

Unlike other Balkan countries, emigration from Bosnia and Herzegovina is characterised by a higher proportion of highly educated individuals (OECD, 2022), making the Bosnian case particularly relevant for understanding potential migration trends in Ukraine. Although Bosnians abroad tend to experience improved labour market outcomes, they are still largely employed in low- to mid-skilled jobs. This sustained emigration has had a considerable demographic impact, with the population decreasing by 21% since 2001 due to net migration outflows (World Bank, 2024a). In 2024, according to the UN figures, approximately 1.6 million Bosnians lived abroad,²⁶ representing half of the total population.²⁷ In 2023, remittances made up 10.3% of GDP, while foreign direct investment remained low at just 3.8% (World Bank, 2024a).

4.3.2. Policies

Return policy

The return policy after the Bosnian War ended is particularly relevant for Ukraine's case. This return policy was a central pillar of the Dayton Peace Agreement (DPA) signed in 1995. Annex 7 of the DPA enshrined the right of return, affirming that all refugees and displaced persons had the right to freely return to their homes of origin, reclaim their property of which they had been unlawfully deprived, or receive compensation if return was not feasible.

The DPA also pursued broader objectives beyond facilitating return. One of its key aims was to reverse the effects of ethnic cleansing by promoting the policy of minority return, i.e. encouraging the return of displaced persons to areas where they would now constitute a minority. This strategy, often referred to as "re-mixing", sought to restore the pre-war multiethnic composition of communities and challenge the wartime territorial and demographic divisions imposed through violence and forced displacement. Importantly, the return policy also unfolded under significant pressure from European states, particularly Germany, which had offered temporary protection to Bosnians during the war. These countries were eager to facilitate returns as a way to reduce the refugee burden and avoid long-term integration responsibilities (Harild et al., 2015).

A key aspect of this case is that both national and international organisations were not only involved in repatriating refugees but also played an active role in implementing the peace agreement, supporting efforts such as property restitution and the reconstruction of destroyed homes (Constant et al., 2021).

However, the implementation of this return policy faced numerous challenges. A key obstacle to effectively supporting the integration of returnees and displaced persons through social and

²⁶ International Migrant Stock data 2024 available in the following [link](#).

²⁷ According to the World Bank, the total population in 2023 was 3.19 million.

economic assistance lies in the capacity of local governments. Specifically, towns and municipalities were responsible for delivering services such as healthcare, education, employment, social security, and housing (Constant et al., 2021). Another relevant obstacle was political resistance, particularly from local authorities who were reluctant to reverse wartime ethnic cleansing. In many cases, bureaucratic obstacles were deliberately introduced to slow or block returns, especially in areas where returns would shift the ethnic balance (Harild et al., 2015).

Security concerns also undermined the policy. Returnees, especially those from minority groups, frequently faced harassment and intimidation. Without adequate protection, many chose not to return or returned only temporarily. This was compounded by much of the housing stock having been destroyed or occupied, making the physical act of returning difficult. Legal frameworks to address property restitution were often inconsistently applied and slow.

Another major barrier was economic instability. Returnees often had limited access to jobs, education, and healthcare in their original communities. A 2005 study by the BiH Ministry of Human Rights and Refugees found that fewer than a quarter of displaced household heads aged 18–65 reported being engaged in any form of work (Nenadic et al., 2005). Reconstruction and development were uneven, particularly in rural or war-damaged regions, making a sustainable return unlikely for many.

Despite international involvement, the implementation of the return policy was weak and uneven. Some returns did occur, especially in the early post-war years, but these were often symbolic or short-lived. The institutional structure set up by the DPA, particularly its ethnically divided political system, further discouraged long-term reintegration and reconciliation, fostering segregation rather than genuine coexistence.

Overall, while the Dayton Agreement formally recognised the right of return, its implementation has been widely criticised for its limited and uneven outcomes. Returns were initially slow, and although numbers eventually increased, reaching around 40% within ten years of the agreement (MoHRR BiH, 2005). This figure fell short of expectations (World Bank, 2024a). Moreover, returns in numbers did not always translate into sustainable reintegration. Many returnees chose not to reoccupy their original homes, opting instead to sell or rent them out, often avoiding ethnically mixed areas due to lingering tensions (Harild et al., 2015; Constant et al., 2021).

Property reconstruction and resignation policy

A key component of the DPA's return policy, outlined in its Annex 7, was the right of displaced persons and refugees to reclaim their pre-war property. This included private homes, apartments, and land. If return was not feasible, individuals were entitled to receive compensation. To facilitate this, property laws were reformed and institutions like the Commission for Real Property Claims of Displaced Persons and Refugees (CRPC) were created to receive, process and decide upon property claims.

In theory, this legal framework was meant to undo wartime property transfers, many of which occurred under duress or involved illegal occupation. In practice, however, property restitution

was slow and highly contested. Many properties had been destroyed, occupied by others (often people displaced from elsewhere, or by members of the opposing ethnic group), or were in areas controlled by hostile political actors. As a response, the international community launched the Property Law Implementation Plan (PLIP) in 1999, which stands out as one of the most significant achievements in implementing Annex 7 and restoring property rights (Serrano, 2015).

Although many thousands of displaced people applied for the return of their property, the claims were often motivated, not by the intention to return in person, but principally to secure their right to their land and (often destroyed) dwellings, and their entitlement to financial assistance for repair and reconstruction. Even when property was legally returned, economic and security conditions frequently discouraged people from resettling, resulting in cases of restitution without return (Harild et al., 2015). While over a million property claims were eventually processed, the overall impact on reversing ethnic cleansing or promoting durable return was limited (Harild et al., 2015).

A central element of the return process was the reconstruction of war-damaged homes for eligible returnees, alongside the construction of new housing. However, the approach, primarily driven by international NGOs and intergovernmental organisations, proved deeply flawed. Reconstruction guidelines and criteria were inconsistent across NGOs, leaving room for corruption and misuse, and often lacked a clear link to genuine return intentions or needs. Besides, new homes were frequently built in remote or unattractive areas, based on overly optimistic assumptions about ethnic reintegration. In many cases, they stood alongside unrepaired, damaged buildings, highlighting the fragmented nature of the effort. Crucially, these housing projects ignored broader planning needs such as schools, water systems, infrastructure, and employment opportunities. Much of the construction ultimately benefited absentee owners who secured funds but never intended to return (Harild et al., 2015).

Host countries' policies

European countries responded very differently to the arrival of Bosnian refugees, with Germany standing out as the only one to enforce direct repatriation. After the Dayton Peace Agreement was signed in 1995, Germany chose not to renew temporary protection permits, which led to the forced return of many Bosnians. Unlike other host countries, Germany never offered a pathway to permanent residency, granted only limited access to the labour market, and provided minimal integration support. As a result, fewer than 10% of Bosnian refugees who had initially found safety in Germany remained there a decade later (Barslund et al., 2017).

In contrast, countries such as Sweden, Austria, Denmark, and the Netherlands adopted more inclusive and durable approaches. Sweden rapidly granted permanent residency to most Bosnian refugees, allowed unrestricted access to the labour market and education system, and actively supported integration through language training and other measures. Other countries implemented policies that fell somewhere between these two extremes, reflecting varying degrees of political will to provide long-term protection and integration support (Barslund et al., 2017).

Beyond reception and integration, EU countries also differed in their strategies for facilitating return. Eleven states implemented schemes to support the permanent repatriation of Bosnians, yet only Denmark and Sweden funded programmes that allowed refugees to visit Bosnia and assess return conditions for themselves (Black, 2022). Other repatriation schemes varied significantly, from direct financial assistance for returning home to the dissemination of information about the conditions awaiting returnees.

Return of qualified nationals for reconstruction

A year after the DPA was signed, the International Organisation for Migration (IOM) implemented the *"Reconstruction, Capacity Building and Development through the Return of Qualified Nationals to Bosnia and Herzegovina"* project. The main objective of the project was to enhance administrative and technical capacities in both the public and private sectors of the Federation of Bosnia and Herzegovina and the Republika Srpska, with the aim of supporting the broader reconstruction process. This programme targeted skilled Bosnians whose expertise was crucial for the reconstruction of the country. The initiative also aimed to promote self-employment and small-scale business development to stimulate wider socio-economic growth. It leveraged the skills of returning Bosnian professionals, who were specifically recruited to contribute to reconstruction efforts (Sandgren, 2001).

Investment policies for diaspora engagement

Emigration from Bosnia and Herzegovina has continued in recent decades. According to the UN, around half of the population was living abroad in 2024.

The Ministry of Human Rights and Refugees (MoHRR) is in charge of developing diaspora and return policies (World Bank, 2024a). This Ministry cooperates with local governments to develop part of the diaspora projects. While Bosnia and Herzegovina has not yet implemented a national strategy for diaspora engagement (World Bank, 2024),²⁸ some relevant policies have been enacted to support the diaspora and promote the transfer of financial resources and expertise back to the country. For several years, diaspora investment was inconsistent, but the launch of two highly successful initiatives (*Diaspora Invest* and *Diaspora4Development*) has significantly contributed to the growth of businesses started by the diaspora (Qaisrani, 2023).

The *Diaspora Invest* (DI) programme, funded by USAID and implemented by Naša Perspektiva Group, was a \$6.6 million initiative (2017–2022) aimed at increasing the economic contributions of the Bosnian diaspora. It provided grants and technical assistance to early-stage SMEs and start-ups, helping them navigate local regulations and access financing. The programme also launched the Bosnian Diaspora Marketplace, which included a business plan competition to identify high-potential ventures, along with advisory support and access to Development Credit (DCA)-backed loans through a parallel initiative (RCC, 2022).

²⁸ There is not a national strategy, but there are some examples of diaspora framework at entity levels. For example, the Federation of Bosnia and Herzegovina (FBiH) and the Republic of Srpska (RS) have developed their own frameworks and diaspora engagement (World Bank, 2024a).

The programme aimed to enhance the economic contributions of the diaspora by encouraging investment through grants, providing technical assistance to navigate the country's regulatory framework for starting or expanding businesses, and creating local platforms to facilitate business services and investment opportunities. This programme focused on strengthening the connection between local communities and the diaspora by channelling investments to the local level. Additionally, local governments offered further incentives, such as tax reductions, land access, and financial support, to encourage further engagement. The programme also focused on building a sustainable support ecosystem for diaspora investors, including the creation of a One-Stop Shop, an online business network, and outreach activities like investment conferences (RCC, 2022).

This programme leveraged a USD 2 million grant to attract \$22 million in diaspora investments, demonstrating the significant developmental contributions of the diaspora (World Bank, 2024). According to USAID, the supported diaspora firms have managed to sell more than \$325 million in goods and services. Notably, around 75% of these sales (approximately \$233 million) have reached advanced export markets in the European Union and North America.²⁹ As part of the initiative, the newly launched Diaspora Business Platform (*Diasporainvest.ba*) became a key hub for diaspora investors. By October 2021, the platform had over 1,300 registered users with active business-to-business connections and featured 102 diaspora organisations (RCC, 2022).

The project was extended into a second phase for 2022-2027, with a funding allocation of \$15.7 million. This new phase maintains the grants and the technical assistance for companies, but also includes mapping of the diaspora in each municipality and community engagement at the local level. Additionally, this phase explores alternative financing options for diaspora investments, such as crowdfunding and investment platforms.

The *Diaspora for Development* (D4D) project, implemented in two phases from 2013 to 2021, was a USD 6 million initiative led by UNDP in Bosnia and Herzegovina in partnership with the Ministry of Human Rights and Refugees (MHRR), and funded by the Swiss Agency for Development and Cooperation (SDC). The main objective of the project was to create an enabling environment for the inclusion of the diaspora's human and financial capital.³⁰ Serving as a strong example of intermediation, the project facilitated knowledge transfer from diaspora communities to the local economy. Key components included diaspora mapping, the development of tools within public institutions to engage diaspora members, and the alignment of local government strategies with national diaspora frameworks. The project supported 2,235 diaspora members in connecting with domestic economic sectors and included grant-matching schemes and technical support for start-ups, as well as the creation of an interactive engagement platform (*dijaspora.mhrr.gov.ba*). A central aim was to strengthen communication and cooperation between diaspora communities and local institutions, ensuring that local-level engagement efforts were consistent with the national strategy (ICMPD, 2023). By the end of the project, it had mobilised over BAM 6 million in diaspora investments, created approximately

²⁹ U.S. Embassy & Consulate in Bosnia and Herzegovina (2024).

³⁰ Embassy of Switzerland in Bosnia and Herzegovina (2024).

2,300 jobs and livelihood opportunities, and facilitated the active engagement of more than 2,200 diaspora members in structured government-led dialogue (World Bank, 2024).

A new phase of the *Diaspora Knowledge Mobility Project* was launched in November 2023, with the Ministry of Human Rights and Refugees (MoHRR) taking the lead in implementation and the Swiss Agency for Development and Cooperation (SDC) providing primary funding. In parallel, the Mozaik Foundation, backed by the SDC, is running a complementary programme that connects young entrepreneurs with diaspora professionals who offer guidance and expertise to support their business ventures. Building on the diaspora engagement efforts initiated under the *D4D* project, the Swiss Government has also financed the *Diaspora Community Program*. This initiative aims to foster connections between diaspora members and start-ups in Bosnia and Herzegovina (World Bank, 2024a).

New Returning programmes

In recent years, the country has established a legal framework that prioritises, as a policy objective to improve the reintegration of returnees. For this, they implemented the *Strategy for Reintegration of Returnees under Readmission Agreements* and the *Action Plan* for the Period 2019-2022. MoHRR is the ministry in charge of implementing policies to guarantee law-stated rights, including access to a right to work, health care, social care, education, and accommodation. For those who return under readmission agreements,³¹ the MoHRR has the responsibility of providing them with accommodation up to 30 days. However, as the end goal is to develop sustainable long-term earning capacity for all returnees across the country, local governments have an active role in the strategy, as key agents in the re-admission and integration of returnees. They are responsible for receiving returnees and providing them with services.

As a complement to the return programme, the Federal Ministry of Displaced Persons and Refugees (FMROI) also implemented projects to support the sustainable return of Bosnian migrants, through employment opportunities in the agricultural sector, in the form of funds to buy critical inputs (seeds, planting material, co-financing of the machinery and equipment) and funding for start-ups.

4.3.3. Lessons for Ukraine

The experience of Bosnia and Herzegovina offers several important lessons for Ukraine, as both countries have faced large-scale displacement caused by violent conflict. In addition, their geographic proximity to the European Union and recent accession to EU candidate status further align their post-war reconstruction and integration challenges. Key lessons from the Bosnia and Herzegovina case are summarised in Table 2 below, encompassing seven core themes.

³¹ Formal arrangement between countries that outlines the procedures and responsibilities for identifying individuals subject to removal and facilitating their safe return to their home country. Bosnia and Herzegovina has signed a total of 28 readmission agreements, with the EU and other countries (World Bank, 2024).

Table 2: Bosnia and Herzegovina: Key lessons for Ukraine

Key lesson	Bosnia's experience	Lessons for Ukraine
Return process management	<ul style="list-style-type: none"> While the legal right to return was guaranteed, implementation was slow, uneven, and highly politicised. The process was further hindered by weak institutions, poor coordination among implementing agencies, and the urgency with which many premature returns were undertaken. 	<ul style="list-style-type: none"> Ukraine should plan for a phased and well-managed return process. This includes building robust institutional mechanisms and allowing sufficient time for conditions on the ground to become conducive to return, avoiding the pitfalls seen in Bosnia.
International aid strategy	<ul style="list-style-type: none"> The international aid response in Bosnia followed a short-term, donor-driven approach that prioritised quick wins such as house reconstruction. The lack of a sustained, multi-sectoral strategy for long-term reintegration led to fragmentation and inefficiencies. 	<ul style="list-style-type: none"> Ukraine should develop a long-term and sustained aid strategy. This requires a multi-sectoral integration plan, with the timing of return aligned with progress in reconciliation and local stability, rather than being dictated by international political agendas.
Housing and infrastructure	<ul style="list-style-type: none"> The focus in Bosnia was primarily on rebuilding houses, with limited attention paid to economic opportunities, job creation, or access to public services. 	<ul style="list-style-type: none"> A reintegration strategy for Ukraine should go beyond reconstruction and include a coordinated housing strategy. This strategy must link local infrastructure, legal property restitution, secure funding, and access to essential services such as education and healthcare. A programme of this scale should be designed to scale up and support refugee return comprehensively.
Economic opportunities	<ul style="list-style-type: none"> Bosnia experienced high unemployment and limited prospects in the early post-conflict years, which discouraged returns and impeded reintegration for those who did return. 	<ul style="list-style-type: none"> Ukraine must complement legal and physical restitution with meaningful economic opportunities to support sustainable reintegration. This includes access to jobs, entrepreneurship support, and local economic development initiatives.
Host country policies	<ul style="list-style-type: none"> Host country policies significantly shaped return outcomes. Germany never offered a pathway to permanent residency, while Denmark and Sweden implemented "look and visit" schemes that allowed refugees to assess conditions before deciding to return. 	<ul style="list-style-type: none"> The UK government should support voluntary, safe, and informed return. This may include implementing flexible visa schemes that allow individuals to visit Ukraine to assess the situation before returning, potentially adapting the "look and see" model used in other contexts.

Targeting skilled professionals	<ul style="list-style-type: none"> In Bosnia, aligning return incentives with national reconstruction needs helped match displaced talent with post-war priorities. 	<ul style="list-style-type: none"> Ukraine can significantly enhance its reconstruction efforts by targeting the return of skilled professionals, particularly those with expertise in infrastructure, public administration, and social services.
Diaspora	<ul style="list-style-type: none"> Many Bosnians remained abroad permanently, and emigration has continued due to persistent economic challenges. Diaspora strategies were developed only recently, although two successful initiatives—<i>Diaspora Invest</i> and <i>Diaspora4Development</i>—demonstrated the potential of diaspora engagement. 	<ul style="list-style-type: none"> Ukraine should adopt diaspora policies early. Mapping diaspora communities, including their skills, networks, and willingness to contribute, can inform programmes that harness their potential for economic and social development.

Source: Authors' elaboration.

4.4. Baltic States: Estonia, Latvia and Lithuania

4.4.1. Migration history and relevance for Ukraine

The Baltic states (Estonia, Latvia, and Lithuania) gained independence following the collapse of the USSR in 1991. The three countries have faced an important wave of emigration in the last two decades, accelerated by their accession to the European Union in 2004 (OECD, 2013).

Currently, approximately 200,000 people of Estonian origin live abroad, a significant figure given the country's population of 1.3 million, representing 15% of all Estonians.³² In Latvia, the diaspora was estimated to exceed 370,000³³ individuals, 20% of the total population in 2021.³⁴ As for Lithuania, UN 2024 figures indicate a total of almost 500,000 emigrants, representing 16% of the total population.

The characterisation of the diaspora for the three countries differs. In Estonia, the current diaspora is led by significant migration towards Finland, primarily due to its geographical proximity. This has led to the emergence of a new type of migrant: the cross-border commuter. These migrants, predominantly male, work in nearby countries such as Finland, Sweden, and Norway while maintaining their families in Estonia (Saar, 2020). Overall, these migrants tend to have lower educational levels compared to the general Estonian population (Anniste et al., 2012). According to the OECD, the average Estonian emigrant was a male blue-collar worker aged 15-34 who moved to Finland to work temporarily because of the unfavourable economic opportunities in their country (OECD, 2013).

In recent years, the profile of Latvian emigrants has changed. Working abroad has become increasingly widespread, and following the 2008 economic crisis, emigration has increased

³² Ministry of Foreign Affairs of Estonia (n.d.).

³³ Ministry of Foreign Affairs of the Republic of Latvia (2021).

³⁴ Percentage calculated using a population of 1.88 million.

(Hazans, 2019). Today, the largest Latvian diaspora communities are in the UK, the US, Germany, and Australia.³⁵ The share of emigrants with higher education has steadily increased (24% are university graduates), and many pursue long-term or even permanent migration with their families. Today, emigration potential remains high, while return rates are low. Only 23% of emigrants report plans to return to Latvia within five years (OECD, 2013).

Another relevant aspect is the high presence of women abroad. Over 2000-10, women accounted for over half (57%) of adult emigrants who left the country and were less likely to return than their male counterparts (OECD, 2013). Despite Latvian migrants being generally more highly educated than their age peers at home (Hazans, 2018), they are often underemployed in their host countries (McCollum et al., 2016). This trend is particularly pronounced among women, who are more likely to migrate and to work in low-skilled jobs abroad (McCollum et al., 2016). According to McCollum et al. (2016), 85% of surveyed respondents had attained secondary education or higher, and a third were employed in low-skilled occupations. Overall, only about 26% of the Latvian diaspora works in positions related to their qualifications (OECD, 2013).

Similar to the Latvian diaspora, contemporary emigration from Lithuania has largely been driven by economic factors, particularly since the country's accession to the EU in 2004. The outflow of young and skilled individuals became especially pronounced in the wake of the 2008 global financial crisis. A significant proportion of Lithuanian emigrants are well-educated, with over 50% having completed at least upper secondary vocational education. Many migrants are oriented toward long-term or even permanent settlement abroad (OECD, 2013). The main countries of destination since EU accession were the United Kingdom and Ireland (the first countries to open their labour market to new member states' citizens), followed by Germany, Norway and the Netherlands (Popky, et al., 2024). In 2023, of the total of almost 500,000 Lithuanians living abroad, 33% resided in the UK, 13% in Germany, 11% in Norway, and 10% in Ireland.³⁶

These three Baltic countries exemplify how recent emigration has prompted policymakers to confront the potential negative consequences of losing young and skilled workers, while seeking ways to leverage migration for economic development. This scenario is particularly relevant for Ukraine, also facing significant emigration stakes, especially among its youth and highly educated population, exacerbated by the ongoing conflict and economic challenges. The shift in recent diaspora policies in the Baltic, from a return migration focus to one that emphasises long-term engagement, offers valuable lessons for Ukraine.

4.4.2. Returning and diaspora engagement policies

Returning policies

Returning policies have been at the core of Baltic countries' diaspora policies as policymakers have recognised the long-term negative impact of losing young, skilled workers. While initial policies focused mainly on facilitating the return of emigrants, contemporary strategies have

³⁵ Ministry of Foreign Affairs of the Republic of Latvia (n.d.).

³⁶ European Migration Network (n.d.).

shifted toward creating an environment that incentivises returnees and supports their reintegration into the workforce.

Estonia

In Estonia, policies aimed at engaging nationals abroad primarily focus on language and culture. In 2004, the *Compatriots Program* was established by the Ministries of Education and Culture, later supported by the Ministries of Foreign Affairs, Internal Affairs, and the National Archive. The programme has four main objectives: to promote education for Estonians abroad, preserve Estonian culture and identity overseas, support the collection and accessibility of exiled cultural heritage, and encourage the return of Estonians living abroad to Estonia (Saar, 2020).

However, the programme's evaluation identified return support as one of its weakest areas. Key challenges included difficulties in securing school and kindergarten placements, limited access to information, and poor labour market integration. Another major concern raised by expatriates was the limited accessibility of state repatriation assistance, specifically, a one-time payment of up to €2,000 for financially struggling returnees. This benefit is restricted to those who have lived abroad for at least 10 years, effectively excluding individuals who emigrated during or after the 2008 economic crisis (Saar, 2020). Moreover, it remains unclear how this return policy contributes to the potential economic benefits of emigration, especially given Estonia's specific emigration patterns (OECD, 2013).

In the last decade, return migration has remained a central pillar of Estonia's diaspora policy. One notable example is the "*Bringing Talent Home*" initiative, implemented between 2010 and 2012 to encourage the return of skilled migrants. The programme aimed to attract Estonian students who had studied abroad, graduates of foreign universities, and citizens with significant international work experience, by offering opportunities for employment and personal fulfilment in both the private and public sectors. By its conclusion in 2012, the initiative had only facilitated the return of 27 individuals. According to the OECD (2013), this was considered a positive outcome given the inherent challenges of return migration.

Latvia

In Latvia, the government introduced a return migration policy aimed at supporting Latvian nationals and their families living abroad who are considering, planning, or have already decided to return to work in Latvia, as well as those interested in starting a business or building professional networks in the country (OECD, 2013).

In 2013, the Cabinet of Ministers approved the *Return Migration Support Action Plan 2013–2016* to support emigrants to return to Latvia and encouraged diaspora members to establish businesses in the country. This programme had several objectives and actions. First, it aimed to smooth the employment integration in Latvia through the provision of information for Latvians abroad on their return. It also offered Latvian language support and reintegration assistance for returnee families and students. Additional measures targeted highly skilled emigrants, proposing grants and potential student debt forgiveness, while expanding access to public sector employment. Business development efforts were also supported through partnerships with diaspora networks (OECD, 2016). Interestingly, despite Latvia's active efforts,

only 11% of long-term emigrants knew about its *Return Migration Plan* (Birka, 2020). Proximity and frequent travel increased awareness, suggesting that mobility supports information flow. A follow-up, the *Action Plan for the Diaspora 2015–2017*, reinforced return assistance, particularly in integrating children into the Latvian education system.

A key principle of diaspora engagement in Latvia has been regional support measures, as the Ministry of Environmental Protection and Regional Development launched a pilot project to support returnees by appointing return policy consultants in regional municipalities. These consultants offer essential guidance on employment, housing, and education for Latvians abroad considering a return. In the programme's first year (2018), its support contributed to the relocation of 163 families to Latvia (Lulle, 2020). The initiative has continued to demonstrate positive outcomes, and by 2024, remigration coordinators were available in every region, providing sustained assistance to returning diaspora members, causing 277 families to return based on the offers of the consultants.³⁷ To complement the work of regional coordinators, funding for businesses promoting remigration was introduced in 23 of 43 municipalities. Companies founded by returnees, as well as companies creating new jobs for returnees, are eligible for €8000 of annual support, which can be used for fixed assets, as well as remuneration. In 2024, 25 applicants received support from this scheme.³⁸

Lithuania

Lithuania has implemented a variety of policies to encourage the return of its emigrants since EU accession. This aspect of diaspora policy began with Lithuania's initial attempts to promote return migration, formally introduced in the 2007 *Strategy to Regulate Economic Migration (Ekonominės migracijos reguliavimo strategija)*. The strategy aimed to reduce emigration and secure an adequate labour force amid a period of rapid economic expansion (Gudelis & Klimavičiūtė, 2016). In 2008, Lithuania adopted two key programmes: *For the Long-Term Relationship with Foreign Lithuanians 2008–2020*, which outlined strategies to preserve national identity and support return migration, and the *Guidelines of Immigration Policy*, which aimed to assist returning families, especially with education and psychological support, and promote returnee-led business and agricultural initiatives (Popyk et al., 2024).

Launched in 2012, the *Create for Lithuania* programme aims to attract skilled professionals from the Lithuanian diaspora to work in the public administration, offering them competitive salaries comparable to civil service roles, along with networking opportunities to build social capital. Participants implement strategic projects in various policy areas, including the establishment of GovTechLab, migration regulation, and sustainable healthcare development. Over 200 projects have been completed, consulting experts from academia, civil society, NGOs, and both the private and public sectors.³⁹ While the goal is to transfer knowledge and foster long-term engagement, about 80% of participants stay in Lithuania after completing the programme (OECD, 2018).

³⁷ Ministry of Environmental Protection and Regional Development of the Republic of Latvia (2025).

³⁸ Invest in Latvia (2024).

³⁹ Innovation in Politics Institute (n.d.).

Another initiative to serve returnees is the government project “*I Choose Lithuania*”, launched in 2015 by the Ministry of Interior. This programme aims to serve as a one-stop shop for returnees and potential returnees. It offers guidance on employment, taxes, social welfare, healthcare, education (including language support for children), and immigration procedures for third-country nationals. The programme also provides tailored information on challenges faced abroad, such as the impact of Brexit on Lithuanian migrants in the UK (Popyk et al., 2024). Despite handling over 400 queries in its first two years, the service appears underused, possibly due to low awareness or because many returnees are not actively seeking work or enrolling children in school (OECD, 2018).

Additional efforts to encourage the return of Lithuanian emigrants were introduced through the 2017 *Return Law* and the 2018 *Strategy for Demography, Migration and Integration Policy 2018–2030*, adopted by the parliament of Lithuania. However, these documents offer limited information on practical steps to facilitating return, leaving many returnees alone in navigating financial, social, and psychological challenges with little structured support (Popyk et al., 2024).

New approaches for diaspora engagement

Estonia

In recent years, Estonia has shifted from focusing on return migration to broader diaspora engagement, but its policies lack specific measures to attract investment from the diaspora. Until recently, there was no dedicated ministry for co-nationals abroad; responsibilities were spread across several ministries, including Foreign Affairs, Culture, and Education (Saar, 2020). Since 2021, the Ministry of Foreign Affairs has led global diaspora initiatives, supported by other ministries, agencies, and Estonian organisations (Toomistu, 2024). The last *Estonia Diaspora Plan 2022–2025* was under the responsibility of the Ministry of Foreign Affairs. This document aims to strengthen cultural and social ties with the diaspora and facilitate return migration, but it does not explicitly focus on diaspora investment. While the plan mentions the *Global Estonian Business Network* (GEBN) as a platform for connecting Estonian professionals and businesses, it primarily serves networking and visibility goals rather than fostering business investments.⁴⁰

Lithuania

Similarly, the Lithuanian government’s *Global Lithuania* strategy (2012–2019) marked a notable shift from viewing emigration solely as a challenge to recognising the diaspora as a valuable resource for the country’s economic, social, political, and cultural development (Gudelis & Klimavičiūtė, 2016). Coordinated by the Ministry of Foreign Affairs and involving multiple ministries, the plan aimed to foster stronger ties with Lithuanians abroad. However, its implementation was hindered by the lack of dedicated funding, relying instead on existing budgets. As a result, most initiatives have focused on cultural and linguistic preservation, while the diaspora’s economic potential, especially in terms of investment and integration into global supply chains, remains largely underutilised. Targeted programmes have mostly supported elite members of the diaspora through awards and short-term grants, encouraging brief returns.

⁴⁰ See the Diaspora policy 2022–2025 in the following [link](#).

While these efforts have helped harness the diaspora's human and social capital, they raise equity concerns by favouring high-achieving emigrants over those who remained in Lithuania, and their overall scope and impact remain limited (OECD, 2018).

In addition to government-led efforts, non-governmental initiatives also aim to attract talent to Lithuania. The organisation *Global Lithuanian Leaders* (GLL) runs two key programmes. *Talents for Lithuania* offers 3–6 month paid internships in private companies for Lithuanian students studying abroad, an uncommon opportunity in Lithuania. Beyond the internships, the programme seeks to build a long-term alumni network of globally experienced professionals, even if participants return abroad after completion. The *LT Big Brother* programme connects Lithuanian university students with established Lithuanian professionals abroad for eight months of voluntary mentoring in their field of interest. Neither the mentor nor mentee must be in Lithuania, and the focus is on building professional relationships, supporting youth, and strengthening global Lithuanian networks. Like other GLL initiatives, both programmes prioritise social capital and foster ties with prominent local companies and leaders (OECD, 2018).

Latvia

Latvia's diaspora engagement has evolved through a series of initiatives aimed at preserving national identity and facilitating return migration. Until the early 2010s, the institutional framework remained weak, relying mainly on cooperation with traditional diaspora organisations (OECD, 2016). The first formal policy, the *Diaspora Support Programme* 2004–2009, was followed by the *Remigration Support Measure Plan* 2013–2016. The latter sought to assist Latvian nationals and their families in returning to Latvia and encouraged diaspora members to establish businesses in the country. It also included practical measures such as providing information on relocation and implementing a scheme to facilitate employment, which required public authorities to allow individuals living abroad to participate in job selection processes through virtual communication (Klave & Šūpule, 2019). This was expanded through the *Action Plan for the Diaspora* 2015–2017, which focused on identity preservation, civic engagement, economic ties, and reintegration via regional coordinators. However, limited funding meant that only lower-cost measures have been consistently implemented (OECD, 2016).

The adoption of the *Diaspora Law* in 2018 (effective since 2019) further solidified these priorities by ensuring legal protections for Latvians abroad (Hazans, 2018; Birka, 2020). Since its adoption, the *Diaspora Law* has led to the creation of a dedicated policy sector. The state budget has included baseline funding to support the implementation of diaspora policy measures, enabling the government to strengthen ties with the diaspora by backing new initiatives and programmes. This cohesive diaspora engagement is further complemented by the Latvian Diaspora Advisory Council, a government body bridging representatives from 26 organisations, including public administration authorities, local governments, diaspora organisations, associations, and foundations. This council plays a key role in coordinating diaspora policy development across different sectors, setting annual priorities, and overseeing implementation and evaluation efforts (MFA Latvia, 2021).

Current diaspora policies put increased focus on knowledge transfer to "enhance the excellence of Latvian science" and provide local support for the employment of returnees. The engagement

follows the cross-sectoral *Plan for Work with the Diaspora for 2024-2026*, as well as findings from the *On a Remigration Support Measure – Business Support* report. In addition to existing regional coordinators, local governments are expected to be involved in local entrepreneurship and employment promotion (MFA Latvia, 2024).

Digital infrastructure

Estonia's digital infrastructure policy is particularly insightful, as it is not exclusively targeted at the Estonian diaspora but integrates investment incentives both for Estonians abroad and internationals. Through the introduction of the e-residency and the smart card, public services like "company formation, banking, payment processing, and taxation" can be accessed remotely (Saar 2020). E-residency grants non-Estonians access to Estonian services like company formation, banking, and taxation. Designed for location-independent entrepreneurs, it provides a digital ID for secure document signing (Saar, 2020).

By March 2025, over 120,000 e-residents in Estonia, and over 33,000 companies have been established through e-residency. Almost one third of them are in the IT sector, with 9,000 companies established in the computer programming, consultancy and related activities.⁴¹ Applicants for e-residency do not need any ethnic or residential ties to Estonia; the programme is open to anyone who is not already a resident or citizen of the country.

Furthermore, access to social services at home can be challenging for diaspora members. In this context, the Estonian government started an active exchange of demographic and welfare data with the government of Finland (one of the most prominent host countries for the ongoing circular emigrants). The exchange of data on health and unemployment is automated, helping patients and the government aggregate social services demand data (Saar, 2020).

Finally, Enterprise Estonia (a non-profit foundation) created a Global Estonian Network website,⁴² designed to function as a contact network for Estonians abroad. This is an initiative of the Ministry of Foreign Affairs and the Public Sector Innovation Team of Estonia. The aim is to connect business-focused Estonians worldwide, fostering mutual support in their global ventures, and leveraging members' professional skills and expertise to enhance Estonian exports and contribute to the country's economic success.

4.4.3. Lessons for Ukraine

The Baltic states (particularly Lithuania and Latvia) have shifted from viewing emigration solely as a "brain drain" to seeing it as an opportunity for national development. Moving beyond return-focused policies, they have embraced broader diaspora engagement strategies. Their experiences offer valuable lessons for Ukraine, especially as the country considers potential EU mobility rights. A summary of the key lessons for Ukraine is given in Table 3 below, organised around five main pillars.

⁴¹ Republic of Estonia, e-Residency. (n.d.).

⁴² Republic of Estonia, Ministry of Culture. (n.d.).

Table 3: Baltic States: Key lessons for Ukraine

Key Lesson	Baltic Experience	Lessons for Ukraine
Strategic perspective shift	<ul style="list-style-type: none"> The trajectories of Estonia, Latvia, and Lithuania over the past decades mirror several of Ukraine's current challenges, which could intensify if free movement within the EU is granted. Shifted from a return migration focus to one that emphasises long-term engagement. 	<ul style="list-style-type: none"> Adopt a dual-track approach from the start, one that acknowledges the long-term contributions of the diaspora while simultaneously fostering favourable conditions for return or circular migration. View policies as complementary, not exclusive.
Diaspora engagement	<ul style="list-style-type: none"> In the last years, the Baltic states have promoted diaspora-led investment and supported entrepreneurship from abroad. Programmes such as <i>Talents for Lithuania</i> and <i>LT Big Brother</i> illustrate successful models for engaging skilled individuals abroad. 	<ul style="list-style-type: none"> Ukraine should integrate business and investment incentives into its diaspora engagement strategies, encouraging nationals abroad to contribute to economic revitalisation. A business-oriented approach will be essential to Ukraine's reconstruction, alongside initiatives that target students and young professionals to foster long-term engagement.
Practical reintegration support	<ul style="list-style-type: none"> Estonia's return policy revealed weaknesses in the practical reintegration needs, with returnees facing barriers to accessing childcare and entering the labour market. Latvia and Lithuania have introduced more tailored approaches, including coordination with local authorities and job-matching services. Latvia: Support from remigration coordinators is available in every region. Lithuania: <i>Create for Lithuania</i> and <i>Choose Lithuania</i> programmes are good examples of return policies. 	<ul style="list-style-type: none"> Ukraine's return migration policies must address practical reintegration challenges such as housing, employment, and school enrolment. Latvia's use of regional diaspora coordinators offers a scalable model for Ukraine, particularly in rural areas suffering from critical skill shortages. Outreach targeted at former residents, paired with local entrepreneurship grants, can encourage return and stimulate regional development. Promote return policy programmes inspired by Lithuania's initiatives.

<p>Policy communication</p> <ul style="list-style-type: none"> • Policy awareness is also a challenge. Only 11% knew of Latvia's Return Plan. • Proximity increased awareness and freedom of movement, helping to facilitate information flow. 	<ul style="list-style-type: none"> • Ukraine must prioritise inclusive and proactive communication strategies. This includes collaborating with diaspora networks, designing outreach programmes jointly with stakeholders abroad, and ensuring that return and engagement strategies are well publicised and accessible.
<p>Digital infrastructure</p> <ul style="list-style-type: none"> • Estonia's investment in digital infrastructure—such as the e-residency programme, which has supported over 33,000 startups—demonstrates how digital systems can unlock innovation, attract global talent, and enhance service delivery. 	<ul style="list-style-type: none"> • Ukraine, with its strong tech sector, could develop similar digital platforms to support diaspora engagement, entrepreneurship, and remote participation in public services. Digital infrastructure can serve as a catalyst for innovation and position Ukraine as a global hub for talent and investment.

Source: Authors' elaboration.

4.5. Albania

4.5.1. Migration background and relevance for Ukraine

Albania, a non-EU country, has one of the highest emigration rates in Europe and Central Asia, with 44% of its population living abroad, second only to Bosnia and Herzegovina (World Bank, 2024). Migration from Albania presents a distinct case among Western Balkan countries. While the country has a long history of emigration dating back to the 19th century, international movement was heavily restricted during the communist regime from 1945 onward. A major wave of emigration occurred in the 1990s following the easing of these restrictions, driven largely by political instability and economic hardship (OECD, 2022). This resulted in the departure of approximately 20% of the population, primarily to Greece and Italy (Qaisrani et al., 2023).

Today, the primary destinations for Albanian emigrants remain Italy (43%) and Greece (35%), followed by the United States (8%), Germany (6%), and the United Kingdom (3%) (OECD, 2022). The high concentration of Albanian migrants in Italy and Greece contributed to significant return migration following the 2008 financial crisis, as both countries experienced severe economic downturns (García-Pereiro & Biscione, 2016). Albanians in Greece were particularly affected, facing high unemployment rates that led many to return to Albania (Hausmann & Nedelkoska, 2018). This trend was further supported by Albania's economic liberalisation, increased trade, and greater financial openness, which fostered sustained growth and created more opportunities for returning migrants (World Bank, 2024). Data suggests that roughly one in four Albanians who emigrated over the past two decades have returned. Most of these returnees are young men with a secondary level of education. The most recent data has also revealed an increasing number of returnees with tertiary education: 12% in 2019 (World Bank, 2024d).

The current Albanian diaspora is predominantly of working age and tends to have lower levels of education compared to the wider Albanian population, as only 20% of Albanian migrants have

a tertiary education (World Bank, 2024d). Employment outcomes for Albanian migrants are relatively weak, with an employment rate of only 56%. Interestingly, despite the low share of highly skilled individuals, overqualification is widespread. Indeed, over half of Albanian migrants are employed in positions that require lower qualifications than they possess, while only a third of highly skilled migrants across OECD countries face overqualification on average (OECD, 2022).

The Albanian case is relevant for Ukraine, given the diaspora engagement policies and institutional frameworks it has developed in recent years to manage its large diaspora, as well as the return and reintegration challenges that arose with the return home of Albanians after the 2007-08 global financial crisis. Albania serves as a valuable example of how effective returnee policies, combined with robust institutional design, can successfully engage the diaspora.

4.5.2. Returning and diaspora engagement policies

Diaspora institutional framework

Over the past 15 years, Albania has made significant strides in developing a comprehensive legal and institutional framework around migration and diaspora engagement. Albania's approach to migration governance has evolved steadily. One of the earliest initiatives was the *National Action Plan on Remittances* (2007–2010), implemented in 2010, which aimed to enhance the development impact of remittances by improving transfer systems and promoting their productive use. Since then, Albania has pursued a more structured and long-term approach to migration governance,⁴³ anchored in the *National Strategy on Development and Integration 2015–2020*. Updated in 2022 and extended to 2030, this strategy envisions a coordinated system to manage emigration, return migration, immigration, and the broader developmental implications of population movements. Aligned with EU standards, it marks a major step towards comprehensive migration governance (World Bank, 2024d).

Under this strategy, migration management has been guided by the *National Strategy on Migration 2019–2022* and its accompanying *Action Plan* (IOM, 2019), which together form a cross-cutting policy framework. These initiatives established a coordinated mechanism to ensure an integrated and effective response to migration challenges. The strategy sought to enhance institutional capacities, improve coordination across government bodies, and align Albania's legal framework with EU requirements. It aimed to ensure safe and orderly migration by addressing irregular migration, strengthening return mechanisms, and managing mixed migration flows. Another core focus was developing effective labour migration policies, including support for seasonal and circular migration, to maximise the developmental benefits of migration at both the national and local levels. Additionally, the strategy emphasised the protection of migrants' rights, with specific attention to vulnerable groups, by improving integration processes and providing sustainable legal solutions.

The updated version of this strategy extends through 2030 and prioritises the promotion of effective labour migration policies designed to foster positive social and economic outcomes

⁴³ See the evolution of the strategies in the World Bank country report (2024b).

both nationally and locally. It aims to strengthen reintegration programmes and support mechanisms to provide sustainable assistance to returnees, with careful attention to assessing their specific needs. To achieve these goals, the strategy highlights the importance of close collaboration with local migration and diaspora offices within municipalities, ensuring coordinated and responsive implementation at the community level (World Bank, 2024d).

Albania has established a dedicated institutional and policy framework to actively engage its diaspora communities. Central to this effort is the *National Diaspora Strategy 2021–2025*, which focuses on building institutional structures designed to attract diaspora professionals for both short- and long-term involvement in Albania's development. A key priority is fostering business and investment ties by strengthening the Diaspora Business Chamber's role and creating a supportive legal environment that facilitates investment from the Albanian diaspora, thus leveraging their economic potential to drive national growth (Qaisrani et al., 2023).

Furthermore, Albania established several independent bodies to facilitate engagement with its diaspora, with the *National Diaspora Agency* and the *Albanian Diaspora Development Fund* being key examples. Created in 2018, the National Diaspora Agency has played a central role in institutional cooperation between Albania and its diaspora communities worldwide. Its core mission has been to protect the rights and interests of Albanian diaspora members in their host countries, preserve national cultural heritage, including language and traditions, and foster economic cooperation by encouraging diaspora investments and development projects. The agency also aimed to maintain and deepen connections between the diaspora and Albania, promoting active engagement in political, economic, and cultural life. Additionally, it was responsible for implementing diaspora-related policies and projects, including drafting and monitoring the *National Diaspora Strategy*, as well as establishing a voluntary diaspora database compliant with data protection laws.

Finally, the rights of the Albanian diaspora are formally protected under the law. In 2018, the Albanian government enacted Law No. 16/2018 "On the Albanian Diaspora", which sets out the legal framework for maintaining and strengthening ties with diaspora communities. This law promotes the preservation and cultivation of the diaspora's national, linguistic, cultural, and educational identity, while reinforcing institutional connections with the Albanian state.

Diaspora engagement and investment programmes

In addition to the National Diaspora Agency, several other actors play important roles in engaging the Albanian diaspora. The National Diaspora Strategy highlights business as a key priority area. This includes actions on information provision, formalisation of the remittances market, collaboration with the financial sector to provide tailored services for the diaspora, and promoting circular migration by engaging with the diaspora business networks (World Bank, 2024d).

The *Albanian Diaspora Development Fund (ADDF)* was established to strengthen cooperation between diaspora communities and donors, with the broader goal of supporting Albania's economic development (OECD, 2022). Its core mission was to encourage diaspora-led projects abroad and promote investment in Albania by mobilising resources and partnerships that benefit both host country communities and Albania itself.

The Fund operates in close coordination with the Albanian Investment Development Agency (AIDA), aiming to incentivise diaspora investment by facilitating collaboration with donors and providing support for development-oriented projects (Republic of Albania, 2020).

The Albanian Diaspora Business Chamber (ADBC) is another major actor. It is a non-profit advocacy organisation founded by businesspeople to promote and support diaspora investment. Initially launched as a project of the Diaspora Development Fund, the ADBC is now a permanent member of the Investment Council. It supports diaspora businesses interested in establishing operations in Albania and plans to launch a strategy and digital platform to expand its outreach. Currently, the Chamber has over 100 business members, 30–40% of whom are part of the diaspora.

To address key barriers to investment, such as regulatory complexity and difficulty finding skilled employees, the ADBC collaborated with the International Organisation for Migration (IOM) to develop *Connect Albania*, an online platform that engages diaspora members as intermediaries between foreign investors and Albania. This initiative forms the third component of IOM's *Diaspora Engagement Programme*, which supports the Albanian government in diaspora engagement, facilitates knowledge and skills transfers (including via fellowship opportunities), and promotes investment engagement through *Connect Albania*.

Launched in 2017 with funding from the Italian Ministry of Foreign Affairs and International Cooperation, *Connect Albania* connects the Albanian diaspora in Italy with potential investors. Diaspora members, certified as *Development Agents*, act as intermediaries and receive a €1,000 bonus for each job generated through their facilitated investments (Qaisrani et al., 2023). By 2023, 20 *Development Agents* had been certified, with the programme targeting key sectors such as business services, financial services, IT, and manufacturing. The initiative is widely recognised for its innovative and participatory model, which leverages networking incentives to foster diaspora engagement in investment (RCC, 2022; Qaisrani et al., 2023).

The Albanian American Development Foundation contributes to diaspora engagement through initiatives such as the *Research Expertise from the Academic Diaspora (READ) Fellowship*. This programme links Albanian higher education institutions with members of the scientific diaspora and their respective universities, helping build lasting ties between local researchers and the global Albanian academic community (World Bank, 2024d). In its first cohort, the *READ* programme engaged 100 diaspora scholars with 16 local higher education institutions and 32 programme fellows. Six curricula were developed, and 491 working hours from diaspora fellows were recorded, including 179 co-teaching hours. The partnership is still ongoing today and growing with new partner institutions (Albanian-America Development Foundation, 2021).

Other programmes aiming to connect with youth and promote knowledge transfer include *Code for Albania*, initiated in 2019, and focusing on high-school students. The 3-year programme offered professional training to students by Albanian diaspora professionals. It has engaged over 1,000 students, envisioning young people as actors of change with the potential to become future leaders in the field of technology, entrepreneurship and research in the origin country (ICMPD 2023).

Another is the *Albanian diaspora contributing to the agriculture in the home country, 2021 programme*. Its goal is to encourage economic development in rural areas by supporting SMEs' capacity in the agricultural sector. The Albanian diaspora in Italy collaborates with SMEs through online training and field demonstrations (Kapetanović, et al., 2022).

Finally, Albania's experience also highlights some of the ongoing challenges of diaspora engagement. Despite the importance of remittances—accounting for 8.6% of GDP in 2023—their developmental impact remains constrained by low levels of financial inclusion. Only 7.5% of remittance-receiving households hold a bank account (OECD, 2022).

Returning policies

Albania's migration story is not only about emigration, but also about return migration. Although the government does not have exact figures, since returnees are mostly recorded through self-declaration at the border and many do not declare, surveys and census data suggest that around 250,000 people have returned to Albania since the 2000s (World Bank, 2024).

To support the return of the diaspora, the Albanian government has introduced a range of measures outlined in its core migration policy documents (OECD, 2022). Indeed, returnees are legally protected under Law no. 9668 *On the Emigration of Albanian Citizens for Employment Purposes*, which grants special status to Albanian migrants who have spent at least one year abroad. This status ensures access to social and economic support, including employment counselling, vocational training, education, and social housing.

Reintegration of returnees is included in two key government strategies. First, the *National Strategy on Development and Integration* (NSDI) is the main governmental returnee policy framework, primarily focusing on EU integration and sustainable development. It sets out strategic objectives to increase the sustainability of return migration by supporting the reintegration of returned migrants. Second, the *National Strategy on Migration*, extended to 2030, serves as a comprehensive framework for migration. Reintegration stands as a key pillar, as it aims to enhance mechanisms for sustainable support to returnees.

Under these broad strategies, there are more specific strategies for returnees. The *Strategy on Reintegration of Albanian Citizens 2010-2015* aimed to support the reintegration of Albanian citizens who returned independently. The strategy provides reintegration services and reduces the costs associated with migration. It promotes the voluntary return of Albanian emigrants by distributing informational leaflets outlining their rights and the services available through consular offices, diplomatic missions, and emigrant associations. Additionally, it aims to expand reintegration support to ensure the long-term resettlement of returnees by offering career counselling, job-matching services, and vocational training. The strategy also envisions the development and implementation of joint employment initiatives with small businesses (World Bank, 2024).

Similarly, the National Agency for Employment and Skills (NAES) plays a key role in the economic reintegration of returnees in Albania. With migration-focused staff at central and regional levels, NAES offers job placement, vocational training, career guidance, and support services for business start-ups through *Employment Promotion Programmes* (EPPs). While not

specifically designed for them, such programmes include returnees as a priority group eligible for subsidised employment, on-the-job training, and internships.

Returnees can register as unemployed within two years of return, receive an *Individual Employment Plan*, and access reintegration services and *Vocational Education and Training* (VET). NAES also operates Migration Counters in local employment offices, but attendance remains low. In 2016, only 289 returnees registered, under 1% of arrivals. In 2019, only 56 out of 5,338 active labour market programme participants were returnees; in 2020, this dropped to 11. VET uptake was similarly limited, with only 73 returnees in 2019 and 52 in 2020 (World Bank, 2024d). Furthermore, returnees from vulnerable households are eligible for broader support, such as economic aid, social housing, healthcare, and school enrolment assistance.

In general, despite the numerous strategies focusing on reintegration, access to services remains fragmented in practice. Returnees often need to visit multiple agencies to obtain different types of support. While a broad range of services exists, few are specifically tailored to the needs of return migrants. In many cases, these services are delivered by development partners, often in coordination with local governments, who play a key role at the community level (World Bank, 2024d).

4.5.3. Lessons for Ukraine

Albania's experience highlights the importance of building a strong legal and institutional foundation for effective migration management and diaspora engagement. Over the past 15 years, Albania has developed policy frameworks aligned with EU standards and national development goals. These include comprehensive migration strategies and legislation that clearly assign roles and responsibilities across government institutions, enhancing coordination at both national and local levels. Reintegration and diaspora engagement are core pillars of these strategies, emphasising the dual need to support returning migrants and mobilise the skills and resources of the diaspora for economic development. A summary table of the key lessons for Ukraine of Albania's return policies is presented in Table 4.

Table 4: Albania: Key lessons for Ukraine

Key lesson	Albania's experience	Lessons for Ukraine
Legal and institutional framework	<ul style="list-style-type: none"> Albania has developed an extensive policy framework dedicated to diaspora engagement, mostly concentrated at the central level, aimed at building trust among the diaspora for the state, encouraging knowledge and skills transfer through temporary and/or permanent return, leveraging the investment potential of diaspora and promoting the Albanian identity abroad. 	<ul style="list-style-type: none"> Ukraine should establish a strong legal foundation for diaspora engagement early in the process. Aligning migration policies with EU frameworks will enhance credibility and coherence. Effective implementation will require clearly assigned roles across government and sufficient budget allocation. Coordination between national and local entities will be essential to ensure that services reach those who need them.

- Albania has aligned its migration policies with EU standards, accompanied by budgeted strategies and clearly defined institutional roles.

Inclusive return policies

- Albania has adopted an inclusive approach to return migration, extending support not only to skilled professionals but also to vulnerable returnees
- The government assists individuals who returned involuntarily or faced significant challenges in their host countries, responding to broader needs that go beyond employment, such as social support and reintegration services.
- Given the size and diversity of Ukraine's diaspora, many returnees are likely to require tailored assistance. Albania's approach offers a useful model for designing inclusive policies that anticipate varied needs.
- Ukraine should ensure that reintegration services are flexible and responsive to different returnee profiles.

Economic engagement mechanisms

- Economic engagement has become a central feature of Albania's diaspora policies.
- Programmes such as the Albanian *Diaspora Development Fund*, the *Diaspora Business Chamber*, and the *Connect Albania* platform have positioned diaspora members as key intermediaries for foreign investment and knowledge transfer.
- For Ukraine's globally dispersed and highly skilled diaspora, similar mechanisms could play a critical role in post-war reconstruction and regional revitalisation. Developing supportive legal frameworks, offering tailored investment incentives, and forming partnerships with institutions in host countries can help maximise the economic contributions of the diaspora.

Academic and youth engagement

- Albania has also implemented programmes that engage both academics and youth.
- *READ* programme for academics is a good example of diaspora engagement.
- *Code for Albania* is another example of a policy focused on high-school students.
- These programmes are particularly relevant for Ukraine, where over one third of refugees are children and a significant number of scientists remain abroad following the full-scale invasion. The *READ* initiative provides a promising model for Ukraine to re-engage its displaced academic diaspora and channel their contributions into the country's recovery.

Remittance infrastructure

- Remittances represent 8.6% of Albania's GDP, yet only 7.5% of recipients have a bank account, indicating a limited level of financial inclusion. This disconnect has hindered the developmental impact of remittances and constrained broader economic engagement with the diaspora.
- Ukraine should focus on strengthening its financial infrastructure and expanding access to banking services, particularly in underserved areas. Improving financial inclusion will enhance the developmental impact of remittances and create opportunities to better integrate diaspora contributions into the broader economy.

Implementation challenges	<ul style="list-style-type: none"> Despite having a strong strategic framework, Albania faces notable challenges in implementation. Reintegration services for return migrants are often poorly adapted to their specific needs, resulting in limited access to benefits and worse labour market outcomes compared to non-migrants. Weak outreach, fragmented coordination across services, and a lack of reliable migration data further limit the effectiveness of existing policies. The absence of standardised data collection hampers efforts to understand the diaspora and returnee population and undermines evidence-based policymaking. 	<ul style="list-style-type: none"> These challenges are highly relevant for Ukraine. Effective return and reintegration policies will depend not only on well-designed strategies but also on strong implementation capacity. Ukraine must strengthen coordination between national and local actors, tailor services to the diverse needs of returnees, and invest in the development of comprehensive migration data systems to inform decisions and measure progress over time.
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Source: Authors' elaboration.

4.6. Benchmark return and diaspora policies

This section examines successful diaspora engagement and reintegration, and return policies implemented by peer countries. Their design, implementation, and outcomes are analysed to identify best practices relevant to Ukrainian diaspora policy development in the UK.

4.6.1. Comprehensive policies

Global Irish (Ireland)

Ireland has long recognised its diaspora as one of the country's greatest assets. With an estimated 70 million people of Irish descent worldwide, the government has developed a comprehensive and inclusive approach to diaspora engagement. The current strategy, launched in 2020, *Global Ireland: Ireland's Diaspora Strategy 2020–2025*,⁴⁴ aims to strengthen connections with Irish people abroad, support their welfare, and leverage their potential for national development. This provides a systematic framework for strengthening ties with the Irish diaspora worldwide. The implementation of the strategy is an intergovernmental effort, supported by the Ministry of State for the Diaspora and the Interdepartmental Committee on the Irish Abroad.

The strategy adopts an inclusive definition of the Irish diaspora, encompassing Irish citizens living overseas, heritage diaspora of Irish descent, reverse diaspora who lived in Ireland before returning home, and affinity diaspora with a deep appreciation for Irish culture (Government of Ireland, 2020). The new strategy's vision marks a significant shift from older perceptions of

⁴⁴ Ireland (n.d.-a).

emigration as “traitors” to a view of the diaspora as a bridge between Ireland and the world (Minto-Coy, 2006).

At the heart of this strategy is an integrated digital platform offering a one-stop shop for information and services for Irish citizens abroad and those considering returning.⁴⁵ The site includes tools for passport applications, legal documentation, voter eligibility, and links to social networks and cultural content. It also connects to the *Global Irish Diaspora Directory*, which maps over 1,000 Irish business and professional networks worldwide. Additional resources are available for returnees, covering areas such as employment, housing, taxation, education, and welfare support. Services are coordinated across multiple government departments, with leadership from the *Ministry of State for the Diaspora* and the *Interdepartmental Committee on the Irish Abroad*.

Several targeted programmes reinforce Ireland’s global engagement. The *Emigrant Support Programme*, active since 2004, has provided over €220 million in grants to more than 530 diaspora organisations in 37 countries, focusing especially on vulnerable and elderly emigrants (World Bank, 2024a). The *Crosscare Migrant Project* offers personalised support for returning Irish citizens, including help with housing, healthcare, and welfare applications. *Safe Home Ireland* similarly assists older emigrants looking to return. For those launching businesses, the *Back for Business* initiative provides mentoring and networking opportunities for returning entrepreneurs. Together, these efforts illustrate Ireland’s long-term commitment to a strong and inclusive relationship with its global community.

4.6.2. Policies to promote return migration

Returning Point (Serbia)

Launched in 2018, *Returning Point* supports diaspora members seeking to return to Serbia. Established through a partnership between diaspora entrepreneurs, UNDP, and the Prime Minister’s Office, the initiative uses technology to strengthen institutional links, advise on policy reform, and build transnational knowledge networks (RCC, 2022). Its digital platform offers personalised guidance on return processes, facilitates experience-sharing among migrants, and connects diaspora members with job opportunities in Serbia, demonstrating an innovative, low-burden approach to diaspora engagement.

The programme offers personalised return guidance through a dedicated digital platform, enabling migrants and diaspora members to share experiences of emigration and return. It also facilitates job placements by connecting Serbian employers with diaspora talent. This programme encompasses several targeted initiatives.⁴⁶ The Talent Ecosystem developed a mobile app that connects Serbian scholarship recipients studying abroad with the domestic private sector, encouraging their return and supporting skills transfer. The *Umrežene* project promotes female entrepreneurship by engaging professional women from the diaspora through workshops and collaborative resource development. *Carta Serbia* enables foreign nationals of

⁴⁵ Ireland (n.d.-b).

⁴⁶ Returning point (n.d.)

Serbian descent to obtain temporary residence to live and work in Serbia. Another initiative, *Parents' Corner*, is a digital platform specifically designed for returnee parents, offering guidance on administrative procedures, school selection, and childcare options.

Returning Point has also contributed to financial product development, identifying demand for non-resident housing loans through comprehensive surveys. This research led to loan product development with Poštanska Štedionica Bank, subsequently prompting other commercial banks to expand similar offerings. Additionally, the organisation advised on tax incentive schemes providing 70% reductions in taxes and social contributions for employers hiring diaspora members or foreign nationals, contingent on demonstrating specialised qualification requirements and domestic skills shortages (HLB T&M Consulting, 2024; RCC, 2022).

The organisation's broader impact includes partnerships with Serbia's largest employment portal to highlight diaspora job opportunities, creation of an interactive returnee guide accessed by over 20,000 individuals, and direct assistance to 7,000 potential returnees in its first two years (RCC, 2022).

Ressellar (Portugal)

The *Ressellar* programme is an initiative launched by the Portuguese government in 2019 and currently set to extend until 2026 to encourage and support the voluntary return of Portuguese emigrants and their descendants.⁴⁷ The programme targets individuals who have lived abroad for at least three years, offering a range of incentives to facilitate their reintegration. These include income tax reductions of 50% for five years, financial assistance for relocation to take up employment, and a credit line to support business investment and the creation of new ventures in Portugal. The programme also extends several benefits to the returnee's core family. To streamline the return process, emigrants and diaspora members can also register with the Portuguese employment office while still abroad, accessing job opportunities and support before their return.

The programme is overseen by the *Point of Contact for the Return of the Emigrant* (PCRE)⁴⁸ agency, which coordinates with various government departments to ensure the effective execution of the programme. Its responsibilities include disseminating information on job opportunities and return-related benefits among Portuguese communities abroad, guiding returnees through administrative procedures, and referring eligible individuals to relevant services. The PCRE also monitors the programme's progress, collaborates with implementing agencies, and submits biannual reports on its outcomes.

To ensure coherence and accountability, an interministerial coordination commission was established to analyse and evaluate the programme's implementation. As of mid-2019, approximately 1,700 individuals residing in 72 countries had registered on the dedicated online platform, designed to help migrants explore job opportunities before returning (OECD, 2022).

⁴⁷ Portuguese Republic (n.d.-a)

⁴⁸ Portuguese Republic (n.d.-b)

Industrial Development Authority (Ireland)

Ireland's *Industrial Development Authority* (IDA), a public body founded in 1949, is an insightful demonstration of strategic diaspora engagement for investment attraction. When Intel evaluated European sites for a new microprocessor manufacturing facility, Ireland faced competition due to skilled worker availability concerns. The IDA partnered with global recruitment firms to engage Ireland's diaspora talent pool, surveying approximately 1,000 highly skilled emigrants regarding return willingness for suitable employment opportunities. The overwhelmingly positive responses alleviated Intel's concerns, strengthening Ireland's bid and ultimately securing Intel's selection of Leixlip, Ireland (Taylor, 2021). This outcome illustrates the transformative economic impact of institutionalised, proactive talent outreach serving as both return migration facilitation and foreign investment catalyst.

4.6.3. Diaspora engagement projects

Unity Through Knowledge Fund (Croatia)

Croatia's *Unity Through Knowledge Fund* (UKF) represents a paradigmatic example of successful bottom-up diaspora engagement in knowledge transfer. Established in 2007 by the Ministry of Science and Education, the UKF was designed to strengthen ties between Croatian researchers and professionals in Croatia with the Croatian diaspora, with the broader goal of fostering a knowledge-based society.⁴⁹ The programme operates as a grant facility that supports joint research projects between diaspora members and domestic institutions. The initiative received international recognition in 2009 when showcased at the European Regional Economic Forum as a success story in "developing human capital and managing migration for more competitive European regions" and was highlighted by the International Labour Organisation as good practice for linking migration with development (Tomić and Pleše, 2014).

Initially implemented through World Bank funding as part of the *Science and Technology Project*, the UKF operated across three phases: 2007-2010, 2011-2013, and 2014-2020 under the *Croatian Science Foundation*.⁵⁰ Its credibility was built on a transparent and competitive grant allocation process, based on peer review by over 400 internationally recognised experts (World Bank, 2020; Agunias & Newland, 2012). The programme supported knowledge transfer between Croatian researchers at home and abroad through three complementary streams. The *Cooperability Programme* funded medium-scale collaborative research, covering equipment, mobility, and personnel costs. The *Connectivity Programme* enabled short-term exchanges, allowing diaspora researchers to spend up to six months in Croatia and supporting local researchers to spend time in international labs. The *Young Researchers Programme* helped early-career scientists gain independence and supported the reintegration of Croatian PhD holders returning from abroad (Tomić & Pleše, 2014).

The programme demonstrated measurable success across multiple dimensions. It established 66 research and development partnerships with industry and generated substantial academic

⁴⁹ Unity Through Knowledge Fund (n.d.)

⁵⁰ Ibid.

output, including 208 peer-reviewed journal articles and 41 book chapters during 2013–2018 (World Bank, 2020). Most significantly, the UKF attracted substantial follow-up funding: 38 project leaders secured over €22.6 million in additional financing (4.8 times the original €4.6 million investment) with €10.4 million obtained through EU programs, including FP7 and Horizon 2020.⁵¹

Link Up! Serbia II

Funded by the *Austrian Development Cooperation* and implemented by the *International Centre for Migration Policy Development*, the *Link Up! Serbia II* programme was launched in 2019 and concluded in 2022. The programme supported transnational entrepreneurial activities involving the Serbian diaspora in Austria, Switzerland, and Germany by facilitating access to knowledge, networks, and financial resources.⁵² This is a good example of how EU candidate countries can strategically harness diaspora networks to foster inclusive economic development, particularly for vulnerable groups, including women and ethnic minorities facing systemic labour market disadvantages (OECD, n.d.; RCC, 2022). The programme comprised two core components: enhancing local competitiveness through SME support and capacity building; and expanding cross-border business engagement through the *Business Atlas* online platform and *Diaspora Business Events* (OECD, 2025c).

Over 28 months, the €1.7 million programme facilitated 80 investment opportunities, supported 255 Serbian SMEs and 110 diaspora entrepreneurs, and provided targeted measures benefiting 150 vulnerable group members (OECD, 2025c). The initiative reached 1,000 diaspora businesses and 2,000 local entrepreneurs with relevant information and services (RCC, 2022).

Migration and Local Development (MiDL) and DAR 1+3 (Moldova)

The *Migration and Local Development* (MiDL) programme, funded by the *Swiss Development Cooperation* and implemented by UNDP in two phases (2015–2018 and 2019–2022), sought to turn emigration into a driver of local development in Moldova. Its core aim was to strengthen ties between Moldovan emigrants and their home communities, ensuring meaningful diaspora engagement at every stage of the local development process. By doing so, the programme helped integrate diaspora engagement into local agendas and built the institutional capacity of municipalities to effectively involve their diaspora (Maciuca, 2020).

The first phase⁵³ targeted 38 municipalities covering approximately 300,000 residents and 40,000 migrants, focusing on local capacity building through migration focal point appointments and hybrid Hometown Association establishment. These initiatives were complemented by emigration databases and co-financing mechanisms matching diaspora investments with public funds (Maciuca, 2020). The second phase⁵⁴ broadened its focus to economic empowerment and institutional development, including bilateral labour agreement support and diaspora-linked startup assistance. The project emphasises the meaningful

⁵¹ Ibid.

⁵² ICMPD (n.d.).

⁵³ UNDP (n.d.-a).

⁵⁴ UNDP (n.d.-b).

participation of migrants and community members in local development processes. In particular, it encourages the transfer of knowledge and skills from the diaspora to improve local services and create new opportunities, aiming to leverage the diaspora's potential for investment in local development projects.

The programme achieved notable success in mobilising diaspora engagement. Newly established Hometown Associations implemented 55 large-scale and over 300 small- and medium-scale development initiatives, directly benefiting over 316,000 citizens through improved infrastructure and services. Initial seed funding achieved a 211% leverage effect (Maciuca, 2020). The hybrid Hometown Associations structure enabled inclusive membership, bringing together local residents and diaspora members through virtual meetings and annual in-person gatherings. This model's success spurred uptake in over 100 additional municipalities, launching 278 further local initiatives (IOM, 2021; Maciuca, 2020).

Building on earlier efforts, the Government of Moldova launched the state-led "*Diaspora Succeeds at Home*" (DAR 1+3) programme in 2020, with funding from UNDP and the Government of Switzerland. The initiative encourages diaspora engagement in the country's economic and social development. Its funding model (known as the 1+3 formula) brings together contributions from the diaspora, the Moldovan government, local public authorities, and development partners. Since its inception, the programme has supported over 194 local development projects. In 2025, DAR 1+3 was extended through to 2030, reflecting its ongoing relevance and impact (Government of the Republic of Moldova, 2025; Maciuca, 2020).

3x1 Programme for Migrants (Mexico)

The *Programa 3x1 para Migrantes* was a pioneering federal initiative in Mexico that encouraged Mexicans living abroad to invest in the development of their hometown communities. Through a matching funds model, for every dollar contributed by migrants (often through organised hometown associations, HTAs), the federal, state, and municipal governments jointly provided an additional three dollars. This funding structure supported a wide array of projects, from basic infrastructure such as electrification and water access to road improvements, school construction, and healthcare facilities.

Beyond addressing infrastructure needs, the programme also promoted productive investment and entrepreneurship by offering tax incentives and favourable loan conditions for the creation of small and medium-sized enterprises (SMEs). It sought to build long-term, institutional links between diaspora communities and local governments, strengthen civil society engagement, and foster transnational networks that benefit both migrants and their communities of origin. The programme became a model for international cooperation between diaspora populations and home countries (Aparicio & Meseguer, 2012; ICMPD, 2024).

Between 2002 and 2012, the programme financed over 6,000 projects across 1000 hometown associations in Mexico (Aparicio & Meseguer, 2012). However, the programme was terminated in 2019 as part of national fiscal authority measures.

Municipal Action for Reintegration and Diaspora (Kosovo)

In Kosovo, the *Municipal Action for Reintegration and Diaspora* (MARDI) project was launched in 2022 by *Caritas Switzerland*. It provides a strong example of how to attract diaspora investment through a combination of networking and financial incentives. Specifically, it offers matching grants to support innovative and sustainable local businesses and fosters connections between diaspora investors, local enterprises, municipalities in Kosovo, and EU counterparts.

The project focuses on three key outcome areas. First, it strengthens the capacity of municipalities and NGOs to manage migration challenges and support the sustainable reintegration of returnees. Second, it promotes economic development by linking diaspora investors with local businesses seeking capital. This includes marketing Kosovar businesses to the diaspora and fostering partnerships between municipalities in Kosovo and the EU. Once viable investment opportunities are identified, *MARDI* offers matching grants to attract diaspora funding. So far, six investment agreements have been signed in sectors such as textiles, wood and food processing, and ICT, with 16 additional applications under review (World Bank, 2024e).

The third outcome area engages diaspora professionals in local development efforts. In partnership with the NGO *Germin*, the project recruits skilled diaspora members for short-term placements in public institutions, particularly at the municipal level. These professionals, whose living expenses are covered, contribute to initiatives based on their expertise. *Germin* also runs a platform to conduct outreach to diaspora members and supports municipalities through training on investment proposal development. Together, these efforts illustrate how targeted programming can channel diaspora capital and expertise to drive local economic development in Kosovo (World Bank, 2024e).

5. The Current Policy Landscape in the UK and Ukraine

This chapter examines Ukraine's current policies on diaspora engagement and return incentives, alongside the role of the UK as a host country for Ukrainian refugees. Together, these sections aim to assess the existing policy landscape, identify gaps, and inform recommendations that both address shortcomings and strengthen effective practices already in place.

5.2. Ukraine's Diaspora Engagement Policy

As illustrated in Chapter 3, Ukraine has a long history of emigration, and a significant diaspora existed well before the full-scale invasion. This diaspora is diverse, comprising multiple generations of migrants who left the country for a variety of reasons. The recent waves of emigration and refugee movements have added to this longstanding global Ukrainian community.

From the government's perspective, before the full-scale invasion, diaspora policies have primarily focused on encouraging the return of Ukrainians living abroad. Ukraine began developing a diaspora policy in 2004 with the adoption of the *Law on the Legal Status of Ukrainians Abroad*, which defines a "Ukrainian abroad" as a foreign or stateless person with Ukrainian ancestry or ties to Ukraine. The law affirms the state's responsibility to support the national, cultural, and linguistic needs of the diaspora and led to the creation of the *National Commission for Matters concerning Ukrainians Worldwide*. The Ministry of Foreign Affairs also established a Department for Ukrainians Worldwide and Humanitarian Cooperation. In 2006, the *National Concept of Ukrainians Abroad* was approved, and in 2021, an *Action Plan for Cooperation with Ukrainians Abroad* was drafted, though not yet adopted.

Diaspora issues are also addressed in the 2017 *State Migration Policy Strategy of Ukraine*, which links rising emigration to the annexation of Crimea, conflict in Donbas, and economic instability. The strategy emphasises leveraging the diaspora's economic and intellectual potential, facilitating return and reintegration through measures such as credit schemes and tax incentives for returnees. Additionally, the 2017 *Action Plan on Reintegration of Labour Migrants* builds on the 2015 *Law on External Labour Migration*, signalling a policy shift towards encouraging return and providing reintegration support services (OSCE, ODIHR, 2024).

Nevertheless, these efforts did not specifically focus on actively engaging the diaspora abroad. Despite having a wide worldwide diaspora before 2022, Ukraine lacked a coherent strategy for engaging with its global community or a dedicated institution to coordinate with Ukrainians abroad (Tokariuk, 2024). This absence of a formal diaspora engagement programme has led to the diaspora organising itself independently from the onset of the full-scale invasion (OSCE, ODIHR, 2024). Throughout the war, the Ukrainian diaspora has played a crucial role by providing substantial humanitarian aid, supporting refugees, and facilitating coordination among civil society, as well as national and international organisations involved in assistance efforts for Ukraine and its displaced population.

Ukraine's diaspora engagement policy has evolved significantly since the full-scale invasion. With an estimated 20-25 million people in the global Ukrainian diaspora (Koinova, 2024), potentially exceeding Ukraine's domestic population for the first time in history (OSW Centre for

Eastern Studies, 2024), the government has recognised diaspora engagement as critical to national survival and recovery.

In September 2024, the government approved a demographic strategy for the period up to 2040 (Government of Ukraine, 2024). The strategy emphasises facilitating the return of Ukrainians, as well as measures to encourage higher birth rates and attract foreign migrants through targeted policy reforms (Tokariuk, 2024). The document also envisions establishing comprehensive conditions for a comfortable life in Ukraine, including affordable housing, high-quality public infrastructure, a safe and accessible environment, an inclusive labour market, social cohesion, and the assurance of equal rights, opportunities, freedom, and dignity for all citizens.

In December 2024, Ukraine restructured the *Ministry of Reintegration of Temporarily Occupied Territories* into the *Ministry of National Unity*, appointing Oleksii Chernyshov as Deputy Prime Minister (Shumlin, 2024). This institutional transformation reflects a strategic pivot from managing occupied territories to comprehensive diaspora engagement (Marcin, 2024). The Ministry follows a three-pillar approach: (i) strategic communication with audiences both within Ukraine and abroad; (ii) facilitating engagement with Ukrainians living abroad while supporting returnees; and (iii) redefining national identity policies (OECD, 2025b).

Key objectives include creating conditions for the voluntary return of emigrants and providing employment and accommodation assistance. Also, it considers the engagement of the diaspora by preserving Ukrainian national identity abroad, ensuring educational, cultural and information needs, and implementing an E-consul digital platform for diaspora services.

A major policy shift is underway regarding dual citizenship. President Zelenskyy submitted legislation to parliament on dual citizenship, proposing changes to the Constitution to allow Ukrainians to hold more than one citizenship. In June 2025, this bill was approved, enabling Ukrainians the right to multiple citizenships to maintain and restore ties with the diaspora (Visit Ukraine, 2025a). The new law also simplifies procedures for children born abroad to Ukrainian parents, as well as for Ukrainians who acquire a second citizenship through marriage. Foreign nationals seeking Ukrainian citizenship will be required to pass a test demonstrating their knowledge of the Ukrainian language, history, and constitution. The next steps for the government are to compile a list of countries whose citizens will be eligible for dual citizenship with Ukraine.

The International Centre for Migration Policy Development (ICMPD) launched a project in 2022 aimed at strengthening Ukraine's migration services, including the creation of *Ukrainian Consultation Centres* (UCCs) in Germany, Poland, and the Czech Republic.⁵⁵ These centres provide free, reliable, and accessible information in Ukrainian to displaced individuals, helping them navigate life in host countries. Through close cooperation with local authorities, Ukrainian consulates, NGOs, and diaspora organisations, the UCCs offer personalised guidance on temporary protection, legal status, healthcare, education, employment, and voluntary return. They also conduct outreach activities and information sessions (in person, online, and via social

⁵⁵ ICMPD (n.d.)

media), often involving thematic experts and consular staff. Managed by ICMPD's Regional Office for Eastern Europe and Central Asia, the UCCs play a key role in improving access to services and fostering stability for Ukrainians displaced by the war.

In 2025, the government announced the creation of *Unity Hubs*, which are centres designed to support Ukrainian refugees in different host countries. This initiative is part of a broader effort led by the *National Unity Agency*, which was set up by the Cabinet of Ministers of Ukraine in January 2025. The agency aims to expand opportunities for Ukrainians abroad and strengthen support for Ukrainian communities in different countries. The first agreement on the creation of these hubs was established with Germany. These hubs serve as key points of contact, offering cultural activities, German language and integration courses, assistance with job searches in both Germany and Ukraine, and guidance for those considering voluntary return to Ukraine to help with the country's rebuilding (Federal Ministry of the Interior, 2025). Unity Hubs also work closely with job centres and the Federal Employment Agency to support the integration of Ukrainians into the labour market. Following Germany, similar declarations have been signed in the Czech Republic and France (Ministry of National Unity of Ukraine, 2025a, 2025b) and in Spain (Visit Ukraine, 2025), with plans underway to open another hub in Poland.

5.3. The UK as a host country

VISA schemes

The UK operates two distinct systems for refugee protection: the traditional asylum framework based on the 1951 Refugee Convention, and temporary visa schemes specifically created for Ukrainian nationals following Russia's invasion.

In response to the crisis, the UK introduced several pathways for Ukrainian refugees to obtain legal residence. One key option is the *Ukraine Family Scheme*, which allowed applicants to join family members who were residing in the UK as of January 2022. Another route is the *Ukraine Sponsorship Scheme*, also known as *Homes for Ukraine*, a programme where refugees can be housed by charitable organisations, legal entities, or private individuals. Participants in this scheme can live and work in the UK for up to three years, with guaranteed housing for at least six months, and access to healthcare, social benefits, employment support, education, and other essential services. As illustrated in Chapter 3, by December 2024, approximately 220,000 people had arrived in the UK using entry visas designated for Ukrainians. Most applications, visa approvals, and arrivals were through the Ukraine Sponsorship Scheme, accounting for 73% of total arrivals, while around 27% of Ukrainian refugees entered the UK under the *Family Scheme* (Home Office, 2024).

The government has implemented new visas to allow Ukrainians to extend their residence in the UK. The *Ukraine Extension Scheme* granted permission to stay in the UK for up to three years for Ukrainians and their families. This visa scheme was closed in 2024 for new applicants⁵⁶ and replaced by the *Ukraine Permission Extension* scheme (UPE) (UK Visas and Immigration & Home

⁵⁶ The scheme remained open for children who were born in the UK and closed to all applications in February 2025.

Office, 2025a). The UPE scheme allows Ukrainians who already hold permission to stay in the UK under one of the existing Ukraine schemes (the *Homes for Ukraine Sponsorship Scheme*, the *Ukraine Family Scheme*, or the *Ukraine Extension Scheme*) to apply for an 18-month extension to their visa.

The general refugee system requires asylum seekers to prove persecution based on specific Convention grounds through a complex legal process that takes months or years. In December 2024, 31% of the pending asylum seekers had been waiting for over 12 months (Home Office, 2025). In contrast, Ukraine schemes offer streamlined applications with near-universal approval and processing within weeks (House of Commons Library, 2024). Standard asylum seekers must apply from within UK territory, undergo screening and substantive interviews, provide extensive documentation proving persecution, and often wait over 6 months simply for initial screening (UK Visas and Immigration & Home Office, 2025b). Ukrainian applicants apply online from abroad, need minimal documentation (passport or ID), complete biometric appointments at visa centres, and receive decisions within 3 weeks on average (UK Visas and Immigration & Home Office, 2025c).

Under the new immigration rules introduced in February 2024 (UK Visas and Immigration & Home Office, 2025d), the Ukraine visa schemes have become more restrictive. The *Ukraine Family Scheme* was closed to new applicants, and permission under the *Homes for Ukraine Sponsorship Scheme* was reduced from 36 to 18 months. In addition, eligibility to act as a sponsor has been tightened: only British or Irish citizens, or those settled in the UK, may now sponsor applicants. Previously, anyone with at least six months of valid UK immigration status was eligible (O'Flaherty, et al., 2024).

Settlement pathways

Traditional refugees can apply for “indefinite leave to remain”, also known as “settlement”, after 5 years and citizenship after 6 years in total, with no language requirements and free applications (Home Office, 2021). Ukrainian beneficiaries have no settlement pathway. Their 3-year visas (now 18 months for new applicants) require extensions through the new *Ukraine Permission Extension* scheme, offering only 18-month renewals without counting toward residence (House of Commons, 2024).

In this sense, Ukrainian beneficiaries face a critical limitation: no pathway to permanent settlement, unlike traditional refugees who can apply for indefinite leave to remain after five years (House of Commons, 2024). The time spent in the UK under the *Ukraine Schemes* does not count toward the qualifying period for permanent settlement, whether under work or family routes. As a result, Ukrainians are expected to leave the UK unless they switch to another visa type, which requires meeting strict eligibility criteria (Tokariuk, 2025). This stands in contrast to the route offered to Hong Kong BN(O) visa holders, who can apply for indefinite leave to remain after five years and British citizenship after six. For Ukrainians, whose protection is temporary and without a clear path to permanence, this creates a sense of uncertainty and instability, despite being formally welcomed (Benson & Sigona, 2024).

Rights and support services

In terms of rights, Ukrainian nationals are granted immediate work authorisation, full access to benefits, and NHS coverage upon arrival (House of Commons, 2024). In addition, those arriving under the *Homes for Ukraine* scheme were provided with at least six months of sponsored accommodation. Sponsors receive monthly payments from the government as a form of support: until 1 April 2025, hosts receive £350 per month during the first 12 months of a guest's stay, increasing to £500 once the guest has been in the UK for over a year. From 1 April 2025, this will be replaced by a reduced flat rate of £350 per month for all sponsors, regardless of how long their guest has been in the UK. Some local councils have offered additional financial support, although they are not required to do so. Eligible sponsors of individuals transitioning from *Homes for Ukraine* visas to *Ukraine Permission Extension* (UPE) visas can continue to receive "thank you" payments of £350 per month for the 18-month duration of the UPE visa (UK Visas and Immigration & Home Office, 2025e).

The government has also funded STEP Ukraine, a free English language and employment support programme for Ukrainian nationals. It offered a virtual 12-week course combining English instruction and employment support for Ukrainians aged 18 and over living in the UK under one of the Ukrainian visa schemes. However, applications to the STEP programme are no longer accepted (Home Office, 2023).

5. Policy recommendations

In this section, we present several recommendations for both the Ukrainian and British governments. These are based on the report's findings, which draw from case studies, a review of relevant literature, data insights, and consultations with key stakeholders.

5.1. Policies for the Ukrainian government

Five recommendations for Ukrainian government policies are set out below.

Recommendation 1: Formulate economic policies to promote return and long-term development.

The most effective way to incentivise diaspora return and long-term engagement is by strengthening Ukraine's domestic economy. The experience of the Baltic states offers a cautionary lesson: despite EU accession, low productivity growth combined with open mobility to the EU led to significant waves of emigration. These countries are now struggling with long-term demographic and economic consequences. Such policies should consider the following:

- **To support return and reintegration, Ukraine should implement economic policies that enhance employment prospects and wage competitiveness.** Key priorities include reinforcing the fight against corruption, enhancing the rule of law, improving the business environment, supporting entrepreneurship, attracting investment, and facilitating foreign capital and technology transfers. Labour market reforms to address skills gaps and attract talent, alongside administrative reforms to promote digitalisation and reduce bureaucracy, will help create a more enabling environment for return and engagement. Facilitating operations for foreign firms by improving access to land, electricity, and utilities will further support integration and economic growth.
- **Pursuing closer alignment with the European Union offers a clear framework for Ukraine's economic and institutional transformation.** Key steps include aligning Ukrainian institutions with EU standards, strengthening democratic governance and the rule of law, and adapting its economy to compete within the European market. Banking sector reforms should harmonise financial legislation and supervisory frameworks with the euro area and the EU Banking Union to attract foreign banks and investors.

Recommendation 2: Promote a comprehensive migration policy that simultaneously prioritises diaspora engagement and the reintegration of returnees from the outset.

The case studies reveal that countries initially designed migration policies focused primarily on the return of skilled workers but have since evolved toward more comprehensive strategies that place the diaspora at the core, recognising them as key contributors to the country's economic development. Migration is circular, i.e. some people will come and return, while others who will fail to stay abroad will return with vulnerabilities. Others could return to relocate businesses. It thus appears essential to consider the entire migration experience.

Accordingly, Ukraine should adopt a two-pillar migration strategy (i.e. covering both diaspora engagement and return migration) and promote a multidimensional service. The strategy

requires a set of concrete actions supported by a clear institutional framework involving government bodies at both national and subnational levels. Each action should have designated ownership by specific government institutions and be backed by funding from either the national budget or external sources.

Recommendation 3: Develop a comprehensive diaspora engagement framework that recognises the diaspora as a key partner in national development.

Ukraine must establish a structured, long-term diaspora engagement strategy to deepen connections with Ukrainians abroad. This strategy should incorporate mechanisms for ongoing dialogue, avenues for investment and knowledge exchange, and programmes that empower the diaspora to actively contribute to Ukraine's recovery and development. The framework should include the creation of dedicated state agencies, secure sustained budget allocations, and ensure the active participation of local governments to promote coordination, accountability, and alignment with regional development objectives. Diaspora policies should recognise the lasting value of Ukrainians living overseas and proactively work to shift public perceptions. From the outset, these policies must acknowledge that many Ukrainians (particularly young professionals and skilled workers) may not return permanently but can continue to support Ukraine's growth and prosperity from abroad. Such a framework should include the following:

- **Improve consular services for Ukrainians abroad.** Many citizens face long delays for basic services like passport renewals and birth registrations. Since May 2024, new rules requiring men of military age to prove updated military registration have further restricted access, sparking a backlash from Ukrainians abroad, including those who left before 2022 (Tokariuk, 2024). Strengthening and simplifying consular services is essential to improving Ukraine's relationship with its diaspora.
- **Address the data gap to better understand the diaspora.** A comprehensive understanding of the diaspora is essential for effective policy design. This requires addressing existing data gaps to capture who migrants are, how they are returning, and what needs they face. Establishing an integrated diaspora database would enable the consistent collection and standardisation of data, allowing for more effective sharing among relevant stakeholders. This approach offers a more reliable foundation than relying solely on surveys (World Bank, 2024d). Consistent and integrated data collection is also critical for building a robust monitoring and evaluation system, ensuring that policies are guided by evidence and measurable outcomes.
- **Shift public attitudes towards people who left the country.** Changing public perceptions of those who have left Ukraine is essential for building a more inclusive and constructive approach to diaspora engagement. This requires clear, consistent communication and targeted efforts to address the mutual mistrust that currently exists between Ukrainians at home and abroad (OPORA, 2024). Ireland provides a compelling example: under its *Global Irish Vision*, the government successfully reframed emigrants from being viewed as 'traitors' to being recognised as 'global connectors' (Minto-Coy, 2009), individuals who opened Ireland to international networks and economic opportunities. Ukraine can

adopt a similar approach by improving consular services and enabling electoral participation for citizens abroad, sending a strong signal that the diaspora is not only valued but also seen as a vital asset to the country's future.

- **Promote remote engagement.** Encourage remote work opportunities within both public and private sectors to enable diaspora members and returnees to contribute to Ukraine's development from abroad. This effort should be paired with formal recognition of skills and qualifications acquired internationally, ensuring that remote workers can effectively demonstrate their expertise and fully participate in the workforce regardless of location. Cross-border remote work raises legal and administrative challenges, such as social security, healthcare access, taxation, and visa eligibility (European Parliament, 2021). Other challenges include visa complications when individuals live in a country different from their employer's location, and the legal and administrative uncertainty companies face when hiring cross-border remote workers (Mierina & Šupule, 2023). The government should address these barriers by clarifying regulations and offering guidance to employers, helping unlock the potential of the global Ukrainian workforce.
- **Build a comprehensive diaspora platform.** Creating multifunctional diaspora platforms is a highly effective way to strengthen ties between Ukrainians abroad and their homeland by providing essential services and fostering connections within the diaspora community, as well as linking them to public and private sectors and investment opportunities. These platforms should offer labour market programmes and tailored information services for Ukrainians living overseas, along with support for startups and students. They should also provide dedicated resources for those seeking to return and find employment in Ukraine. A leading example is Ireland's *Global Irish portal*, which features a comprehensive suite of tools including passport applications, legal documentation, voter eligibility, and access to social and cultural networks. The portal also connects users to the *Global Irish Diaspora Directory*, which maps over 1,000 Irish business and professional networks worldwide. Additionally, it provides valuable resources for returnees on employment, housing, taxation, education, and welfare support, with services coordinated across multiple government departments. Another notable example is the *Global Estonian Network platform*.

Ukraine already possesses valuable digital tools, such as the *Investment Map of Ukraine*⁵⁷, an interactive platform showcasing investment-ready projects across multiple sectors to facilitate investment, and the international *Diia.Business*⁵⁸ portal, a national initiative promoting entrepreneurship and exports as part of the broader Diia ecosystem. While these platforms support investment and business development, they are not specifically tailored to the diaspora. Creating direct links between these portals and a dedicated diaspora platform would enhance engagement by providing diaspora members with targeted services, networking opportunities, and streamlined access to investment and business resources.

⁵⁷ Investment map of Ukraine (n.d.).

⁵⁸ Diia.Business (n.d.).

Recommendation 4: Leverage the diaspora as a key source of direct investment.

To convert diaspora wealth into development capital, it is essential to focus on channelling investments toward productive sectors. This can be achieved by providing targeted financial tools that encourage diaspora capital to flow into areas with high growth potential. Cooperation with business organisations such as the *Ukrainian Chamber of Commerce and Industry* (UCCI), which provides a direct link to the Ukrainian business community, can help facilitate these efforts. This comprehensive strategy should include the following:

- **Promote local investment through diaspora engagement.** Developing investment mechanisms that prioritise regions of origin is essential to fostering inclusive and regionally balanced development in Ukraine. Local governments should play a central role in this process by channelling diaspora investments into reconstruction and development projects tailored to local needs. Encouraging diaspora investment in their home regions not only strengthens ties with the country but also contributes to reducing regional disparities and supporting post-war recovery. Involving diaspora actors in SME support platforms and enterprise development programmes, through close collaboration with business associations and chambers of commerce, will ensure their meaningful participation in Ukraine's economic future. Several international examples from the report demonstrate the effectiveness of this approach. The *Albanian Development Fund and Diaspora Invest* project in Bosnia, *Link Up! Serbia II*, *MiDL* and *DAR 1+3* in Moldova, Mexico's *3x1* Programme, *MARDI* in Kosovo, and the *Connect Albania* initiative have successfully positioned diaspora members as key intermediaries for investment and knowledge transfer in their regions of origin.
- **Improve remittance systems to maximise the developmental impact of diaspora contributions.** Enhancing the safety, affordability, and speed of transfers through regulatory reforms, competition, and digital innovation is a key priority to increase the volume and effectiveness of these financial flows. Formalising remittances by integrating them into the formal financial system not only boosts transparency and security but also enables their use in credit systems, public revenue, and broader economic planning. By doing so, Ukraine can turn remittances into a more reliable and strategic source of support for long-term, inclusive development.
- **Help chambers of commerce play a pivotal role in engaging diaspora investors.** Business organisations, particularly chambers of commerce, are often more effective than government bodies in reaching out to and supporting aspiring diaspora entrepreneurs. They should therefore be central partners in programmes aimed at mobilising diaspora business activity. Strategic cooperation with institutions such as the *Ukrainian Chamber of Commerce and Industry* (UCCI), which maintains direct connections to the domestic business community, can help bridge diaspora capital with local opportunities. A compelling model is the *Albanian Diaspora Business Chamber*, a non-profit advocacy organisation established by business leaders to promote and facilitate diaspora investment.

- **Establish a one-stop shop for diaspora investors.** Ukraine should establish a comprehensive one-stop shop for diaspora investors as part of a broader diaspora engagement portal. This platform should offer tailored legal, financial, and administrative support, including guidance on procedures, permits, and business registration. A dedicated online portal should provide real-time updates on investment opportunities and regulatory changes to help build trust and transparency in the investment process.
- **Promote knowledge transfer through diaspora networks.** Expanding academic mobility, mentorship, and youth engagement programmes is key to strengthening transnational ties and harnessing the skills of the Ukrainian diaspora. A strong example of bottom-up diaspora engagement in knowledge transfer is Croatia's *Unity Through Knowledge Fund (UKF)*. Designed to build a knowledge-based society, UKF connects Croatian researchers and professionals at home with those in the diaspora through a competitive grant facility that supports joint research initiatives. By funding collaborative projects between diaspora members and domestic institutions, the programme has successfully fostered long-term academic partnerships and demonstrated how targeted investment in human capital can generate lasting impact. The *Research Expertise from the Academic Diaspora (READ)* Fellowship in Albania also offers a strong model, linking Albanian higher education institutions with members of the scientific diaspora and their universities to foster lasting collaboration. Initiatives like *Talents for Lithuania*, which offer paid internships in local companies for Lithuanian students studying overseas, provide valuable incentives for return and reintegration. Mentorship schemes, such as Lithuania's *LT Big Brother*, demonstrate how experienced professionals abroad can support students through voluntary guidance and career advice, regardless of location. Albania's *Code for Albania* (a three-year programme providing professional training to high school students through diaspora experts) further illustrates how targeted youth-focused initiatives can nurture local talent and build long-term diaspora engagement. The Bosnian *Diaspora for Development (D4D)* project is a strong example of intermediation, the project facilitated knowledge transfer from diaspora communities to the local economy.

Recommendation 5: Develop return policies with a sustainable reintegration focus.

Return strategies should move beyond short-term repatriation to focus on long-term stability and well-being for returnees. This requires establishing robust legal, social, and economic frameworks that support their successful reintegration into local communities. Strengthening reintegration plans and implementing a comprehensive case management system, offering tailored services to returnees, will better facilitate their adaptation and participation in local economies. Promoting both temporary and permanent return migration can stimulate valuable knowledge transfer, while attracting migrants back in key sectors offers a strategic approach to addressing skill mismatches in the domestic labour market. In implementing such return policies, policymakers must consider the following cautionary points and key requirements.

- **Comprehensive return policies require coordinated collaboration across multiple institutions and sectors.** A successful reintegration programme must acknowledge the

diverse and evolving nature of return migration, which necessitates seamless coordination among various government agencies, private sector actors, NGOs, civil society, and international organisations. This multi-stakeholder collaboration ensures that returnees receive consistent, accessible support throughout their migration journey, reducing barriers and disincentives to seeking services.

- **Timing is crucial when designing return policies, especially in the context of post-conflict situations.** The literature review on forced migrants revealed that the first five years following the end of a conflict typically see the highest rates of voluntary return among displaced populations. Therefore, policies should prioritise facilitating return during this critical period. However, it is equally important to recognise that many displaced people do not immediately return but instead visit their home country periodically to assess conditions and decide when to come back permanently. Return is often a gradual and complex process, requiring careful consideration of timing. Effective return policies must accommodate this phased reality by supporting slow and sustainable reintegration over time. This approach also necessitates negotiation and cooperation with the European Union and other host countries to promote flexible, phased return schemes. Ultimately, well-timed, coordinated policies will better support returnees' stability and long-term reintegration.
- **Adopt a comprehensive return policy that goes beyond attracting skilled migrants to include sustainable reintegration support for all returnees.** Return policies should not solely focus on medium-term efforts to bring talented individuals back, but also provide inclusive employment and social programmes that ensure durable reintegration. Albania offers a valuable example, as it faces the return of vulnerable migrants and has developed tailored services to support their reintegration into the local economy. This includes one-stop shops that provide information on a range of services and employment opportunities, as well as facilitating access to active labour market programmes. Reintegration support must be customised to address the diverse needs and circumstances of different groups of returning migrants, ensuring no one is left behind.
- **Provide reintegration services through a single digital portal to minimise bureaucracy and improve accessibility.** Reintegration programmes often involve complex, bureaucratic procedures that require extensive documentation and coordination across multiple agencies. To simplify this, a comprehensive procedural mapping of all available services should be included in the diaspora portal with links to the different services available for returnees. Key information to disseminate includes reasons for return, necessary documentation and registration procedures, transfer of benefits and pensions, and guidance on engaging with the diplomatic network. Additionally, migrants should be informed about employment opportunities, including job portals, business startup resources, and referrals to job centres, as well as available services in the return country, such as healthcare, social benefits, and reintegration support programs. The "*I Choose Lithuania*" initiative is a good example, as it aims to serve as a one-stop shop for returnees and potential returnees. It offers guidance on employment, taxes, social

welfare, healthcare, education (including language support for children), and immigration procedures for third-country nationals. The *Global Irish* portal and the Serbian *Returning Point* programme are also insightful examples of this. Ukraine could leverage the existing infrastructure of the Diia ecosystem and mobile app. Diia portal allows citizens to access digital documents, manage government services, and make online payments. This platform is designed to streamline bureaucratic workflows, reduce reliance on paper-based systems, and facilitate easier access to reintegration services.

- **Involve local governments and Public Employment Services (PES) as key actors in reintegration.** Municipal and local administrative units are often the natural first point of contact for return migrants, whose needs frequently extend beyond employment to include social and administrative support. Public Employment Services play a crucial role in reintegration by connecting individuals with suitable job opportunities and facilitating their re-entry into the labour market. A comprehensive approach to the Ukrainian workforce must recognise that workers and skills cross borders and form an integral part of the national economy. PES are well-positioned for this task, as they maintain strong links with government agencies, key ministries, the private sector, and non-profit organisations. They possess up-to-date knowledge of labour market conditions and skills demand across the country. They also have access to, or can facilitate, financial assistance to support returnees' integration, guiding them towards sustainable employment pathways. This makes PES vital, dynamic agents of economic development and reintegration (World Bank, 2024d). Latvia's case is illustrative. The Ministry of Environmental Protection and Regional Development launched a pilot project to support returnees by appointing return policy consultants in regional municipalities. These consultants offer essential guidance on employment, housing, and education for Latvians living abroad and considering a return.
- **Focus on labour reallocation.** Collaboration with the private sector is essential to efficiently match returning migrants with job opportunities that fit their skills. Many governments have successfully partnered with businesses to facilitate this process, enabling better labour reallocation based on current skills shortages. In Ukraine, the war has significantly disrupted the labour market, creating imbalances where available jobs often do not align with the skills of the workforce. This has resulted in a paradox: shortages of qualified workers in certain sectors coexist alongside unemployment in others. To address these challenges, Ukraine must strengthen and adequately resource active labour market policies focused on job matching, retraining, and upskilling. These measures will help returning migrants integrate effectively into the labour market, contribute to economic recovery, and reduce structural mismatches.
- **Prioritising investment in housing, critical infrastructure, and employment is essential for sustainable post-conflict recovery.** Reconstruction efforts should focus on rapidly rebuilding physical infrastructure where resources allow, while ensuring key social services such as education, healthcare, and childcare are available. These social services are especially important given the Ukrainian diaspora's demographic profile,

which includes many women and children. Addressing access to housing is crucial to encourage displaced populations to return and settle near job opportunities. Historical evidence from post-World War II Europe demonstrates that housing shortages can significantly delay reintegration, sometimes taking over a decade to resolve (CEPR, 2022). Additionally, fostering the development of economic clusters alongside housing availability will support the efficient allocation of human capital and promote balanced regional development. Urban planning must prioritise the needs and preferences of returnees, who overwhelmingly favour urban areas, especially young people. The literature review highlights that displaced citizens tend to return to cities, placing increased pressure on urban infrastructure and employment opportunities. Integrating land use planning with housing policy can significantly enhance the quality and sustainability of urban development. Consequently, policy efforts should move beyond focusing solely on regions of origin and instead support the locations where refugees choose to return. Collecting and analysing data on intended return destinations is crucial to accurately anticipate return flows and to understand the factors influencing migrants' decisions, enabling more effective and targeted urban planning.

- **Financial assistance should extend beyond individual returnees to support their families and communities.** Services may include help with travel arrangements, moving assets, and support for family members during the return process. Some programmes also assist returnees in securing housing before or after their return and provide relief in cases of forced repatriation. The literature review highlighted that families often host large numbers of returnees, making it essential to design schemes that support these families as key pillars in the reintegration process. Despite this, most mainstream reintegration programmes overlook direct involvement or funding for extended families, even though supporting families may be one of the most effective ways to ensure sustainable reintegration.
- **Provide financial support and incentives to facilitate returnees' resettlement and economic reintegration.** Migrants often return with limited savings, no immediate employment, and sometimes the loss of their homes, making financial support essential. This can include grants, targeted loans, collateral assistance, and tax incentives to ease the burden. Entrepreneurship programmes that combine financial aid with technical and managerial training further promote self-employment and local economic recovery. Support should also extend to internally displaced persons (IDPs) to avoid creating divisions between those who stayed and those who returned. Italy's "Ressar" programme exemplifies how such measures reduce economic barriers, encourage sustainable return, and foster long-term settlement.
- **Facilitate recognition of skills and qualifications gained abroad and support the reintegration of children and youth into the local education system.** This includes homologating foreign degrees and providing returnees with assistance in validating school documents and enrolling their children in schools. Additional services, such as language courses for children born abroad, help ensure a smoother educational transition and better integration into the host country's system.

- **For the medium term, promote programmes to attract skilled diaspora professionals back home.** Despite policy efforts, some will remain abroad, but targeted policies can encourage talented individuals to return. Initiatives like Lithuania's *Create for Lithuania* programme exemplify this approach by recruiting diaspora professionals into public administration, offering competitive salaries and valuable networking opportunities to support their reintegration and contribution to national development. Latvia targeted additional measures to attract highly skilled emigrants, proposing grants and potential student debt forgiveness, while expanding access to public sector employment.

5.2. Policies for the UK government

Five recommendations for UK government policies are set out below.

Recommendation 6: Enhance data collection to better understand the Ukrainian diaspora in the UK.

Significant data gaps exist regarding the Ukrainian diaspora in the UK. Implementing targeted initiatives, such as detailed surveys to gather information on Ukrainians' employment and skills, will enable policymakers to better understand their contributions and design effective support measures for Ukraine.

Recommendation 7: Support Ukraine's IT sector in the UK.

Ukraine's IT sector has seen rapid growth and holds great potential for further expansion. To capitalise on this, the UK government should prioritise trade agreements that provide Ukrainian IT companies with greater access to UK tech markets. Promoting remote working partnerships between UK firms and Ukrainian developers can foster mutual economic benefits and knowledge exchange. Additionally, actively engaging the Ukrainian tech diaspora in the UK by leveraging their expertise and networks will strengthen innovation and deepen bilateral collaboration in the technology sector. The *UK-Ukraine TechBridge initiative*, launched in January 2024, is a good example that has been implemented as a collaboration between the UK and Ukrainian government⁵⁹ to connect Ukrainian tech talent with UK businesses. Its primary goal is to strengthen the tech ecosystems of both nations through collaboration across four key pillars: skills development, innovation, trade, and investment. The initiative aims to facilitate business-to-business and business-to-government engagements via in-person and virtual events, guiding entities interested in operating in either country.

Recommendation 8: Adopt an automatic visa extension.

To address challenges faced by Ukrainians, such as difficulties securing long-term housing and permanent employment due to visa length, the UK should implement automatic visa extensions for the duration of the ongoing conflict. This will provide stability and reduce administrative burdens while the war continues.

⁵⁹ UK-Ukraine TechBridge (n.d.).

Recommendation 9: Provide Ukrainians in the UK with a clear pathway to permanent settlement.

Currently, Ukrainians in the UK lack a defined route to permanent residency, despite 68% expressing a desire to settle long-term. Their existing visas do not count towards the five-year residency requirement for indefinite leave to remain, creating uncertainty about their future. Given that 27% of refugees in the UK are children who have already spent a significant portion of their lives in the country, establishing clear and accessible pathways to permanent residency is essential. Providing timely information and options now would offer these individuals greater certainty and stability.

Recommendation 10: Once the war ends, adopt a flexible visa scheme to support sustainable reintegration.

This report highlights that the first five years are critical for return migration, as return rates drop significantly afterwards. Additionally, many refugees prefer to visit their home country temporarily before deciding to return permanently, using these visits to assess conditions. Flexible visa regimes that accommodate such cyclical movement are therefore important. The "look and visit" policies implemented by Denmark and Sweden in the Bosnian context offer effective models to follow. This scheme should allow multiple entries and extended stays in Ukraine. Furthermore, establishing a dedicated return centre would provide comprehensive support and guidance to those choosing to reintegrate in Ukraine, ensuring a smoother and more sustainable transition.

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7. Annex

Interview methodology

Between November 2024 and March 2025, a series of interviews were conducted to support the findings of the research and literature review, and to gain insights from academics and practitioners with expertise on Ukrainian refugees, diaspora engagement, and return migration policy. A total of 17 interviews were carried out, interviewing more than 20 key stakeholders.

Participants represented the following institutions: Complexity Science Hub Vienna, Migration Observatory (University of Oxford), Harvard Ukrainian Research Institute, Growth Lab (Harvard University), University of Munich, UKRAINETT, SEEDS of Bravery, University of Warwick, London School of Economics (LSE), OPORA, University of Oxford, and Chatham House.

Interviews were conducted via Zoom, lasting between 30 and 45 minutes each, and covered the following topics:

Return Migration and Refugee Decisions

- What factors influence Ukrainians' decisions to return or remain abroad?
- Which barriers—legal, economic, or social—affect return migration?
- Are there specific groups more or less likely to return?
- How can return policies support sustainable reintegration?

Diaspora Engagement

- What role does the Ukrainian diaspora play in supporting Ukraine's reconstruction?
- How can the diaspora be better engaged in economic and social development?
- What challenges exist in engaging recent refugees?
- How does migration affect innovation, productivity, and investment in Ukraine?

Policy, Data, and Research

- How effective are current Ukrainian policies on return migration and diaspora engagement?
- What role can host countries, particularly the UK, play in supporting Ukrainians abroad?
- What data gaps exist, and what research or surveys are needed to inform policy?



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