



**International Council
of Business Associations and Chambers of
Commerce in Ukraine**
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**Precondition for Future Investment: Modern Education – ICBAC Forum
PRESS RELEASE**

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On 19 November 2020, the International Council of Business Associations and Chambers in Ukraine (ICBAC, www.icbac.org) held international forum titled **Precondition for Future Investment: Modern Education**.

ICBAC represents 9 foreign chambers and business associations as well as the Ukrainian Chamber of Commerce and Industry. ICBAC member associations unite over 9,000 businesses, representing the majority of employers in Ukraine; company members of ICBAC associations made the bulk of foreign direct investments in Ukraine. ICBAC member associations strongly believe that education of the Ukrainian people is paramount for future success of the Ukrainian economy.

For years Ukraine has been hit by a substantial degree of labour outmigration and brain drain: several millions of unskilled, semi-skilled and skilled individuals left for the EU countries, the U.S., the UK, Canada and other locations globally to take considerably better remunerated jobs. Many thousands of students have preferred to go to universities abroad rather than to study at their local universities with many not returning after graduation.

A well-educated workforce is one of the crucial prerequisites for attracting investment, both foreign and domestic, which is so urgently needed for growth of the economy and prosperity. Only with a modernized educational system Ukraine can succeed in keeping the younger people in the country, providing the re-training opportunities for those who are forced or want to change a career, and potentially even attracting additional talent from abroad.

ICBAC organized – due to COVID-19 restrictions mostly online – the **Precondition for Future Investment: Modern Education Forum** with 3 panels of first-tier experts from policy and government sectors, education institutions, and businesses to exchange views on the priorities for Ukraine's policy with regard to education system reform from every stakeholder's point of view.

In his opening statement Gennadiy Chyzhykov, President, Ukrainian Chamber of Commerce and Industry (UCCI) depicted the current situation, and the deficiencies Ukraine is currently facing when it comes to the labour market.

Panel 1 focused on the political tasks, with the current and former deputy ministers of education and science, the heads of Economic Recovery Center, the Career Hub Platform, AIESEC Ukraine, the Industrial Modernization Committee at UCCI, as well as the Director of DTEK Academy giving a clear view on measures necessary to improve the framework conditions of the educational system, as well as some practical examples.

A full panel was devoted to vocational education as one of the potential keys to economic success as has been experienced for centuries in both professional schools and businesses especially in Germany, Austria and Switzerland. VET experts from the ministry, Konrad Adenauer Stiftung, AHK and the Austrian OeAD presented the relevant Ukrainian strategies and experiences and discussed education as a corporate social responsibility issue. The practical side was covered by the heads of Robert Bosch and SKF in Ukraine.

The final panel focused on the crucial framework conditions for making people remain within Ukraine's labour market, such as employer branding and necessary improvements to the Labour Code of Ukraine, in particular as presented by DLA Piper Ukraine's Managing Partner. HR Manager of BNP Paribas/Ukrsibbank, the Ukrainian Employer of the Year 2020, depicted the bank's strategy for being a highly attractive employer, as did the representative of Eurocar Ukraine. Representatives of the Verkhovna Rada Committee on Economic Development and the State Employment Center shared their views on how to increase attractiveness of the labour market. After highlighting the main problems of the labour law and areas of necessary reforms, a senior analyst from OECD gave valuable insights into Ukraine's position in OECD's PISA (Program for International Student Assessment) study.

Some of the main conclusions of the exchange of views within the Forum were:

- National education strategy is of eminent and imminent importance; to be effective in the long run it has to be sustainable and consistent, has to be supported by clear political will, and has to reflect priorities of all stakeholders;
- The education system has to ensure that graduates at all levels have competences which match the real labour market needs rather than using curricula and textbooks which neither are relevant, nor reflect current global technology development trends;
- Where the authorities at all levels lack in performing their current duties in the education sector, the private businesses are compensating by establishing private business academies, colleges and similar education institutions or internal programs;
- Contrary to some politicians' belief that the state has to create jobs, it is business which creates jobs provided that the state's policies provide the proper framework;
- With Ukraine being substantially integrated in international business, education has to focus more on aspects of inter-cultural communication and management;
- The considerable opacity of the labour market due to the substantial grey and black market segments is making it difficult to develop and implement an appropriate reform strategy; therefore first this opacity has to be eradicated or at least reduced;
- Levels of salaries and wages are undoubtedly a determining factor of the labour market shape. It is the task of policy makers to provide the framework conditions for making industries more attractive in the international context as has been the case in IT industry.

View the Forum's recording in **English**: <https://youtu.be/2wZAgzA4TCY>

View the Forum's recording in **Ukrainian**: <https://youtu.be/KQgWISy60ts>

Presentations are available at <https://drive.google.com/drive/folders/19an-J-ldC64L-wzektYX7Uf5dzR2mX7A?usp=sharing>

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