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No.30
August 2026

Monitoring implementation of the IMF program and EU assistance

SPECIAL TOPIC

“New government, new pace: will Ukraine be able to accelerate reforms? ”

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Summary

Ukraine is still slowly fulfilling the obligations that will allow it to receive a tranche of assistance from the World Bank under the Development Policy Operation (DPO-2 2026) support instrument. 12 obligations have been identified for this purpose.

In September, the IMF Mission begins work on the second review of the IMF Program. The structural benchmarks with a deadline of the end of June have been completed. The Mission will most likely also analyze the Draft State Budget for 2027. However, the implementation of the following benchmarks is delayed.

Some of the indicators of the Ukraine Plan were implemented in August with a delay; in particular, the appointment of judges of the High Anti-Corruption Court, a step that was originally scheduled for 2025. Overall, the fulfillment of these "backlogged" indicators is expected to release approximately €2.8 billion. **At the same time, 15 indicators for 2025 and the first half of 2026, worth €4.8 billion, remain unfulfilled.**

Requirements for Receiving Assistance from the World Bank

DPO 2 - New Challenges

- In August, there were no significant developments in the implementation of obligations, the fulfillment of which will allow Ukraine to receive funds under the second component of the DPO loan in the amount of USD 1 billion.
- Overall, Ukraine must fulfill 12 obligations by the end of 2026 or at least no later than the 1st quarter of 2027.
- Three main areas of reform:
  - Private sector financing and investment
  - Skilled labor force and employment
  - Cross-border market integration
- The obligations include the adoption of legislative and regulatory acts that must comply with EU law.

Private sector financing and investment

Public-private partnership (PPP)

1. Adopt the regulatory legal acts necessary for the implementation of the law on public-private partnership: actual implementation of the adopted law on PPP (No. 4510-IX) - **in progress**

Access to finance and cross-border payments

2. Adopt regulatory legal acts for the practical implementation of the laws on factoring and the National Development Agency: these laws were adopted for DPO-1 (No. 4466-IX and No. 4622-IX, respectively) - **in progress**
3. Adopt the law on investment funds, draft law No. 13246 (registered on May 1, 2025, there is no conclusion from the relevant committee yet - however, there is a statement about its withdrawal)
4. Adopt a law on property valuation – draft law No. 13435 (adopted as a basis on June 30) - **in progress**
5. Adopt a law on joining the Single Euro Payments Area - SEPA: the law was transferred from DPO-1. The government draft law was withdrawn due to a change of government, although it is a deputy's (corresponds to Indicator 4.9. of Ukraine Plan) - the government draft law was withdrawn, it is a deputy's 14327-1 dated 09.01.2026 - the Committee's conclusion on the recommendation to adopt in the first reading dated April 7, 2026 - **in progress**

Privatization and corporate governance of state-owned enterprises

2. Announce a privatization tender for at least one state-owned bank - Prime Minister of Ukraine Serhiy Koretsky announced that the Ministry of Finance has been tasked with selling Sense Bank
3. Adopt a law on small-scale privatization - there is no draft law yet
4. Adopt regulations and legislative amendments to strengthen corporate governance and the work of supervisory boards of state-owned enterprises

Skilled labor force and employment

Housing policy

9. Adopt a law on securitization and covered bonds – bill No. 15172 adopted in first reading on June 30 - **in progress**

Professional education

10. Adopt regulatory legal acts that introduce a new model of financing vocational education institutions (the Law on Vocational Education was adopted in August 2025) - in June, a decision of the Cabinet of Ministers was adopted , according to which local governments will determine priority professions for the development of the region and apply appropriate coefficients to the cost of educational services for vocational technicians.

Cross-border market integration

Agriculture

11. Adopt the regulatory legal acts necessary for the full launch of the paying agency in the field of state support for agriculture - on December 31, 2025, by the decision of the Cabinet of Ministers of Ukraine, the functions of the Paying Agency were assigned to the Ukrainian State Fund for Farm Support, which will function as a budgetary institution. The Ministry of Economy is currently developing all the necessary regulatory regulations - **in the process**

Energy

12. Adopt regulatory acts for further integration of the Ukrainian electricity market with the EU market

Monitoring of the Implementation of Structural Benchmarks Under the IMF Programme

Completed on time

Completed, but not on time

In progress

Not completed

IMF Program: Delays Continue

- The IMF Mission begins its work in early September:
  - Assessment of the implementation of structural benchmarks and quantitative criteria as of the end of June 2026
  - Assessment and analysis of the draft State Budget for 2027 - a challenge is in changing macroeconomic forecast

- **Successful second review of the program = $692 million**

- **Structural benchmarks with a completion date of the end of June 2026:**
  - **Benchmark No. 7.** Approval of an updated strategy for state-owned banks, which takes into account the goals of privatization and the extension of the guarantees of Article 7 of the Law "On Banks and Banking Activities" to all systemically important banks with a majority state share - **completed**
  - **Benchmark No. 8.** Entry into force of the system of supervision of risks of critical third parties in the financial sector - **completed**

Other structural benchmarks with deadlines by the end of August - NOT completed as of August 31

Benchmark No. 11. Adoption of legislation on taxation of income received through digital platforms and abolition of tax exemption for inexpensive imported goods in postal items - **NOT implemented** .

Benchmark No. 12. Submission to the Verkhovna Rada of amendments to the Tax Code regarding the reform of transfer pricing rules and the limitation of interest expenses - as of August 31 - **absent** .

Benchmark No. 13. Submission of amendments to the Tax Code to increase the threshold for conducting unscheduled inspections in the event of declaring a budget refund or negative VAT value from UAH 100 thousand to UAH 1 million - as of August 31 - **absent** .

A number of other benchmarks with deadlines in the end of 2026 are at risk of **not being** completed on time.

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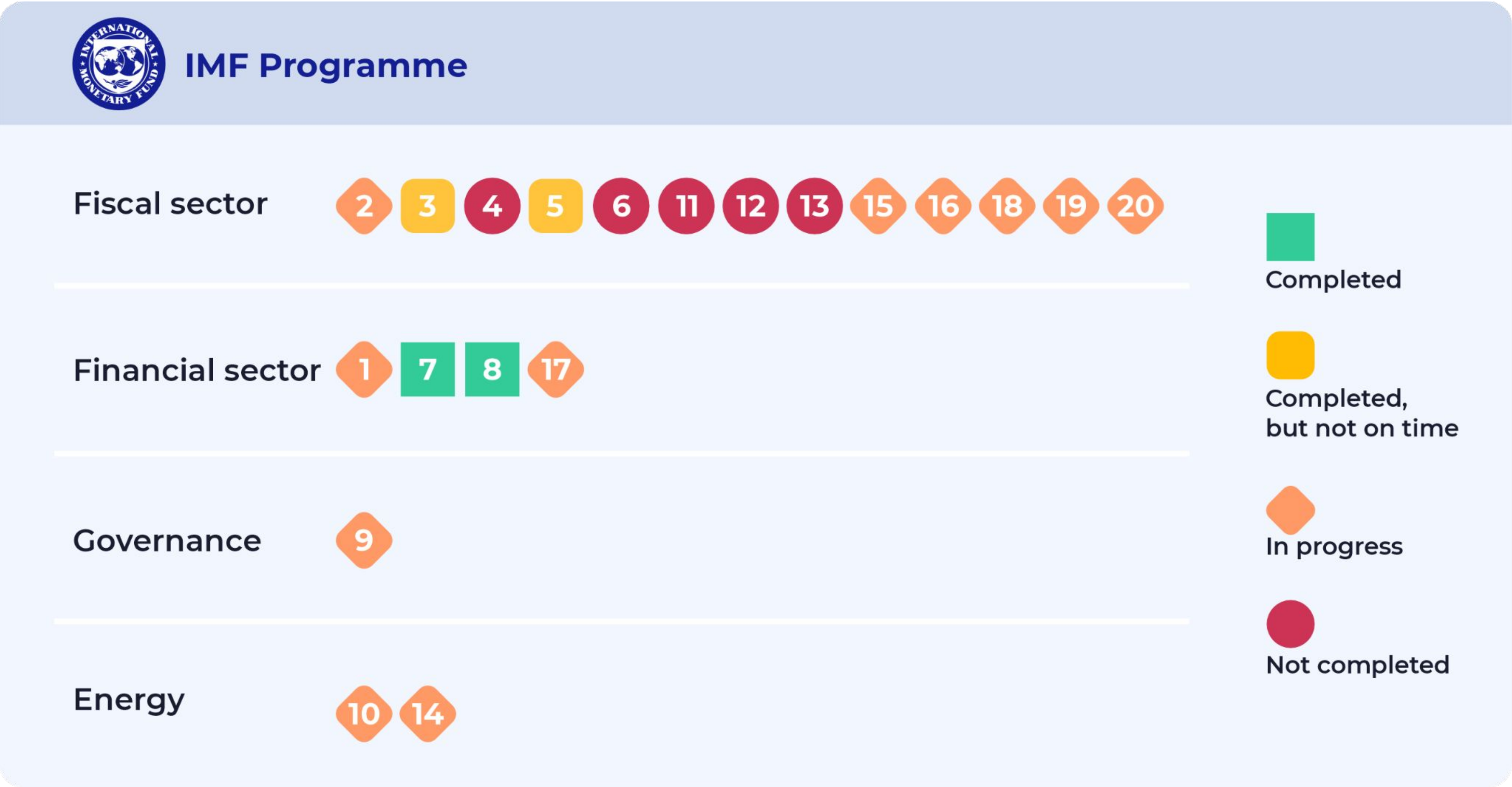
IMF Structural Benchmark Implementation Map



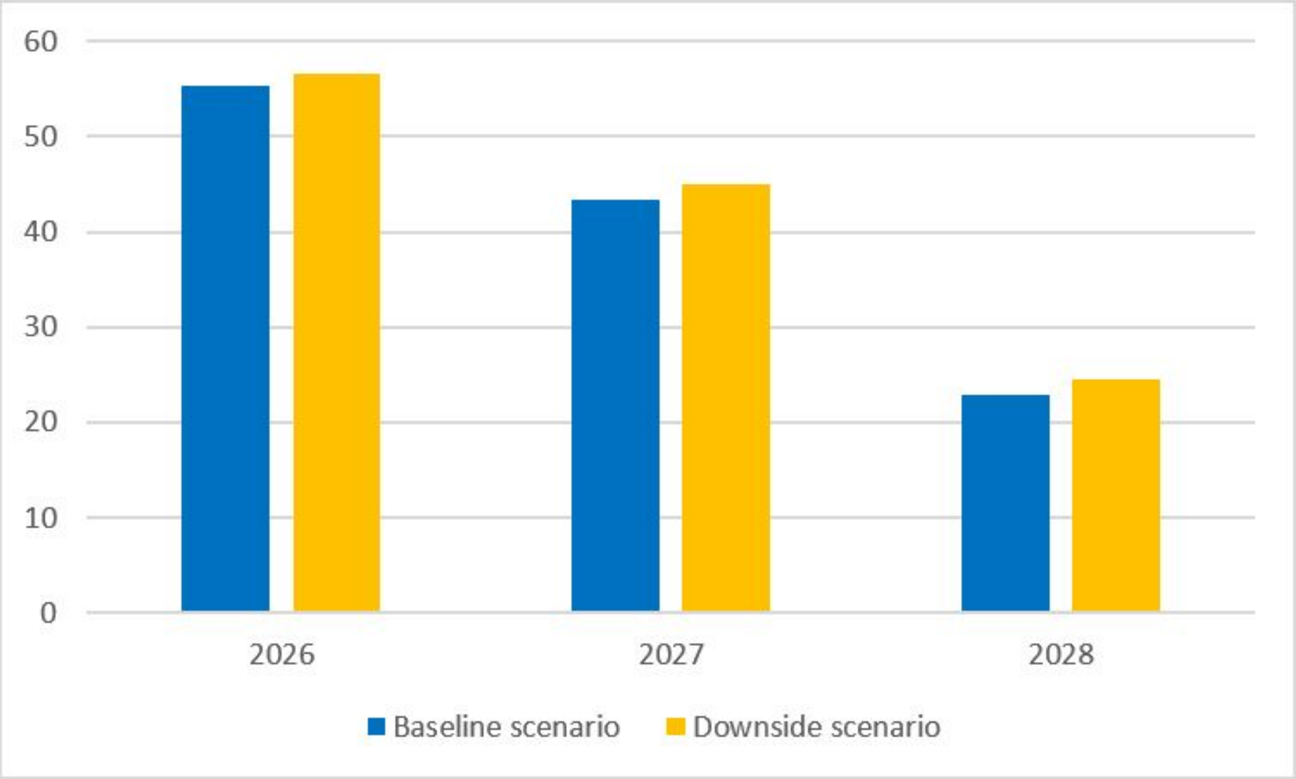
Ukraine needs additional funding

The President announced the need for an additional USD 27 bn for defense funding

- Only USD 8-10 bn for January and February 2027. The rest of the amount is needed now.
- The state budget for 2026 was designed with the understanding of large in-kind military assistance - the Ukraine support loan somewhat replaced this assistance with cash form
- For 2027, the financial gap has not been closed for other spending.

The worsening economic situation will lead to an increase in the fiscal gap.

Fiscal gap, USD bn



Source: IMF

Monitoring the implementation of indicators of Ukraine Plan

Completed on time

Completed, but not on time

In progress

Not completed

Ukraine's Plan : Indicators are being met with delays, and debts are accumulating

→ For August, 5 indicators were fulfilled with a delay: two for 2025, one for Q1 2026, and two for Q2 2026. Also, the investment indicators for Q2 2026 are considered fulfilled. At the same time, debts remain:

- **6 indicators for 2025**
- **3 indicators for Q1 2026**
- **5 indicators for Q2 2026**

Failure to implement indicators can "cost"

~€ 4.48 billion

Debts of Ukraine Plan indicators for 2025: there were 8, now there are 6

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UKRAINE PLAN

Debts for 2025
(as of July 2026)

8 unfulfilled indicators
Risk of loss of funding
~€1.8 billion

Of which **~ €280 million** were at risk of irretrievable loss due to non-fulfillment of Indicator 4.3 (Increase in HACC staffing)

Changes this month
(progress for August 2026)

2 indicators are completed
This released
€418 million

✅ 4.3. Increase the staffing of the HACC **(implemented with a delay)**

✅ 10.7. Appointment of a nominated electricity market operator **(implemented with delay)**

Implementation
(as of August)

6 unfulfilled indicators
Risk of loss of funding
~€1.4 billion

*Updated amounts taking into account the updated value of indicators

2025:
6 unfulfilled commitments remain

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UKRAINE PLAN

- **1.2.** Amendments to the legislation on the civil service (No. 13478-1)
- **4.8.** Conduct the next National Risk Assessment
- **6.7.** Assessment and, where necessary, amendments to distinguish between PSOs and non-PSOs in state-owned enterprises (No. 13620)
- **6.9.** Lifting the suspension of the State Aid Act (No. 14345 – withdrawn)
- **10.3.** Improving permitting procedures for investments in renewable energy sources (No. 14271)
- **10.11.** Defining the special status of the NEURC (No. 14282)

~€ 1.4 billion

Q1 of 2026:
3 indicators with no progress

→ **3.7.** Legislation on simplified insolvency procedures for for micro, small and medium-sized enterprises (No. 15024)

→ **3.12.** Introduction of a transparent selection process for prosecutors in senior positions (No. 15343)

→ **15.8.** Strategy for implementing the principles of the circular economy and an action plan for its implementation

~€ 1.3 billion

Completed, but not on time:

1.5. Launching and using a human resources management information system

Q2 2026: 5 unfulfilled indicators

- ➔ **3.17.** Human Rights Protection Strategy
- ➔ **4.20.** State Programme to Combat Trafficking in Human Beings until 2030
- ➔ **6.3.** Supervisory boards of state-owned enterprises with a majority of independent members
- ➔ **10.9.** Roadmap for the gradual liberalisation of the gas and electricity markets
- ➔ **10.19.** Terms of reference for an external audit of the NEURC

~€ 1.76 billion

✔ **5.5.** Entry into force of acts on the settlement of problem loans

Investment indicators:

- ➔ **7.12.** Investment in education worth at least €300 million
- ➔ **7.14.** Investments in healthcare of at least €200 million
- ➔ **7.18.** Investment in housing for disabled veterans, families of deceased veterans and IDPs at least €200 million
- ➔ **9.7.** Directing at least 5% of grant support to community reconstruction needs

	IV 2025	I 2026	II 2026	III 2026	IV 2026
Public Administration Reform	1.2	1.5		1.4	1.3
Public Financial Management / Management of Public Assets	2.6 2.9 6.7 6.9		6.3	6.4	2.4 2.10 6.10 6.11 6.12
Fight Against Corruption and money laundering / Judicial System	3.3 3.4 3.9 4.8	3.12	3.10 3.17 4.20	3.13 4.5 4.9 4.16 4.18	3.14 3.15 3.16 4.11 4.12 4.19 4.13 4.14 4.15
Business Environment / Human Capital	7.8 8.2	3.7 8.5	7.7 7.20 7.12 7.14 7.18 8.12		7.21 8.11
Energy Sector / Green Transition and Environmental Protection / Management of Critical Raw	10.3 10.7 10.11 10.13 10.14 13.6 15.3	15.8	10.9 10.19 15.11	10.16 10.21	10.6 10.18 10.20 15.7
Agri-food Sector / Transport	11.3	12.6	12.9	11.9	11.8
Decentralisation and Regional Policy			9.7		
Digital Transformation			14.4		14.5
Financial Markets	5.6	5.1	5.3 5.5		

Completed

Completed, but not on time

In progress

Not completed

Monitoring of macro-financial assistance:

Ukraine Support Loan

Completed on time

Completed, but not on time

In progress

Not completed

Ukraine Support Loan:
Macro-financial assistance component

- ➔ **4 of the 12 conditions required to receive the second tranche of assistance have been met**: IT concept of the UPI, Budget declaration, expenditure reviews, and adoption of the updated digital development plan of the State Customs Service of Ukraine until 2030.
- ➔ Unfortunately, **the President has not signed the law introducing taxation of income earned via digital platforms** — this is one of the 12 conditions required to receive the second tranche of assistance. We had previously marked this indicator as ‘fulfilled’, but have now reverted it to ‘in progress’.

Ukraine Support Loan conditions fulfillment map

Pillar	Policy actions for the I instalment	Policy actions for the II instalment	Policy actions for the III instalment
Pillar 1: Domestic revenue mobilisation	1.1 1.2 1.3	2.1 2.2 2.3 2.4 2.5 2.6	3.1 3.2 3.3 3.4
Pillar 2: Sustainability and quality of public expenditure	1.4	2.7 2.8 2.9 2.10	3.5 3.6 3.7 3.8
Pillar 3: Public finance management systems	1.5 1.6 1.7	2.11 2.12	3.9 3.10 3.11 3.12 3.13

- Completed
- Completed, but not on time
- In progress
- Not completed

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SPECIAL TOPIC

New government, new pace: Will Ukraine be able to accelerate reforms?

Panel discussion

- Vadym Halaichuk, People's Deputy of Ukraine, Deputy Chairman of the Servant of the People political party for international activities, First Deputy Chairman of the Verkhovna Rada Committee on Ukraine's Integration into the EU
- Yuriy Draganchuk, Deputy Minister of Finance of Ukraine (tbc)
- Daria Marchak, Deputy Minister of Economy and Environment of Ukraine
- Oleksandr Ilkov, Director General of the Government Office for Coordination of European and Euro-Atlantic Integration
- Yulia Perchuk, Deputy Executive Director of the CMU Reform Office

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Annex 1

Detailed Status of Implementation of IMF Structural Benchmarks

BENCHMARK No. 1 Any non-systemically important bank that is nationalised will be transferred to the Deposit Guarantee Fund in the event of a breach of prudential standards and will not be subject to recapitalisation using public funds

(ongoing)

Sector: financial sector

Status: in progress (effectively completed)

As of 28 April 2026, all four remaining state-owned banks are systemic. Previously, the state owned two non-systemically important banks, but in March they were declared insolvent and transferred to the Deposit Guarantee Fund (DGF) for resolution. In April, the DGF liquidated one of the banks, having previously transferred part of its assets and liabilities to another bank. The other bank was sold to a foreign investor. Thus, the state's involvement in non-systemically important banks has come to an end, and the benchmark has effectively been met, although it remains in force should the state gain control of another non-systemically important bank (for example, as a result of sanctions or confiscation).

BENCHMARK No. 2 Refrain from assigning any new ad-hoc spending obligations to the Pension Fund of Ukraine

(ongoing)

Sector: fiscal sector

Status: in progress

The introduction of new expenditure commitments for the Pension Fund of Ukraine in excess of the overall expenditure ceiling of its budget — in particular through unscheduled indexation outside the scope of the pension reform — should be avoided without prior consultation with the IMF and an analysis of the impact on the long-term sustainability of the pension system (continuous structural benchmark).

In practice, this refers to additional payments not provided for under pension legislation. The most recent example is the one-off supplementary payment of 1,500 UAH in April 2026 (Cabinet of Ministers Resolution No. 341 of 18 March 2026): this was financed, in particular, from the Pension Fund of Ukraine's resources. It is precisely such decisions that will now require prior consultation with the IMF. The restriction will remain in force until the end of the Extended Fund Facility (EFF) programme, i.e. until February 2030.

This obligation does not apply to the annual indexation of pensions in accordance with the statutory formula, nor to payments to categories of people affected by the war.

BENCHMARK No. 3 Strengthening the process for appointing members of the supervisory boards of state-owned banks

(end of February 2026)

Sector: fiscal sector, governance

Status: completed, but not on time

Implement the recommendations set out in MEFP ¶51 to strengthen the process for appointing members of the supervisory boards of state-owned banks (MEFP ¶51) The recommendations include ensuring the confidentiality of the nomination committee's work; reducing the priority given to the nationality criterion; strengthening assessment procedures, in particular by introducing an annual assessment of the work of supervisory boards; and requiring the Ministry of Finance to maintain a list of qualified candidates from previous selection rounds for supervisory boards.

Although the deadline for implementing this benchmark was the end of February 2026, on 2 March the government adopted a resolution implementing four out of five recommendations. On July 2 the Government fulfillled its commitment to conduct an annual assessment of the performance of banks' supervisory boards.

Thus, the IMF considers this indicator to be " completed with delay".

BENCHMARK No . 4 To adopt a package of tax measures for 2026–27

(end of March 2026)

Sector: fiscal sector

Status: not completed

In accordance with the Memorandum, this structural benchmark envisages tax reforms designed to broaden the tax base and create an environment more conducive to economic growth and the reduction of the informal economy.

In particular, it was envisaged that by the end of March 2026, parliament would adopt a package of tax measures containing the following provisions:

- taxation of income received via digital platforms; — **not completed**; **draft law No. 15111-d is awaiting the President of Ukraine's signature and will be implemented once Zelenskyy signs it**
- abolition of the tax exemption on imports of goods in low-value postal consignments; — **not completed**; **Bill No. 15112-1 has not passed a single reading**
- abolition of the VAT exemption under the simplified taxation system (STS) by introducing mandatory VAT registration from 1 January 2027 for STS taxpayers with a turnover exceeding the general VAT registration threshold. This threshold may be raised from the current level of 1 million UAH, but not above 4 million UAH. — **Not implemented; the draft law was not even submitted to the Verkhovna Rada**
- Permanent application of the 5 per cent military levy. — **Implemented**, **Law No. 4835-IX of 7 April 2026**.

According to the updated Memorandum of Cooperation with the IMF, Structural Benchmark No. 4 remains unfulfilled. Instead, the IMF has approved a series of new benchmarks that are conceptually consistent with Benchmark No. 4.

BENCHMARK No. 4 Appoint a permanent head of the State Customs Service

(end of March 2026)

Sector: fiscal sector

Status: completed, but not on time

This structural benchmark was carried over from the previous program (it was previously numbered 43). Under the old program, the benchmark originally called for appointing the Head of the State Customs Service by the end of June 2025, but as of that date, a competition for the position had not even been announced. It was already clear in May that this benchmark would not be met. Therefore, following the IMF Mission's visit in May 2025, a priority action for the 8th review of the Program was agreed upon: the preparation of a customs reform plan. On June 17, the government announced the preparation of such a plan.

The deadline for the benchmark "appointment of a permanent head of the State Customs Service" was postponed from the end of June to the end of December 2025 during the eighth review of the program. On August 4, the government announced an open competition for the position of head of the State Customs Service. A commission comprising international and Ukrainian representatives was also established to select the head. On November 10, a meeting of the Commission for the Competition to Fill the Position of Head of the State Customs Service was held, during which the procedures for conducting the competition, as well as the criteria and methodology for evaluating candidates for the position of head of the State Customs Service of Ukraine, were approved.

On March 27, the Commission for Selecting the Head of the State Customs Service announced the results of the selection process, naming Ruslan Damentsov and Orest Mandziy as the finalists. According to the procedure, the Ministry of Finance was to select one of the candidates and submit the nominee to the Cabinet of Ministers for approval. As of noon on March 31, the head of the State Customs Service had not been appointed. On April 10, the government finally appointed Orest Mandziy as head of the State Customs Service.

BENCHMARK No. 6 Alignment of transfer pricing rules with international standards

(end of June 2026)

Sector fiscal sector, governance

Status: not completed

A draft law amending the Tax Code to align transfer pricing rules with OECD standards and implement Article 4 of the EU Anti-Tax Avoidance Directive (ATAD) must be tabled in the Verkhovna Rada.

The plan provides for tighter rules on the taxation of corporate group profits: the extension and stricter application of transfer pricing rules, the introduction of restrictions on the deduction of debt financing costs when calculating corporation tax, with the possibility of carrying forward undeducted costs to future periods, and the taxation of foreign companies with effective management in Ukraine.

The changes are aimed at reducing opportunities to understate corporation tax through intra-group transactions and debt schemes and constitute a structural benchmark of the IMF programme, with a submission deadline of the end of June 2026.

The Ministry of Finance published the relevant draft legislation on its website on 27 February, but it has not yet been registered with the Verkhovna Rada. The benchmark has not been met, and the IMF has reformulated it as a new benchmark, No. 12.

BENCHMARK No. 7: Approve the updated strategy for state-owned banks

(end of June 2026)

Sector: financial sector, governance

Status: Completed

Until recently, the strategy for state-owned banks adopted in 2020 was in force, and the main guidelines for state-owned banks during the period of martial law were adopted in 2022. In July, updated guidelines for the operation of state-owned banks were published. Although the decree purportedly approving this document is dated 30 June, the electronic signature on the document itself is dated 6 July. The guiding principles set out steps defined by the indicator, in particular the adoption of amendments to the Banking Act, which effectively extend the rules for state banks (100 per cent state ownership) to banks in which the state's share is less than 100 per cent but greater than 50 per cent. Despite the *de facto* delay in adopting the document, IMF staff assessed the indicator as fulfilled on time.

BENCHMARK No. 8: Introduce a risk oversight framework for critical third parties

(end of June 2026)

Sector: financial sector

Status: in progress

This benchmark is effectively carried over from the previous Programme, where it was numbered 51.

The benchmark aims to strengthen the NBU's oversight of hybrid banking service models, particularly those where non-banking companies provide services that are critical to the bank's operations. Among other things, this refers to the 'bank-in-a-smartphone' model, where the bank's operations (such as those of Monobank) are closely linked to non-banking companies that are currently not subject to regulation. It is proposed to require banks to verify that these companies comply with the NBU's requirements regarding business reputation and professional competence.

On 9 March the NBU published a draft resolution on third parties to banks for public consultation. According to the NBU, the draft was developed on the basis of a relevant document from the Basel Committee on Banking Supervision. It stipulates that banks must carry out a thorough due diligence check on critical service providers and subsequently monitor their compliance with the requirements set by the NBU. In May, draft resolutions concerning payment service providers and insurers were published. On 30 June, the NBU officially published the final regulations.

BENCHMARK No.9 NACP to issue new regulations establishing a risk-based declaration verification system, prioritizing high-ranking officials in high-risk areas

(postponed to end of September 2026)

Sector: governance

Status: in progress (*not completed* - *as of June 2026, after the first review of the program, the implementation deadline was postponed to September 2026)*

The memorandum stipulates that, relying on IMF technical assistance to strengthen asset declaration and lifestyle monitoring mechanisms, the NACP will issue regulations that will prioritize and strengthen the verification of asset and property declarations of high-ranking officials in high-risk sectors and will publish key performance indicators on risk-based verification and lifestyle monitoring twice a year, starting from the end of September 2026.

July 27, 2026 the NACP published a notice on its official website about holding a public discussion on September 2 of the draft order "On Amendments to Certain Regulatory and Legal Acts of the National Agency on Corruption Prevention." The draft order was developed to improve the risk-based approach to the verification of declarations and increase the efficiency of inspections.

According to the explanatory note to the draft order, its issuance will contribute to increasing the efficiency of full verification of declarations, as required by the state's international obligations, including to the IMF, in particular those provided in the Generalized Report on Technical Assistance for Improving the Asset Declaration System by Public Officials, provided by IMF experts in July 2026.

BENCHMARK No. 10 Publish a technical analysis of the costs of quasi-fiscal support for electricity, gas and heating, subsidy coverage, and scenarios for financially sustainable reforms that protect vulnerable consumers

(end of October 2026, postponed from the end of July 2026)

Sector: energy

Status: in progress

To ensure the fiscal sustainability of energy sector reforms and with the support of IMF technical assistance, the Ukrainian authorities are to conduct and publish a comprehensive technical analysis of the costs of quasi-fiscal operations (QFOs) arising from price caps and public service obligations (PSOs) in the electricity, natural gas and heat supply sectors.

In accordance with the Memorandum, the analysis should include a quantitative assessment of the financial costs associated with price caps and PSOs, an evaluation of the current housing subsidy system, and should identify fiscally sustainable scenarios for a gradual transition to economically justified tariffs whilst ensuring adequate social protection for vulnerable consumers. The results of the analysis are to form the basis for the preparation of a roadmap for the gradual liberalisation of the natural gas and electricity markets, which the Ministry of Energy is developing in coordination with the European Commission. The roadmap will set out the stages for reforming public service obligation (PSO) mechanisms, the gradual transition to market-based pricing following the lifting of martial law, and the preparatory measures required prior to its completion.

Once the technical analysis has been prepared and the roadmap approved, the Government plans to assess the fiscal and social implications of a possible tariff review for existing and potential recipients of housing subsidies, ensuring the protection of vulnerable households, the maintenance of payment discipline and medium-term fiscal sustainability. Further reform involves gradually bringing tariffs for electricity, natural gas, heating and hot water to economically justified levels, a review of the public service obligation (PSO) system, amendments to Law of Ukraine No. 2479-IX to lift the moratorium on tariff increases, and the reform of tariff policy in the centralised heat supply sector through the introduction of a new tariff-setting methodology and the settlement of accumulated debts of heat supply companies.

According to our information, work on the technical analysis is being carried out by the Ministry of Energy with the participation of IMF experts and forms part of the preparation of a roadmap for the gradual liberalisation of the natural gas and electricity markets (indicator No. 10.9 of Ukraine's Plan).

BENCHMARK No.11 Taxation of parcels and income from digital platforms

(end of July 2026)

Sector: fiscal sector

Status: not completed

Legislation on a tax on income earned through digital platforms and the abolition of the tax exemption for low-value goods imported by post should be adopted.

The initial tax package, planned for early 2026, proved politically unfeasible (benchmark No.4, end of March 2026, not implemented).

Instead, an updated approach is proposed: the adoption of a package of tax measures that includes:

- taxation of income received through digital platforms; — **not implemented** , draft law No. 15111-d has been signed by the President of Ukraine since June 12. According to the EP , EU representatives asked not to sign the law in its current version due to a non-core amendment on weakening financial monitoring of politically exposed persons (PEPs).
- abolition of tax exemptions for imports of goods in low-value postal items; — **not implemented** , after the change of government, the previous drafts were withdrawn from the Rada. On July 30, the government only approved the accompanying draft law on amendments to the Customs Code. It is impossible to fulfill this requirement in time.

BENCHMARK No.12 Change in transfer pricing rules

(end of August 2026)

Sector: fiscal sector

Status: not completed

transfer pricing rules and implement the interest expense limitation rule in accordance with Article 4 of the EU ATAD Directive should be submitted to Parliament (MEFP ¶25).

The initial structural milestone (milestone 6) was to be completed by the end of June 2026, but the preparation of complex legislation required additional time, so the deadline was missed. The IMF agreed to give the government two more months, narrowing its Sector: the issue of abolishing the tax exemption for controlled foreign companies (CFCs) has been separated into a separate anti-tax avoidance bill to be submitted later this year.

The goal of the reform is to limit the erosion of the tax base and the transfer of profits offshore by harmonizing Ukrainian legislation with OECD standards and EU directives.

On August 17, 2026, the Cabinet of Ministers registered with the Verkhovna Rada draft law 15518 on amendments to the Tax Code of Ukraine to improve the mutual agreement procedure and the procedure for preliminary agreement on pricing in controlled transactions. However, the second part of the submission of the draft law on the implementation of ATAD has not yet been completed.

BENCHMARK No.13 Raising the threshold for unscheduled tax audits

(end of August 2026)

Sector: fiscal sector

Status: not completed.

Amendments to the Tax Code should be submitted that raise the threshold for unscheduled inspections of VAT refund and negative tax liability requests from UAH 100,000 to UAH 1 million (MEFP ¶30)

As of August 31, 2026, the bill still does not exist, the benchmark has not been implemented.

BENCHMARK No. 14 Enact legislation to ensure the independence of the NEURC and improve the procedures for nominating candidates

(end of October 2026)

Sector: energy

Status: in progress

To strengthen the independence of the National Commission for State Regulation of Energy and Public Utilities (NEURC), Ukraine must adopt legislative amendments aimed at reinforcing the Regulator's institutional independence, enhancing the transparency of procedures for selecting its members, and introducing regular assessments of the NEURC's corporate governance and independence.

In accordance with the Memorandum, amendments to the Law of Ukraine 'On the NEURC' should provide for an update to the procedure for forming the Selection Committee. In particular, the committee should consist of six members with casting votes, three of whom will be nominated by international partners. Furthermore, the legislative amendments are intended to ensure greater transparency in the procedures for decision-making and the appointment of the Regulator's members.

The Memorandum also stipulates that, within 6 months of the amended law coming into force, the first independent external assessment of the NEURC's corporate governance and independence must be carried out and published in accordance with the new legislation.

On December 8, 2025, draft law No. 14282 was registered with the Verkhovna Rada on strengthening guarantees for the exercise of the powers of the National Commission for the Regulation of Energy and Utilities of Ukraine, which as of the end of August 2026 is still being considered by parliamentary committees.

BENCHMARK No. 15 Adoption of operational KPI for the State Tax Service (end of December 2026)

Sector: fiscal sector

Status: in progress

By the end of December 2026, the government is to approve strategic and operational key performance indicators (KPIs) for the State Tax Service in line with international practice.

The new system for evaluating the State Tax Service's performance will place greater emphasis on reducing the costs of tax compliance. Instead of tax collection targets, the KPIs will ensure a balance between actual increases in revenue resulting from measures to improve tax compliance and improvements in administrative efficiency, which will help reduce the associated costs for both the state and taxpayers.

The results of KPI implementation will be published quarterly, broken down by region and taxpayer segment where applicable.

BENCHMARK No. 16 Develop a design for a centralised data repository for tax and customs administration

(end of December 2026)

Sector: fiscal sector, governance

Status: in progress

This benchmark is a continuation of benchmark 47 of the previous Programme, under which the Ministry of Finance, the State Tax Service and the State Customs Service adopted an updated IT strategy in September 2025.

As stated in the text of the Memorandum, the key approach set out in the IT strategy is to consolidate the IT systems of the State Tax Service and the State Customs Service at the level of the Ministry of Finance, and to ensure that these IT systems are managed by an independent administrator using cloud technologies. The strategy envisages a gradual transition to a new level of service-oriented systems, particularly within the State Tax Service and the State Customs Service, in order to make services available online.

To this end, a key task is to develop the design of a centralised data repository for tax and customs administration, as set out in Benchmark No. 10 of the new Programme.

Work on the design is already underway.

BENCHMARK No . 17 Reform of the National Securities and Stock Market Commission (end of December 2026)

Sector: financial sector, governance

Status: in progress

It is necessary to continue reforming the NSSMC, strengthen its institutional capacity and introduce a new governance model. To this end, a supervisory board comprising a majority of independent members must be established, and amendments must be made to the law on the NSSMC to transfer the Commission's reporting line from the President to the Cabinet of Ministers.

Due to changes in leadership and the loss of experienced staff, the regulator has lost some of its capacity to perform its functions effectively. Without strengthening the NSSMC's governance and human resources capacity, it will be difficult to ensure alignment with EU standards, reform the capital markets infrastructure and provide adequate support to the financial system during the recovery process.

Key indicator – the adoption of amendments to the relevant law on the NSSMC, introducing a new governance model and establishing a supervisory board with a majority of independent members. Deadline – end of December 2026.

BENCHMARK No.18 Appoint all members of the Accounting Chamber

(end of December 2026)

Sector: fiscal sector, governance

Status: in progress

In December 2024, the law on the reform of the Accounting Chamber (hereinafter referred to as the Chamber of Accounts) came into force. Among other things, it introduced a renewed procedure for the competitive selection of members of the Chamber of Accounts, which provides for the creation of an Advisory Group of Experts (hereinafter referred to as the AGE) of 6 people (three international experts and three representatives from the Verkhovna Rada with the predominance of international experts). However, in August 2025, the Verkhovna Rada failed to vote on the creation of the AGE to conduct a preliminary selection of candidates for the positions of members of the Accounting Chamber.

In the updated Memorandum (dated July 2026), the Ukrainian side promises to appoint 6 members of the AGE, which must conduct a preliminary selection of candidates for the RP and by the end of 2026 appoint 6 new RP members from among the verified candidates (recall that under the updated law, the RP consists of eleven members).

It should be noted that back in September 2025, the Budget Committee resubmitted to the Parliament for consideration the candidacies for the DGE for the preliminary selection of candidates for the positions of members of the RP. At the same time, this issue has not yet been considered.

BENCHMARK No. 19 New rules to prevent abuse of the simplified tax regime

(end of December 2026)

Sector: fiscal sector

Status: in progress

Draft legislation must be submitted to Parliament to curb abuse of the simplified taxation system (MEFP ¶24), providing for: (i) restrictions on the practice of artificially splitting businesses to retain eligibility for the simplified taxation system's preferential regimes; (ii) restrictions on the possibility of returning to the simplified taxation system after switching to the general taxation system; (iii) restrictions on the use of the simplified taxation system to provide services to a current or former employer.

As at the end of July 2026, the draft legislation is still being drafted.

BENCHMARK No. 20 Abolition of the VAT exemption for the simplified tax regime (end of April 2027)

Sector: fiscal sector

Status: in progress

The VAT exemption for taxpayers under the simplified taxation system (STS) must be abolished and the threshold for mandatory VAT registration raised, with effect from 1 January 2028 (MEFP ¶21) — one year later than previously planned. The threshold will be raised, but not above the limit set by EU Directive 2006/112.

The initial tax package, planned for early 2026, proved politically unfeasible (Benchmark No. 4, end of March 2026, not completed).

As of the end of July 2026, the draft bill had not yet been submitted to the Verkhovna Rada

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ANNEX 2

Detailed status of implementation of indicators of Ukraine Plan

Status of Implementation of Ukraine's Plan Indicators for the Q2 2024

Full performance reviews are available here: rrr4u.org/analytics

INDICATOR No. 2.2 Approval of the State Customs Service's Digitalization Plan

In accordance with the provisions of the National Strategic Plan, the Ministry of Finance adopted the Long-Term National Strategic Plan for Digital Development, Digital Transformation, and Digitalization of the State Customs Service in February 2024

INDICATOR No. 2.3 Approval of the Budget Declaration for 2025–2027

The Budget Declaration was finally approved on June 28, 2024, on the last working day of the quarter. This was likely due to the fact that officials were awaiting a positive decision from the IMF Executive Board regarding the fourth review of the Program. Indeed, the macroeconomic indicators on which the budget figures in the Declaration for 2025–2027 are based differ from the IMF's macroeconomic forecast. The Budget Declaration contains revenue projections, one component of which is an additional package of tax measures. Since there is no certainty regarding the amounts of international support, it remains limited, which forced the government to project a reduction in expenditures for nearly all functions—except defense—in 2025, and for defense as well in the following two years.

INDICATOR No. 2.7: Approval of the Action Plan for Implementing the Roadmap for Reforming Public Investment Management

Improving the quality of public investment management (PIM) will allow for a more economical and efficient use of public funds amid limited budgetary resources. One of the steps should be the standardization of PIM approaches and the competitive selection of projects for budget funding. The Action Plan for Implementing the Roadmap for PIM Reform was adopted in June 2024.

INDICATOR No. 4.2 Appointment of a new head of the National Agency for Corruption Prevention

On November 13, 2023, an announcement regarding the conditions and deadlines for the competition for the position of Chair of the National Agency for Corruption Prevention (NACP) was published on the official website of the Cabinet of Ministers of Ukraine.

Following the results of the competitive selection process, Viktor Volodymyrovych Pavlushyk was appointed Chair of the National Agency for Corruption Prevention by Order No. 162-r of the Cabinet of Ministers of Ukraine dated February 27, 2024.

Status of Implementation of Ukraine's Plan Indicators for the Q2 2024

Full implementation reviews are available here: rrr4u.org/analytics

INDICATOR No. 6.2 Entry into force of the Law on Corporate Governance of State-Owned Companies

In February 2024, parliament passed a law to improve corporate governance in Ukraine. In March, the president signed it into law, and it took effect on the date of publication. Under the adopted law, state-owned companies must have supervisory boards, whose powers and responsibilities have been clarified, and the government must develop a state property policy. Mechanisms for compliance, risk management, and internal audit have also been introduced.

INDICATOR No. 8.3 Entry into force of legislation revising the legal framework for the activities of the BEB

On June 20, the Verkhovna Rada adopted law No. 10439, the text of which was aligned with the requirements of international partners. On June 28, the president signed it, and the law entered into force. The new legislation will pave the way for the renewal of the BEB's leadership and investigators through transparent competitive selection processes. This will provide an opportunity to transform the bureau into an effective body that prevents economic crimes and schemes that cause losses to the budget.

INDICATOR No. 10.1 Development and Approval of the Integrated National Energy and Climate Plan

On June 25, the National Energy and Climate Plan (NECP) was approved by a resolution of the Cabinet of Ministers of Ukraine, and the text was published on the Ministry of Economy's website. An English version of the NECP was released in October.

INDICATOR No. 10.15 Adoption of the Building Thermal Modernization Strategy for the period up to 2050 and the Action Plan for its implementation

Pursuant to Cabinet of Ministers Order No. 1228-r of December 29, 2023, the Strategy for the Thermal Modernization of Buildings in Ukraine through 2050 was approved, the concept of the State Targeted Economic Program to Support the Thermal Modernization of Buildings through 2030, and the Operational Action Plan for implementation in 2024–2026, which sets out a long-term plan for the gradual renovation of Ukraine's building stock using energy-efficient technologies.

INDICATOR No. 12.8 Adoption of a strategy for mine action through 2033 and a system for prioritizing areas subject to demining

The Mine Action Strategy through 2033 and its accompanying Operational Plan for 2024–2026 were adopted by a Resolution of the Cabinet of Ministers of Ukraine on June 28, 2024.

Status of Implementation of the Ukraine Plan Indicators for the Q3 2024

Full reports on implementation are available here: rrr4u.org/analytics

INDICATOR No. 4.1 Increase in the Staff of the Specialized Anti-Corruption Prosecutor's Office

As part of the implementation of this indicator, the Specialized Anti-Corruption Prosecutor's Office was to be given the opportunity to increase its staff from 10% to at least 15% of the National Anti-Corruption Bureau's staff. To implement this indicator, the Verkhovna Rada of Ukraine adopted law No. 10060 dated December 8, 2023, which stipulated that the total number of employees of the Specialized Anti-Corruption Prosecutor's Office shall be 15% of the maximum number of employees of the central and regional offices of the National Anti-Corruption Bureau of Ukraine, as established by law.

INDICATOR No. 4.4 Entry into force of amendments to the Criminal Code and the Code of Criminal Procedure

The indicator was not met on time. On October 29, 2024, the Verkhovna Rada adopted draft law No. 12039 in principle and in its entirety, and on October 31, 2024, the law was signed by the President and will enter into force on November 1, 2024.

INDICATOR No. 4.6 Approval of the Action Plan for Implementing the Asset Recovery Strategy for 2023–2025

As part of fulfilling this indicator, the Cabinet of Ministers of Ukraine was to adopt and publish the Action Plan for Implementing the Asset Recovery Strategy for 2023–2025. Consequently, on August 13, 2024, Order No. 759-r of the Cabinet of Ministers of Ukraine **approved the previously prepared Action Plan** for the Implementation of the Asset Recovery Strategy for 2024–2025.

INDICATOR No. 7.6 Approval of a Comprehensive Demographic Development Strategy through 2040

On September 30, the government adopted the Demographic Development Strategy through 2040. The next step toward its implementation is the adoption of a detailed Action Plan.

INDICATOR No. 8.1 Adoption of the Action Plan on Deregulation

In early September, the government approved an updated Action Plan on Deregulation. It includes 99 measures, a significant portion of which are scheduled to be implemented this year. The plan primarily involves the elimination of a number of permits that the plan's developers consider outdated or irrelevant. It also includes support for a number of deregulation bills, including those related to state control (5837) and foreign economic activity (5167). There are also a number of measures aimed at improving existing regulations.

Status of Implementation of the National Plan Indicators for the Q3 2024

Full performance reviews are available here: rrr4u.org/analytics

INDICATOR No. 9.5: Entry into force of legislation amending the State Strategy for Regional Development for 2021–2027

The government adopted the updated State Strategy for Regional Development on August 13, which identifies new challenges as well as strategic and operational objectives.

At the same time, the Action Plan for implementing the State Strategy for Regional Development was not updated, although logically it should also have been amended.

INDICATOR No. 10.8 Entry into force of amendments to the Criminal Code and the Code of Criminal Procedure

The NEURC approved the following procedures and requirements:

- ➔ Procedure for Acquiring, Suspending, and Terminating the Status of a Data Transmission Administrator (Resolution No. 2613 of December 27, 2023);
- ➔ Procedure for the Operation of Insider Information Platforms (Resolution No. 137 of January 16, 2024);
- ➔ Requirements for Ensuring Integrity and Transparency in the Wholesale Energy Market (Resolution No. 614 dated March 27, 2024) (On August 23, 2024, the NEURC published a draft amendment to the Requirements; the period for submitting comments and proposals lasted until September 9, and a public hearing will be held on October 31);
- ➔ Procedure for Submitting Information on Commercial Transactions Involving Wholesale Energy Products (Resolution No. 618 of March 27, 2024).

On October 2, the Cabinet of Ministers of Ukraine approved the technical specifications for the development of an information system to support the NEURC's functions, thereby completing this indicator.

INDICATOR No. 15.10 Adoption and Entry into Force of the Law of Ukraine on the Prevention, Reduction, and Control of Industrial Pollution

In late April 2024, the Ministry of Environmental Protection published a draft concept note for public discussion. The collection of comments and proposals lasted until May 30. According to the position articulated by the Ministry of Ecology during the public discussion held on May 14, 2024, the purpose and objective of the memorandum are to consolidate all existing exemptions from EIA procedures into a single document, to identify the authority responsible for deciding on such exemptions, to specify the period of application for the exemptions, and to provide justification for the reasons behind their application.

On September 18, the Ministry of Environmental Protection published the final version of the Concept Note, which defines the scope of exemptions from EIA and SEA regulations.

INDICATOR No. 13.1. Adoption of the Law of Ukraine "On Amendments to the National Program for the Development of Ukraine's Mineral Resource Base for the Period until 2030"

As part of the reform to improve planning and ensure optimal conditions for attracting strategic investors, one of the steps is the adoption of the Law of Ukraine "On Amendments to the National Program for the Development of Ukraine's Mineral Resource Base for the Period until 2030."

On December 18, the Verkhovna Rada adopted, in the second reading and as a whole, the updated State Program for the Development of Ukraine's Mineral Resource Base through 2030. Thus, the indicator is considered fulfilled.

Status of Implementation of Ukraine's Plan Indicators for the Fourth Quarter of 2024

Full reports on implementation are available here: [rrr4u.org/analytics]

INDICATOR No. 2.1. Approval of the Strategic Plan for the Digitalization of the State Tax Service

As part of the implementation of this indicator, the adoption of the Strategic Plan for the Digitalization of the State Tax Service was envisaged, taking into account the recommendations set forth in the National Revenue Strategy through 2030.

At the end of 2024, the Ministry of Finance published the Plan, which includes measures previously mentioned in the National Revenue Strategy. Integration with the DAC7 international information exchange system must also be ensured.

Stakeholders should focus on ensuring that the State Tax Service's implementation of the initiatives outlined in the document is monitored, as the assessment of the Plan's effectiveness currently falls under the responsibility of the State Tax Service, together with the Ministry of Finance and the Ministry of Digital Transformation.

INDICATOR No. 3.6. Legislation to improve the bankruptcy regime has entered into force

This indicator is part of reforms to insolvency regulation and the enforcement of court decisions.

The new legislation should focus on preventing bankruptcy and restoring debtors' solvency, the timely identification of signs of crisis at a company, the identification of additional opportunities for restoring companies' solvency, and the availability of information for companies on mechanisms for preventing insolvency and early warning.

On September 19, 2024, the Verkhovna Rada adopted the relevant law (Bill No. 10143 of October 12, 2023). The President signed the law on September 22. The law entered into force on January 23, 2025.

INDICATOR No. 6.1. Adoption of a State Property Policy and Ranking of State-Owned Companies

In March 2024, a law came into force that updated the rules for managing state-owned enterprises (Indicator 6.2). On November 29, 2024, the government approved the State Property Policy.

The policy sets out the basic principles for managing state-owned enterprises and the procedure for classifying them into those that will remain in state ownership to ensure the achievement of public policy objectives, and those that will be privatized, liquidated, or reorganized for partial privatization. It also defines the category of enterprises that will remain in state ownership during a state of martial law.

On December 27, 2024, the Government approved, by a protocol decision, lists of state-owned enterprises categorized by type.

INDICATOR No. 7.5. Approval of two strategies: the Strategy for Reforming Psychoneurological and Other Residential Institutions and Deinstitutionalizing Care for Persons with Disabilities and the Elderly, and the Strategy for Ensuring the Right of Every Child in Ukraine to Grow Up in a Family Environment for 2024–2028

This indicator is part of the reform to improve social infrastructure.

The Strategy for Ensuring the Right of Every Child in Ukraine to Grow Up in a Family Environment was approved by Cabinet of Ministers Order No. 1201-r of November 26, 2024.

The Strategy for Reforming Residential and Psychoneurological Institutions for Adults was approved by Cabinet of Ministers Order No. 1315-r of December 24, 2024.

Status of Implementation of Ukraine's Plan Indicators for the Fourth Quarter of 2024

Full performance reports are available here: rrr4u.org/analytics

INDICATOR No. 8.7. Enactment of legislation to resume market surveillance and control measures for non-food products, including product safety inspections

To resume market surveillance and control measures for non-food products, including product safety inspections, Cabinet of Ministers Resolution No. 261 of March 8, 2024, "On Amending Cabinet of Ministers of Ukraine Resolutions No. 303 of March 13, 2022, No. 303 and No. 550 of May 3, 2022."

INDICATOR No. 9.6. Entry into force of legislation for the development of urban planning at the local level

To fulfill this indicator, the Cabinet of Ministers of Ukraine adopted Resolution No. 254 dated March 5, 2024, "Certain Issues Regarding the Implementation of a Pilot Project to Create the Unified State Register of Administrative-Territorial Units and Territories of Territorial Communities, the Unified State Register of Addresses, the Register of Buildings and Structures as part of the Unified State Electronic System in the Field of Construction."

Another act of the Cabinet of Ministers of Ukraine, namely Resolution No. 909 dated August 9, 2024, regulated the implementation of a pilot project to introduce an Urban Planning Cadastre at the national level.

CMU Resolution No. 1111 dated September 26, 2024, introduced the concept of an administrator of the Urban Planning Cadastre and the electronic system for the pilot project and defined their powers.

The digitization of urban planning services—in particular, the project to implement a digital Urban Planning Cadastre at the national level—is significant because it effectively consolidates previously scattered urban planning documentation that existed in paper form across various local government bodies.

INDICATOR No. 10.2. Introduction of a market-based approach to renewable energy

On March 1, the Cabinet of Ministers approved Resolution No. 232, which provides for improvements to the procedure for conducting auctions to allocate support quotas for renewable energy facilities.

On August 13, the Cabinet of Ministers issued a corresponding order establishing an additional annual support quota for 2024 in the amount of 110 MW.

On November 29, the Cabinet of Ministers approved the 2025 schedule for auctions to allocate renewable energy support quotas, as well as projected indicators for renewable energy support quotas through 2029.

INDICATOR No. 10.10. Ensuring the Independence of the NEURC

The regulator has developed an Action Plan to ensure its independence in accordance with Ukraine's international obligations.

On December 27, 2023, the NEURC approved the draft Law of Ukraine "On Amendments to Certain Laws of Ukraine Regarding Strengthening the Regulator's Independence in the Energy and Utilities Sectors." With this decision, the Regulator began implementing the Action Plan.

Law No. 3915-IX of August 21, 2024, amended Law No. 3354-IX "On Lawmaking Activities," thereby exempting the NEURC from the requirement to obtain judicial approval of its decisions. This resolves the conflict with the provisions of Part 6 of Article 14 of the Law on the NEURC. However, while the Law "On Lawmaking Activities" has just entered into force, most of its provisions—in particular those concerning the NEURC's functional independence—will take effect one year after the termination of martial law.

Status of Implementation of Ukraine's Plan Indicators for the Fourth Quarter of 2024

Full performance reports are available here: rrr4u.org/analytics

INDICATOR No. 11.1. Adoption of the updated National Transport Strategy of Ukraine for the period up to 2030

The strategy aims to achieve the following objectives, which are consistent with the requirements of Ukraine Plan:

- ➔ restoring and developing a competitive and efficient transportation system integrated into the Trans-European Transport Network (TEN-T);
- ➔ high-quality passenger transportation and unimpeded mobility;
- ➔ energy-efficient transportation that is safe for people and the environment, with a focus on decarbonization;
- ➔ institutional capacity, human capital, and effective governance.

Ukraine's National Transport Strategy for the period up to 2030 and the operational action plan for its implementation in 2025–2027 were adopted by the Cabinet of Ministers on December 27, 2024 (Resolution No. 1550).

INDICATOR No. 11.2. Adoption of the Strategy for the Development and Expansion of Border Infrastructure with European Union Member States and Moldova through 2030

On December 24, 2024, the Cabinet of Ministers of Ukraine, by Order No. 1337-r, approved the Strategy and the operational plan for its implementation for 2024–2030.

The Strategy aims to build 17 and modernize 29 border crossing points with EU countries and Moldova. Ukraine also aims to conclude a joint control agreement with each of the EU's neighboring countries. The "E-Queue" project is to be expanded to all road border crossing points. In addition, Ukraine's first scanners for inspecting rolling stock are to be purchased and put into operation.

Doubts about the feasibility of the project arise regarding the reconstruction of Ukrainian rail tracks to meet European standards. For instance, while approximately 3 km of track was reconstructed in 2024, this figure is expected to reach 100 km just two years later. Given the high cost and chronic lack of funding, implementing this measure may prove challenging.

INDICATOR No. 12.1. Adoption of the Strategy for the Development of Agriculture and Rural Areas for the Period up to 2030

The government approved the final version of the Strategy on November 15, 2024.

The Strategy aims to achieve food security, ensure the sustainability of the agricultural sector, and promote the efficient use of land.

INDICATOR No. 12.5. The Law on the State Agrarian Register has entered into force

This indicator is part of a reform designed to improve the official public electronic registry of farms.

On September 19, 2024, the Verkhovna Rada adopted the law, which the President signed on October 17.

INDICATOR No. 13.1. Adoption of the Law of Ukraine "On Amendments to the National Program for the Development of Ukraine's Mineral Resource Base for the Period until 2030"

As part of the reform to enhance Ukraine's investment attractiveness, one of the steps is the adoption of the Law of Ukraine "On Amendments to the National Program for the Development of Ukraine's Mineral Resource Base for the Period until 2030."

On December 18, the Verkhovna Rada adopted, in the second reading and as a whole, the updated national program for the development of Ukraine's mineral resource base through 2030.

Status of Implementation of Ukraine's Plan Indicators for the Q1 2025

Full performance reports are available here: rrr4u.org/analytics

INDICATOR No. 1.1. Enactment of legislation on civil service pay reform

Indicator 1.1 calls for the entry into force of legislation consistent with the principles of public administration set forth in the OECD SIGMA program. The reform provides for:

- the introduction of a pay system based on the functional classification of positions;
- the division of wages into a guaranteed component and a variable component;
- a reduction in the seniority allowance from 50% to 30%.

Some of these changes for 2024 have already been implemented by the Cabinet of Ministers of Ukraine Resolution "Issues of Civil Servant Compensation Based on Job Classification in 2024." At the same time, these changes are systematically defined by the Law itself: the corresponding draft law No. 8222 was adopted in principle as early as July 28, 2023, and was passed in its entirety on March 11, 2025, before being sent to the President for signature on March 17. The President signed the draft law only on June 3. The law's entry into force enabled the government to adopt two resolutions on June 6:

- On the Approval of the Procedure for Forming the Civil Servants' Pay Fund in a Government Agency
- On Amending Resolution No. 1409 of the Cabinet of Ministers of Ukraine dated December 29, 2023.

Therefore, the indicator has been met, but with a delay.

INDICATOR No. 4.7. Entry into force of the law on reforming ARMA

To implement this indicator, it is proposed to adopt a law reforming the National Agency for the Identification, Tracing, and Management of Assets Derived from Corruption and Other Crimes (ARMA), with subsequent entry into force. The law should focus on:

- ➔ a transparent and merit-based selection process for the agency's director;
- ➔ an independent external performance evaluation system;
- ➔ a transparent procedure for managing and selling seized assets.

The Verkhovna Rada adopted it in its entirety on June 18, 2025. However, the law adopted by the Rada was delayed in its promulgation—the Chairman of the Verkhovna Rada of Ukraine signed the law on July 15, 2025, and the President of Ukraine signed it on July 27, 2025.

On July 30, 2025, Law of Ukraine No. 4503-IX entered into force, meaning that **the** relevant **indicator was fulfilled with a delay.**

INDICATOR No. 9.1. Entry into force of legislation on reforming the territorial organization of the executive branch

Legislation to fulfill this indicator should focus on restructuring local state administrations (LSAs) into prefectural-type bodies in order to establish a balanced system for ensuring the rule of law in the activities of local self-government bodies and to ensure coordination among the territorial bodies of central executive authorities in the implementation of state policy at the local level.

On October 8, 2025, law No. 14048 was adopted by the Verkhovna Rada in the first reading. On November 5, 2025, the Verkhovna Rada adopted law No. 14048 in its entirety. On November 10, the law was signed by the President of Ukraine, and on November 12, it entered into force as Law of Ukraine No. 4677-IX. The provisions of the Law will take effect 12 months after the termination or repeal of martial law. Thus, **the indicator is considered fulfilled with a delay.**

Status of Implementation of Ukraine's Plan Indicators for the Q1 2025

Full implementation reviews are available here: rrr4u.org/analytics

INDICATOR No. 6.6. Adopt a roadmap for the separation of public service obligations (PSO) from other activities

The Government must adopt and publish a roadmap for the mandatory structural separation of activities related to the fulfillment of public service obligations (PSO) from activities not related to the fulfillment of such obligations for all state-owned companies entrusted with public service obligations.

The action plan for separating the activities of public-sector entities entrusted with public service obligations from the performance of such obligations and from activities not related to their performance was adopted by the Cabinet of Ministers on April 4, 2025.

INDICATOR No. 7.2. Entry into force of the law on preschool education

Today, one of the obstacles to business activity is a shortage of labor. At the same time, studies show that the rate of women's participation in the labor force remains lower than in many developed countries. One of the reasons is the lack of access to quality preschool education.

That is why one of the indicators of the Ukraine Plan is a reform aimed at improving access to quality preschool education in order to attract women with preschool-aged children to the labor market.

The relevant law was already adopted by parliament in June 2024. It addresses the issues outlined in the Ukraine Plan, which can be considered fulfillment of this indicator. The law took effect on January 1, 2025.

INDICATOR No. 7.11. Adoption of the Strategy for the Development of Ukrainian Culture

Ukraine lacks a comprehensive policy for the development of Ukrainian culture, even though these issues can now be classified as security concerns. These issues were raised several times during public consultations on the preparation of Ukraine Plan.

Thus, in accordance with the Plan, the government committed to adopting a Strategy for the Development of Ukrainian Culture.

In the summer, the relevant ministry invited experts and scholars to provide recommendations for the future draft Strategy. The first discussions on the draft Strategy took place in December.

In February 2025, the Ministry held several public discussions on the Strategy. In March, the text of the Strategy was finalized.

The Cabinet of Ministers of Ukraine approved the Strategy for the Development of Culture on time (March 28, 2025).

INDICATOR No. 9.4. Entry into force of legislation on public consultations on public policy issues

This indicator provides for the entry into force of the Law of Ukraine "On Public Consultations," with its implementation to begin within 12 months of the date of termination or repeal of martial law in Ukraine. The law will establish a legal framework for conducting public consultations during the formulation and implementation of public policy and the resolution of issues of local significance, thereby creating the conditions for coordinated, effective, and results-oriented policy-making.

The corresponding law was adopted in June 2024. In October, the law was finally signed by the President.

As provided for in Ukraine Plan, it is proposed that this law take effect 12 months after the termination or lifting of martial law.

Status of Implementation of Ukraine's Plan Indicators for the Q1 2025

Full implementation reviews are available here: rrr4u.org/analytics

INDICATOR No. 12.3. An automated system for public monitoring of land relations has been put into operation. A mass land valuation has been conducted

This indicator calls for the implementation of an automated system for monitoring land relations and the conduct of a mass land valuation.

The necessary regulatory framework for both components of the indicator was adopted in 2023. Public monitoring of land transactions has been operating on a limited basis since 2021 and is scheduled to be fully operational by the end of March; however, as of March 24, it has not been made public.

At the end of March 2025, the portal for the automated system of public monitoring of land relations went live, and as of April 28, 2025, it is operating in test mode with limited functionality.

INDICATOR No. 12.7. A long-term development plan for Ukraine's irrigation system has been adopted

The plan for the development of the irrigation system sets an ambitious goal: it will use the method of total economic benefits, aligned with water resources management based on a basin approach, grounded in an environmental impact assessment and strategic environmental reform.

The long-term development plan for Ukraine's irrigation system through 2050 and the action plan for its implementation through 2030 were approved at a government meeting on March 25, 2025.

INDICATOR No. 13.5. Updating the Subsurface User's Electronic Account

As part of the reform, the State Service of Geology and Subsurface Resources must update the subsurface user's electronic account, digitize secondary geological information, and ensure the issuance of digital special permits for subsurface use.

On March 28, 2023, the Ministry of Ecology and Natural Resources approved, by a corresponding order, the Regulations on the Subsurface User's Electronic Portal, which define the general principles of its operation. On May 19, 2023, the Cabinet of Ministers approved the Procedure for the Maintenance, Operation, and Access to Information of the Unified State Electronic Geoinformation System for Subsurface Use, developed in accordance with Law No. 2805-IX of December 1, 2022.

Regarding digitization, the first phase of the project with the EBRD has been implemented—the necessary technical equipment and software have been purchased, and the first 6,000 volumes of geological reports have been scanned and published on an interactive map.

On April 1, the State Register of Special Permits for Subsurface Use (order of the State Geological Service) began full-scale operation. Thus, the indicator is considered fulfilled—despite the fact that, during the period of martial law, access to the resource is temporarily restricted, with the exception of law enforcement agencies, state authorities, and local self-government bodies.

INDICATOR No. 14.1. Approval of a new plan for the allocation and use of radio frequencies in Ukraine

A resolution of the Cabinet of Ministers is to enter into force and specify the radio technologies permitted for use in Ukraine, specifying the radio frequency bands and the radio services to which they correspond, as well as the deadlines for ceasing their development and use, and a list of promising radio technologies for implementation in Ukraine, specifying the radio frequency bands and the radio services to which they correspond, as well as the conditions for their implementation in accordance with the acquis.

The government adopted the necessary Resolution No. 1253 on November 1, 2024; therefore, the indicator can be considered fulfilled.

Status of Implementation of Ukraine's Plan Indicators for the Q1 2025

Full implementation reviews are available here: rrr4u.org/analytics

INDICATOR No. 14.2. Entry into force of legislation to strengthen the cybersecurity capabilities of state information resources and critical information infrastructure assets

Regulatory acts are to enter into force to ensure alignment with the NIS and NIS2 Directives.

These acts should focus on the following areas:

- ➔ regulating the implementation of measures aimed at establishing an adequate legal framework for carrying out actions to prevent, detect, and stop acts of aggression in cyberspace in the context of Russia's war against Ukraine;
- ➔ strengthening the protection of state information resources and critical information infrastructure against cyberattacks;
- ➔ comprehensive improvement of the regulatory and legal framework in the field of cybersecurity and information protection to strengthen the capabilities of the national cybersecurity system to counter cyber threats.

The corresponding Law No. 4336-IX entered into force on April 20, 2025—three weeks later than scheduled.

INDICATOR No. 14.3. Approval of an action plan to transition public services to electronic form by 2026

To this end, the Cabinet of Ministers should develop and adopt a resolution approving an action plan for the transition of public services to electronic form by 2026, with subsequent entry into force.

The action plan should focus on the following key areas: recovery; education; healthcare; services for veterans; services for military personnel; customs; and social services. On March 21, 2025, at its meeting, the Cabinet of Ministers approved the Action Plan by decree.

INDICATOR No. 15.2. Entry into force of the Law "On the Basic Principles of State Climate Policy"

The adoption of a framework climate law is important given the need to bring legislation into line with the requirements of EU law, in particular Regulation (EU) 2021/1119, which establishes the framework for achieving climate neutrality, and Regulation (EU) 2018/1999 on the governance of the Energy Union and on mitigating the effects of climate change, as well as to implement the action plan for carrying out the European Commission's recommendations set forth in the Report on Ukraine's Progress within the Framework of the 2023 EU Enlargement Package, approved by Order of the Cabinet of Ministers No. 133-r dated February 9, 2024.

On October 8, 2024, the Verkhovna Rada of Ukraine adopted in its entirety the Law "On the Basic Principles of State Climate Policy" (Reg. No. 11310), submitted by the Cabinet of Ministers in late May 2024, and on October 25, the Law was signed by the President. The law entered into force on the day following its publication (October 30, 2024), with the exception of Articles 14 and 21.

INDICATOR No. 15.5. Approval of the Action Plan for the Establishment of a National Greenhouse Gas Emission Allowance Trading System

The development and submission by the Ministry of Environmental Protection of a draft order approving the action plan for the establishment of a national greenhouse gas emissions trading system (ETS) is provided for in the Government's 2024 Priority Action Plan.

In November, a draft action plan for establishing the ETS was published on the Ministry of Environmental Protection's website. On December 30, 2024, the Ministry of Environmental Protection announced the completion of the public consultation process. On February 21, 2025, the Government approved the plan for implementing the ETS.

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Full performance reviews are available here: rrr4u.org/analytics

INDICATOR No. 5.4. Improvements in Addressing Non-Performing Loans (NPLs)

A Strategy for the Resolution of Non-Performing Loans, developed in accordance with current EU legislation, is to be approved. The strategy should focus on the following key areas:

- ➔ strengthening prudential requirements;
- ➔ exchanging data on non-performing loans;
- ➔ reviewing potential obstacles and developing measures to improve the framework for restructuring and resolving non-performing loans.

The Strategy for Resolving Non-Performing Loans was approved as a separate section of the Credit Development Strategy.

INDICATOR No. 7.1. Enactment of the Law on Vocational Education

The Law on Vocational Education should establish fair rules governing the operations of educational institutions in the vocational education services market. It should also expand the institutional capacity of educational institutions to provide formal and non-formal vocational education. It is also important to regulate the relationships between vocational education institutions and national, local, and international stakeholders to ensure the sustainable development of human capital in Ukraine.

The draft law on vocational education presented in April 2024 by the Ministry of Education and Science did not meet all of these requirements. Therefore, an updated version of the draft law was prepared. On April 16, 2025, the Verkhovna Rada adopted the draft Law of Ukraine "On Vocational Education" (No. 13107-d) as a basis.

On August 21, 2025, the law was finally adopted by deputies and sent to the President for signature on the same day. The President signed the law on September 9, 2025.

INDICATOR No. 7.10. Adoption of a CMU resolution on the procurement of social services

The resolution should provide for:

- ➔ a transition from funding institutions to a results-oriented model for the procurement of social services;
- ➔ the introduction of a mechanism for procuring specific social services from registered public and private social service providers based on established social service standards and criteria for providers.

The Cabinet of Ministers adopted the relevant resolution on June 25, 2025.

INDICATOR No. 8.4. Adoption of an SME Strategy and an Action Plan for Its Implementation

On August 30, the government approved the Strategy for the Recovery, Sustainable Development, and Digital Transformation of Small and Medium-Sized Enterprises for the period up to 2027 and its accompanying Operational Plan. The Strategy sets out four strategic objectives: business recovery and facilitation, promoting innovation and the green transition, developing entrepreneurship education and culture, and strengthening competitiveness in domestic and foreign markets.

The program's performance indicators, among other things, call for an increase in goods exports to 60 bn euros by 2027, of which 35 bn euros will go to the EU through an increase in the number of SME exporters to 35,000. The plan also calls for a reduction in unemployment to 11% and an increase in the share of sales via e-commerce to 20%. In the field of science and education, the plan aims to increase the R&D intensity of GDP to 0.7% by raising spending on scientific activities to 470 m euros and ensuring that 1.7 m entrepreneurs have upgraded their qualifications, either fully or partially, at public expense.

Status of Implementation of Ukraine's Plan Indicators for the Q2 2025

Full performance reviews are available here: rrr4u.org/analytics

INDICATOR No. 9.2. Study on the measures necessary to grant local communities legal entity status

This involves the approval and publication on the Ministry of Recovery's web portal of a study on the necessary measures to grant territorial communities the status of a legal entity.

On June 13, the Ministry of Community and Territorial Development of Ukraine hosted a presentation of the study "The Community as a Legal Entity Under Public Law." The study outlines the grounds for and consequences of granting this status to communities, as well as proposals for legislative changes to implement such a decision.

INDICATOR No. 10.4. Implementation of the Roadmap for the Process of Separating the Renewable Energy Surcharge from the Transmission Tariff

In accordance with Ukraine's Plan, the development of a Roadmap for the process of separating the renewable energy surcharge from the transmission tariff—including the identification of necessary legislative acts and implementation deadlines—has been entrusted to the NEURC (subject to approval). On February 18, the Government approved the Priority Action Plan for 2025, under which the NEURC, subject to approval, is to submit a draft order approving the roadmap in June 2025.

Following a review at a meeting of the Government Committee on May 28, 2025, the draft order was finalized.

On June 25, the Cabinet of Ministers approved the Roadmap for Separating the Renewable Energy Surcharge from the Electricity Transmission Tariff and the Action Plan for Implementing the Roadmap for Separating the Renewable Energy Surcharge from the Electricity Transmission Tariff for 2025 and 2026.

INDICATOR No. 13.3. Publication of a portfolio of investment projects for the extraction of critical raw materials

It is necessary to publish a portfolio of investment projects in the extractive sector related to critical raw materials, and to prepare and promote a list of subsoil plots offered through electronic auctions and production-sharing agreements (PSAs) for solid minerals.

Cabinet of Ministers Resolution No. 132 of February 14, 2023, approved a list of subsoil plots (deposits) that are of strategic importance for the sustainable development of the economy and the country's defense capabilities, which will be granted for use through competitive bidding for the conclusion of production-sharing agreements.

On August 15, 2024, the State Service of Geology and Subsurface Resources of Ukraine published a draft resolution of the Cabinet of Ministers for public comment. Additionally, in 2024, Ukraine's Critical Raw Materials Portfolio was published, featuring a list of investment opportunities in this sector, along with a presentation titled "Ukraine: Mining Investment Opportunities."

On March 4, 2025, the State Service of Geology and Subsoil published a new draft resolution of the Cabinet of Ministers. The annexes include two lists of subsoil plots—those to be granted for use through e-auctions and those to be granted for use through tenders for the conclusion of PSA agreements. The second list almost entirely duplicates the current CMU Resolution No. 132 of February 14, 2023, with the exception of one plot (potash salts), which is proposed to be replaced by another. A revised regulatory impact analysis was published on April 9.

On July 14, 2025, the Cabinet of Ministers of Ukraine approved lists of critical and strategic minerals, as well as 60 subsoil plots for auctions and 26 plots for production-sharing agreement (PSA) tenders. In addition, the State Geology and Subsoil Agency's website features a portfolio of investment projects for the extraction of critical raw materials, which, according to the Ministry of Economy's dashboard for monitoring the implementation of Ukraine's Plan indicators, is considered fulfillment of the indicator.

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Full implementation reviews are available here: rrr4u.org/analytics

INDICATOR No. 13.4. Launching international tenders for the conclusion of production-sharing agreements (PSAs) and ensuring their transparency

International tenders for the conclusion of production-sharing agreements (PSAs) must be launched using the model terms and conditions for such agreements, as approved and published by the Cabinet of Ministers of Ukraine. The transparency of the tenders and the PSAs themselves is ensured through open access to the terms and content of the agreements.

Resolution No. 132 of the Cabinet of Ministers of Ukraine dated February 14, 2023, approved a list of subsoil plots (deposits).

On April 8, the Cabinet of Ministers approved the proposals of the Interagency Commission on the Organization of the Conclusion and Implementation of PSA regarding the conduct of a tender for the conclusion of an agreement on the production sharing of hydrocarbons to be extracted from the Mezhigorsk and Svichansk *oil and gas-bearing subsoil* blocks.

On August 18, the Cabinet of Ministers presented a draft Government Action Program. The document calls for the drafting and submission to the Cabinet of Ministers of Ukraine by December 2025 of a law establishing a legislative mechanism for granting the right to use subsoil areas (deposits) of mineral resources under PSA terms (excluding hydrocarbons) (Amendments to the Law "On Production Sharing Agreements").

On August 13, the Cabinet of Ministers announced a new tender for the conclusion of a hydrocarbon production-sharing agreement within the Mezhigorsk block, and on August 27, the Government announced the launch of a tender for the conclusion of a production-sharing agreement for the "Dobra" block in the Kirovohrad region. According to the decision, a tender announcement will be published within two months, and the application period will last three months, after which the winner will be selected. In light of this, we consider the indicator to have been met with a delay.

INDICATOR No. 15.6. Restoration of the mandatory emissions trading system

This indicator aims to implement reforms to introduce market-based mechanisms for emissions pricing.

To improve the MRV system, and taking into account the specific circumstances of wartime, the Cabinet of Ministers, at its meeting on November 14, 2023, adopted Resolution No. 1203, which refines the requirements for monitoring, reporting, and verifying greenhouse gas emissions in Ukraine.

As noted, the changes improve MRV processes and simplify requirements for operators for the duration of martial law. Specifically, the deadlines for submitting monitoring plans in the event of changes are doubled; the "transition period" is extended; and laboratory requirements are adjusted.

On October 1, the Ministry of Ecology and Natural Resources, in collaboration with GIZ, launched training sessions on MRV. On November 21, the Verkhovna Rada approved draft law No. 12131 in its first reading, which provides for the reinstatement of the mandatory MRV system. On January 8, 2025, the law was adopted in its second reading and as a whole. The law entered into force on February 1, 2025.

INDICATOR No. 3.8. Improving the enforcement of court decisions. The law on the digitization of enforcement proceedings has entered into force

The indicator is considered fulfilled upon the entry into force of the law on the enforcement of court decisions regarding property and non-property obligations and the subsequent digitization of enforcement proceedings.

On November 4, 2025, the Verkhovna Rada adopted law No. 14005 in the first reading, with revisions to its provisions. Thus, as of the end of March 2026, the indicator remains unmet.

On April 7, 2026, the Verkhovna Rada approved law No. 14005, and on April 21, it was signed by the President of Ukraine. However, its provisions partially entered into force on April 23, 2026, and will fully enter into force on October 23, 2026. Thus, the indicator has been implemented with a delay.

Status of Implementation of Ukraine's Plan Indicators for the Q3 2025

Full performance reports are available here: rrr4u.org/analytics

INDICATOR No. 3.2.1 Entry into force of the Law on New Courts for the Adjudication of Administrative Cases; commencement of a transparent selection process for judges

On February 26, 2025, Parliament approved law No. 12368-1 in its entirety. Consequently, Ukraine is set to establish the Kyiv City District Administrative Court as a court of first instance and the Kyiv City Administrative Court of Appeals, which will serve as the court of appeals.

Following consultations with the High Council of Justice, which endorsed the law on April 29, 2025, the President submitted Draft Law No. 13302 on the establishment of the courts to the Verkhovna Rada on May 19, 2025. The law was adopted on September 16, 2025, and entered into force on October 2, 2025. On October 29, 2025, the High Qualification Commission of Judges of Ukraine announced a competition for 27 judicial positions: 17 in the district court and 10 in the appellate court. The indicator was achieved with a delay.

INDICATOR No. 8.8. Adoption of harmonized standards for three groups of industrial products

It is necessary to adopt standards for three groups of industrial products (machinery, electromagnetic compatibility of equipment, and low-voltage electrical equipment) through the translation method.

According to data from the Ukrainian National Scientific and Technical Center, a number of standards regarding electromagnetic compatibility, machinery, and low-voltage equipment have been adopted by translation and are currently in force. Thus, we consider this indicator to have been met.

INDICATOR No. 13.2. Publication of a report on the results of the verification of strategic mineral reserves in Ukraine

This indicator aims to improve planning and ensure optimal conditions for attracting strategic investors. To fulfill this indicator, the State Service of Geology and Subsoil must publish a report on the verification/reassessment of reserves of critical minerals in Ukraine, taking into account international classification systems, and the results must be made publicly available to investors.

On September 19, 2025, the State Service of Geology and Subsoil published the "Report on the Verification of Reserves of Strategic and Critical Minerals," taking into account the United Nations Framework Classification of Resources (UNFC).

INDICATOR No. 15.9. Adoption of the National Waste Management Plan by 2033

This indicator calls for the adoption of a Cabinet of Ministers resolution "On the Approval of the National Waste Management Plan of Ukraine through 2033."

This plan was approved by Resolution No. 1353-r of the Cabinet of Ministers of Ukraine dated December 27, 2024. On August 8, the Cabinet of Ministers approved amendments to Ukraine's Plan, which provide for postponing the indicator's deadline to the Q3 2025. Thus, the indicator is considered to have already been achieved.

INDICATOR No. 5.2. Entry into force of legislation on the sale of state-owned banks

This indicator calls for the entry into force of amendments to the rules governing the sale of state-owned banks. Specifically, it is proposed to update Law No. 4524-VI, which sets forth the specific provisions for the sale of stakes in state-owned banks. The updated legislation should allow for the sale of both minority and majority stakes in banks, as well as the sale of entire banks, in accordance with the priorities set by international partners. To fulfill this indicator, Law No. 3983-IX "On the Specifics of Selling State-Owned Shareholdings in the Authorized Capital of Banks" entered into force in October 2024. In the Ministry of Economy's updated monitoring report, this indicator is marked as fulfilled. In the revised Plan for Ukraine, the target date for fulfilling this indicator has been moved to the Q3 2025.

Status of Implementation of Ukraine's Plan Indicators for the Q3 2025

Full performance reports are available here: rrr4u.org/analytics

INDICATOR No. 2.8. Implementation of the Roadmap for Reforming the Public Investment Management System

A section on public investment projects has already been created on the DREAM portal. In June, the Cabinet of Ministers of Ukraine approved the Medium-Term Plan for Priority Public Investments for 2026–2028, which is closely linked to the Budget Declaration for those years.

The plan's key measures are being implemented on schedule.

INDICATOR No. 8.8. Adoption of harmonized standards for three groups of industrial products

It is necessary to adopt standards for three groups of industrial products (machinery, electromagnetic compatibility of equipment, and low-voltage electrical equipment) through the transposition method.

According to data from the Ukrainian National Scientific and Technical Center, a number of standards regarding electromagnetic compatibility, machinery, and low-voltage equipment have been adopted by transposition and are currently in force. Thus, we consider this indicator to have been met.

INDICATOR No. 13.2. Publication of a report on the results of the verification of strategic mineral reserves in Ukraine

This indicator aims to improve planning and ensure optimal conditions for attracting strategic investors. To fulfill this indicator, the State Service of Geology and Subsoil must publish a report on the verification/reassessment of reserves of critical minerals in Ukraine, taking into account international classification systems, and the results must be made publicly available to investors.

On September 19, 2025, the State Service of Geology and Subsoil published the "Report on the Verification of Reserves of Strategic and Critical Minerals."

INDICATOR No. 15.9. Adoption of the National Waste Management Plan through 2033

This indicator calls for the adoption of a Cabinet of Ministers resolution "On the Approval of Ukraine's National Waste Management Plan through 2033."

This plan was approved by Cabinet of Ministers of Ukraine Decree No. 1353-r dated December 27, 2024. On August 8, the Cabinet of Ministers approved amendments to Ukraine's Plan, which provide for postponing the indicator's deadline to the Q3 2025. Thus, the indicator is considered to have already been met. The National Waste Management Plan is subject to review every 4 years from the date it enters into force.

INDICATOR No. 5.2. Entry into force of legislation on the sale of state-owned banks

This indicator calls for the entry into force of amendments to the rules governing the sale of state-owned banks. Specifically, it is proposed to update Law No. 4524-VI, which sets forth the specific provisions for the sale of stakes in state-owned banks. The updated legislation should allow for the sale of both minority and majority stakes in banks, as well as the sale of entire banks, in accordance with the priorities set by international partners. To fulfill this indicator, Law No. 3983-IX "On the Specifics of Selling State-Owned Shareholdings in the Authorized Capital of Banks" entered into force in October 2024. In the Ministry of Economy's updated monitoring report, this indicator is marked as fulfilled.

In the revised Plan for Ukraine, the target date for fulfilling this indicator has been moved to the Q3 2025.

Status of Implementation of Ukraine's Plan Indicators for the Q3 2025

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INDICATOR No. 3.1. At least 20% of judicial vacancies have been filled

The indicator will be considered achieved if at least 20% of the judicial vacancies existing as of October 16, 2023 (total number of vacant positions: 2,205) are filled in accordance with the amended legislation.

According to data from the High Qualification Commission of Judges of Ukraine, as of December 23, 2025, the situation regarding the filling of vacancies is as follows:

- ➔ the number of vacant judicial positions in the courts as of October 16, 2023, was 2,205 (20% — 441 vacancies);
- ➔ the number of positions filled between October 16, 2023, and December 23, 2025, was 453.

Thus, **Indicator 3.1 has been met with a delay**.

INDICATOR No. 10.5. Adoption of legislation for the Electricity Integration Package

To fulfill this indicator, legislation must be adopted to transpose the provisions of the Electricity Integration Package. The legislation, which is to enter into force, must align Ukraine's national legislation with the Electricity Integration Package, which was incorporated into the Energy Community's acquis in December 2022.

On July 22, Draft Law No. 12087-d was adopted in the first reading. On August 8, the Cabinet of Ministers approved amendments to Ukraine's Plan, which provide for postponing the indicator's deadline to the Q3 2025. On April 7, 2026, the law was adopted in the second reading and signed by the President on April 20. The law entered into force on April 23. However, according to the established deadlines, the indicator was not met on time.

INDICATOR No. 12.4. Entry into force of legislation on state support for agriculture in Ukraine

This indicator calls for the adoption of amendments to the Law on State Support for Agriculture. According to the indicator, the law will define:

- ➔ New measures to support agriculture and its sectors based on a SWOT analysis
- ➔ New approaches to supporting investments in small farms
- ➔ Financial support instruments involving international financial institutions
- ➔ Use of the State Agrarian Register to provide support

On April 21, the government submitted a draft law to the Verkhovna Rada that provides for the implementation of a number of provisions of EU regulations on the Common Agricultural Policy (CAP), the creation of an independent payment agency, the establishment of a Farm Sustainability Data Network (FSDN), and an Integrated Administration and Control System (IASK) for agricultural support. On November 4, Law No. 4619-IX, based on alternative draft law No. 13202-1, entered into force. The indicator was implemented with a delay.

INDICATOR No. 15.4. Approval of Ukraine's Second Nationally Determined Contribution to the Paris Agreement

To fulfill this indicator, a Cabinet of Ministers resolution approving Ukraine's second nationally determined contribution (NDC) to the Paris Agreement must enter into force. Additionally, according to the indicator's terms, Ukraine's second NDC to the Paris Agreement must be more ambitious than its current Updated NDC.

On October 29, the Cabinet of Ministers approved Ukraine's second Nationally Determined Contribution to the Paris Agreement, so the indicator was fulfilled with a delay.

Status of Implementation of Ukraine's Plan Indicators for the Q4 2025

Full reports on implementation are available here: rrr4u.org/analytics

INDICATOR No. 2.6. Adoption of a medium-term public debt management strategy

As a result of Russia's full-scale war against Ukraine, public and government-guaranteed debt is rapidly approaching 100% of GDP. In 2024, Ukraine restructured its Eurobonds. In December 2026, the government also restructured its warrants. Thus, key elements of the Public Debt Management Strategy for 2024–2026 were implemented.

Changes in key challenges and the implementation of a major component of the Strategy prompted the adoption of a new Strategy.

The Cabinet of Ministers approved **the Medium-Term Public Debt Management Strategy for 2026–2028** on December 24, 2025. Therefore, the indicator was met on time.

INDICATOR No. 2.9. Adoption and entry into force of amendments to Cabinet of Ministers resolutions on public financial control

To fulfill this indicator, amendments to legislative acts on public financial control must be adopted and enter into force regarding:

- ➔ enabling the State Audit Service to ensure that the agency has the means to protect the financial interests of the EU by applying international auditing standards;
- ➔ strengthening measures to monitor procurement procedures.

To fulfill this indicator, the Cabinet of Ministers of Ukraine adopted Resolution No. 1031 of September 6, 2024, "On Amending Cabinet of Ministers of Ukraine Resolutions No. 43 of February 3, 2016, and No. No. 1110," which provides for enhanced cooperation between Ukrainian authorities and EU institutions in the area of protecting financial interests.

On March 27, 2025, Alla Basalaeva, Head of the State Audit Service of Ukraine, and Marek Belka, Head of the Audit Council of the Ukraine Facility, signed a Memorandum intended to ensure close cooperation between the two institutions.

On November 13, 2025, the Cabinet of Ministers of Ukraine, by Resolution No. 1473 "On Amendments to Certain Resolutions of the Cabinet of Ministers of Ukraine Regarding the Activities of State Financial Control Bodies," amended the procedures for conducting audits and inspections.

On November 19, 2025, the Cabinet of Ministers of Ukraine approved the Procedure for Conducting State Financial Audits under Ukraine's International Agreements to Protect National Financial Interests and Those of the European Union. Thus, the indicator was met on time.

INDICATOR No. 3.3. 20% of pending disciplinary proceedings (cases) that had not been reviewed as of the end of 2023 have been resolved

Achieving this indicator is necessary to address the backlog of complaints for which the statute of limitations is about to expire. This will ensure that judges are held accountable for committed and proven disciplinary offenses.

According to data from the High Council of Justice's automated case management system, **as of the end of September 2025,** disciplinary inspectors of the High Council of Justice, in accordance with paragraph 13.7 of the Regulations of the High Council of Justice, disciplinary inspectors of the High Council of Justice had identified 79 complaints as priority cases (among those received by December 31, 2023), and **23** of these **complaints (29%) have already been reviewed**, which meets the established target.

Status of Implementation of Ukraine's Plan Indicators for the Q4 2025

Full performance reviews are available here: rrr4u.org/analytics

INDICATOR No. 3.4. Qualification assessments (reviews) have been conducted in a manner that ensures predictability, consistency, and transparency in disciplinary practices regarding judges

50% of the judges who were required to undergo a qualification assessment (review) as of September 30, 2016, must complete it in accordance with established procedures and with the involvement of the Public Integrity Council.

Achieving this indicator will make it possible to verify that judges' qualifications meet the requirements of their positions.

According to the High Council of Justice, the number of individuals appointed (elected) to judicial positions as of September 30, 2016, was 6,958; of these, as of September 22, 2025, the qualification assessment had been completed for 4,313 judges (62%) to fulfill indicator 3.4. Thus, the indicator was met on time.

INDICATOR No. 3.9. A system for collecting data on the enforcement of court decisions is operational

The implementation of a system for collecting data on the enforcement of court decisions will make it possible to track the progress toward enforcement, analyze the reasons for non-enforcement of court decisions, identify systemic problems, and ensure greater transparency and oversight of the activities of the State Enforcement Service and other entities responsible for enforcing court decisions.

On December 4, 2025, the Ministry of Justice announced the launch of the System for Collecting Data on the Enforcement of Court Decisions.

This section provides current and archived information (dating back to 2022) on the enforcement of court decisions.

Thus, the indicator should be considered achieved on time.

INDICATOR No. 5.6. Entry into force of the Law on Improving State Regulation of Capital Markets and Organized Commodity Markets

According to the indicator, the new law should bring the regulation of capital markets into line with IOSCO principles.

The law, aimed at improving the regulation of the state capital market, entered into force on April 27, 2024, although some provisions took effect on January 1, 2026, and others will take effect on January 1, 2028.

According to the Verkhovna Rada's Committee on European Integration, the provisions of the law generally comply with IOSCO principles, despite comments on certain provisions.

INDICATOR No. 7.8. Entry into force of the Law of Ukraine "On the Basic Principles of Housing Policy"

To fulfill this indicator, it is necessary to adopt the Law of Ukraine "On the Basic Principles of Housing Policy," which is intended to introduce modern principles of housing policy, increase housing affordability, regulate mechanisms for state support and rental housing, and ensure a transparent system for recording housing needs and monitoring. To this end, on January 6, 2025, law No. 12377 was submitted to the Verkhovna Rada, which provides for the implementation of European approaches to housing policy, the development of financial mechanisms for housing provision, public-private partnerships, and the creation of a Unified Housing Information and Analytical System.

On January 13, the law was finally passed by the deputies. On February 13, the President of Ukraine signed the law, and it entered into force on February 15; therefore, the indicator was achieved with a delay.

Status of Implementation of Ukraine's Plan Indicators for the Q4 2025

Full implementation reviews are available here: rrr4u.org/analytics

INDICATOR No. 8.2. Deregulation in Selected Sectors

To meet this indicator, permitting and licensing procedures were digitized through the "ePermit" system, the succession of permitting documents and licenses was regulated (Law No. 4196-IX), and mechanisms were introduced to reduce business inspections through voluntary insurance and auditing (Law No. 4840-IX). Despite the deadline being postponed from the third to the fourth quarter of 2025, the indicator was fully achieved only in the Q2 2026.

INDICATOR No. 10.13. Adoption of the State Targeted Economic Program for the Energy Modernization of Heat-Generating Enterprises for the Period through 2030

The indicator calls for the Cabinet of Ministers to adopt the State Targeted Economic Program for the Energy Modernization of Heat-Generating Enterprises through 2030.

On July 19, 2024, the Ministry of Infrastructure published a draft of the State Targeted Economic Program for the Energy Modernization of State- and Municipally-Owned Heat-Generating Enterprises for the period up to 2030. The collection of comments and proposals lasted until mid-August 2024.

On October 1, the Cabinet of Ministers approved the State Targeted Economic Program for the Energy Modernization of State- and Municipally-Owned Heat-Generating Enterprises for the Period through 2030.

INDICATOR No. 13.6. Publication of a report on current legislation regarding the implementation of ESG reporting

This indicator aims to approve and publish a study assessing current legislation on the implementation of ESG reporting for the extractive sector and providing recommendations to address gaps in the legislation.

In late March, the Green Transition Office (an independent advisory body under the Ministry of Economy, implemented by DiXi Group) presented the first comprehensive study on the readiness of Ukrainian businesses to adopt ESG practices.

On December 22, a study prepared by BRDO on ESG reporting for the extractive sector was published on the Ministry of Economy's website. Thus, this indicator has been met.

INDICATOR No. 15.3. Approval of the Regulations on the Scientific and Expert Council on Climate Change and Ozone Layer Preservation

This indicator requires the adoption of a Cabinet of Ministers resolution "On the Approval of the Regulations on the Scientific and Expert Council on Climate Change and Ozone Layer Preservation."

On October 8, 2024, the Verkhovna Rada adopted Law of Ukraine No. 3991-IX "On the Basic Principles of State Climate Policy," which provides for the establishment of the Scientific and Expert Council on Climate Change and Ozone Layer Preservation as an independent advisory scientific and expert body to provide scientific support for the formulation of state climate policy. The law also defines the tasks of the Scientific and Expert Council, which, along with its membership, must be approved by the Cabinet of Ministers within one year of the law's entry into force.

On January 14, 2026, the Cabinet of Ministers approved a resolution establishing the Scientific and Expert Council on Climate Change and Ozone Layer Preservation. On April 22, the Cabinet of Ministers approved a resolution to optimize the work of the Scientific and Expert Council. Thus, the indicator is considered to have been met with a delay.

Status of Implementation of Ukraine's Plan Indicators for the Q1 2026

Full implementation reviews are available here: rrr4u.org/analytics

INDICATOR No. 5.1. Publication of a stability assessment of the banking system

This indicator requires the publication of a stability assessment of the 20 largest banks by assets. The assessment must include a stress test evaluating the bank's condition under an adverse economic scenario and an independent asset quality review (AQR).

In December 2024, the NBU approved the terms of reference for the 2025 bank assessment and defined the specifics of its implementation. In May 2025, the NBU approved the methodology for stress testing banks. The procedure for conducting the assessment complies with the indicator. In September, the NBU announced the completion of the bank resilience assessment and published a summary report on the assessment, which confirms that the indicator's conditions were met during the assessment. On December 28, the full results of the assessment were published. Accordingly, the indicator was fulfilled ahead of schedule.

INDICATOR No. 12.6. Implementation of support through the State Agrarian Register (DAR)

Previously, in the fourth quarter of 2024, Ukraine fulfilled indicator 12.3, which required the entry into force of the law on the State Agrarian Register. Specifically, the Law of Ukraine "On the Information and Communication System 'State Agrarian Register'" was adopted, which establishes the legal, organizational, and financial foundations for the creation and operation of the "State Agrarian Register" information and communication system.

The next step in improving the official public electronic registry of agricultural enterprises is the implementation of indicator 12.6, which stipulates that a report will be submitted indicating that, by the end of 2025, **80%** of state support was provided through the State Agrarian Registry.

According to information from the Ministry of Economy, based on the results for 2025, 37,785 entities in the agro-industrial complex received state support totaling 5.9 bn UAH; of these, 37,523 entities are registered in the State Agrarian Register, representing **99.9%** of the target for Step 12.6 of Ukraine's Plan. Therefore, **the indicator was met on time.**

Status of Implementation of Ukraine's Plan Indicators for the Q2 2026

Full performance reviews are available here: rrr4u.org/analytics

INDICATOR No. 3.10. An updated IT system for the execution of court decisions is in operation

On June 1, 2026, the Ministry of Justice of Ukraine, together with the State Enterprise "National Information Systems" (NAIS) and the State Judicial Administration, carried out the next stage of modernization of the Automated Enforcement System (ASE). The software update is aimed at increasing the efficiency of execution of court decisions, reducing paper document flow, and further digitalizing interaction between state authorities, executors, and other participants in enforcement proceedings.

The main result of the modernization was the introduction of new functionality for electronic interaction with the Unified Judicial Information and Telecommunications System.

Indicator No. 4.3. Increase the staffing of the High Anti-Corruption Court (Q1 2025)

Sector: fight against corruption and money laundering

Status: completed, but not on time

Ukraine's Plan proposed to increase the number of judges of the High Anti-Corruption Court (HACC) by reviving the work of the Public Council of International Experts (PCIE). To implement this measure, it is necessary to increase the staffing of HACC judges by 60% and the HACC staff by 40%.

This indicator should be considered in close connection with others related to strengthening the capacity of anti-corruption institutions to ensure that they are able to cope with the workload in a reasonable time frame without being overloaded.

For a detailed progress report on this indicator, please refer to the May 2026 issue (slides 63-66). Below are the latest updates on the performance of this indicator.

On March 20, 2026, the HQCJ and the State Anti-Corruption Commission announced the results of special joint meetings on the compliance of candidates for the positions of judges of the High Anti-Corruption Court with the criteria established by law. 69 candidates participated in these meetings, seven of whom withdrew from the competition at their own request. Based on the results of the joint vote, 22 candidates continued in the competition for the positions of judges of the High Anti-Corruption Court.

On April 24, 2026, the HQCJ began conducting interviews and determining the results of the qualification assessment of 22 candidates. As a result of the interviews on June 22, recommendations were made for the appointment of 7 candidates to the Appellate Chamber of the HCJ and 12 to the positions of other judges of the High Anti-Corruption Court. In addition, the Commission terminated the qualification assessment of 4 judges for their suitability for the position held, who, within the framework of this competition, confirmed their ability to administer justice in the High Anti-Corruption Court.

In turn, the Supreme Judicial Council completed the review of the recommendations provided by the HQCJ during July, and based on the results of the interviews, submitted a proposal for the appointment of 16 out of 19 candidates to the President of Ukraine by decree. The Supreme Judicial Council announced an indefinite break in interviews for 3 more candidates.

By Decrees of the President of Ukraine No. 782/2026 and No. 783/2026 dated August 21, 2026, 11 judges of the High Anti-Corruption Court and 5 judges of the Appellate Chamber of the High Anti-Corruption Court were appointed to the positions.

It is also worth mentioning separately the progress in recruiting employees for vacant positions in the staff of the High Anti-Corruption Court, as this is also a component of this indicator.

On July 29, 2025, a selection was announced for vacant positions of employees of the Supreme Anti-Corruption Court. As of August 17, 2025, the Supreme Anti-Corruption Court received 145 resumes. Based on the results of the processing of resumes and interviews conducted in several stages, 10 people were recommended for appointment to various positions in the court staff.

In October 2025, according to the results of the selection for positions in the legal department of the HACC apparatus, 118 resumes were submitted, 2 candidates were selected. In December 2025, a selection was announced for 4 positions in the apparatus, based on the results of reviewing 51 submitted resumes, 3 candidates were selected, one position remained without winners in the selection.

As a result, **the indicator as of the end of August 2026 should be considered completed, but not on time.**

Indicator No. 1.2. Entry into force of amendments to the legislation on improving the procedure for entering, passing and dismissing from the civil service

(Q4 2025 - postponed from Q3 2025)

Sector: public administration reform

Status: not completed

Ukraine has been undergoing a public administration reform for years, which is designed to promote the existence of a professional and effective civil service in Ukraine. Indicator 1.1. provides for improving the approach to remuneration in the civil service, while indicator 1.2. is designed to improve the procedures for selection, promotion and dismissal from the civil service.

At the same time, it is noted that the new legislation (including by-laws) should enter into force by the end of the third quarter of 2025. It should comply with the OECD principles of public administration (SIGMA) regarding selection procedures based on professional competencies.

Draft Law ill No. 13478 was registered in the parliament, but it was withdrawn due to the change of government. With this understanding, the deputies submitted an identical Draft Law No. 13478-IX on July 16 : the responsible committee decided to consider it only on September 11.

Although, in accordance with the changes to Ukraine Plan, this event was postponed to the 4th quarter of 2025, it was not implemented in time.
On April 29, the bill was finally passed in its first reading.

As of the end of August, there is no text for the second reading.

Indicator No. 4.8. Conducting the next National Risk Assessment (Q4 2025)

Sector: fight against corruption and money laundering

Status: not completed

Risk Assessment must be prepared and conducted in accordance with the updated Methodology for Conducting the National Risk Assessment of Money Laundering and Terrorist Financing in Ukraine.

A meeting of the Council on Prevention and Counteraction to the Legalization (Laundering) of Proceeds of Crime, Financing of Terrorism, and Financing of the Proliferation of Weapons of Mass Destruction was held .

The main focus was on the National Risk Assessment in the field of money laundering and terrorist financing. Participants discussed the stages and approaches to conducting the assessment, including updating the methodology in accordance with modern challenges caused by the armed aggression of the Russian Federation, the transformation of the economy, and the development of digital financial technologies.

The purpose of the assessment is to identify, analyze and understand current threats that can be used to legalize proceeds from crime or finance terrorism. The results of the National Risk Assessment will become the basis for updating state policy in the field of counteraction and for the effective application of a risk-based approach.

According to information provided by the State Financial Monitoring Service of Ukraine, in accordance with the Resolution of the Cabinet of Ministers of Ukraine dated August 5, 2020 No. 690 , after analyzing and summarizing the materials provided within the framework of the National Risk Assessment (hereinafter referred to as the NRA), the State Financial Monitoring Service of Ukraine sent a draft NRA Report to the participants for approval by letter dated November 18, 2025. 22 participants, by the time the draft NRA Report was sent for approval to the Ministry of Finance of Ukraine, provided positive responses.

In addition, in November 2025, discussions of the draft Report on the implementation of the NRA were held with representatives of the Council of Europe and the European Commission (DG ENEST), the results of which yielded generally positive feedback (Review of Ukraine's Draft National Risk Assessment 2025 against the revised FATF NRA Guidance and Toolkit).

The draft Report on the implementation of the NRA was sent to the Ministry of Finance of Ukraine for approval by letter dated 10.12.2025. Currently, joint work is underway with the Ministry of Finance of Ukraine to improve the draft Report on the implementation of the NRA.

As of the end of August 2026, the National Risk Assessment had not been prepared, and therefore the indicator is unfulfilled.

Indicator No. 6.7. Assessment and, if necessary, amendments and entry into force of legislation on the separation of PSO and non-PSO activities in SOEs

(Q4 2025 — postponed from Q3 2025)

Sector: state asset management

Status: not completed

This indicator is a logical continuation of indicator 6.6, which provides for the adoption of a Roadmap on the demarcation of activities related to the performance of special duties (PSO, public service obligations) and activities not related to the performance of special duties by state-owned enterprises.

Yes, it is planned to separate accounts between PSO and non-PSO activities in SOEs in order to avoid cross-subsidization. Yes, at the first stage (indicator 6.6 should be implemented in the Q1 2025), it is envisaged to adopt a relevant Roadmap, which defines steps for the mandatory structural separation of activities related to the performance of special duties and activities not related to the performance of special duties for all state-owned companies engaged in PSO.

Indicator 6.7 will assess the legislation identified in the Roadmap and, if necessary, amend it. This will be done to ensure that the appropriate separation of accounts between PSOs and non-PSOs is working effectively in all state-owned companies. By Q3 2027, the government should ensure that an independent audit is conducted in SOEs involved in PSOs on the effectiveness of the implementation of the legislation.

As of January 30, 2026, the government has not submitted a corresponding bill to parliament. At the same time, People's Deputy Oleksiy Movchan submitted bill No. 13620 , which, among other things, also provides for the peculiarities of maintaining separate accounting of transactions of public sector economic entities entrusted with the performance of special duties, from the performance of such duties and activities not related to their performance. But the bill was submitted back in August 2025, and to date has not been adopted even in the first reading.

At the same time, on March 25, 2026, the CMU adopted a Resolution that partially regulates this issue, but does not constitute implementation of the indicator.

Indicator No. 6.9. Lifting the suspension of the State Aid Law and restoring State Aid Control and harmonizing the State Aid Law with the EU acquis

(Q4 2025, postponed from Q3 2025)

Sector: state asset management

Status: not completed

In May 2024, the Verkhovna Rada reinstated the Law on State Aid to Economic Entities with respect to assistance provided through the Entrepreneurship Development Fund. However, the main provisions of the Law on State Aid to Economic Entities remain suspended for the duration of martial law.

In March 2025, the Antimonopoly Committee published for public discussion a draft law on the restoration of the provisions of the Law on State Aid . The draft law proposed to restore the effect of the Law until the end of martial law in territories where hostilities are not underway, and to make a number of changes to the substantive provisions of the Law. The draft law was prepared in constant dialogue with the European Commission regarding the compliance of the draft law with the norms of EU law. In September, the AMC submitted a revised version of the draft law to the Cabinet of Ministers.

Draft Law No. 14345 to implement this indicator was registered in the Verkhovna Rada only on December 30, 2025. It provides for the restoration of the Law of Ukraine "On State Aid to Economic Entities" in full force, with the exception of territories where hostilities are ongoing or which are temporarily occupied. New thresholds for "minor" aid are also defined.

On June 9, the bill was sent for a second first reading, and on June 30, a draft Resolution on adopting the bill as a basis was registered. Only on July 13, the bill received an opinion from the relevant Committee of the Verkhovna Rada, and on July 16, it was withdrawn from the Rada due to a change of government. On July 22, a new draft 15437 was registered by the deputies, which seems to have a similar goal of restoring the law on state aid. On August 13, it was recommended by the committee for adoption in the first reading (as a basis), with reservations about technical shortcomings.

Indicator No. 10.3. Improving permitting procedures for investments in renewable energy sources

(Q4 2025, postponed from Q3 2025)

Sector: energy

Status: not completed

To fulfil this indicator, legislation must be adopted and brought into force to streamline authorisation procedures for investment in renewable energy in accordance with European Union rules.

On August 11, 2025, the Ministry of Energy published a draft Law of Ukraine ‘On Amendments to Certain Laws of Ukraine Regarding the Implementation of European Union Legislation in the Field of Renewable Energy Sources’, which, in particular, provides for the introduction of the key principles of authorisation procedures for investments in renewable energy sources that comply with EU rules. On November 28, the draft law was approved by the Government.

On December 3, draft law No. 14271 on the implementation of European Union legislation in the field of renewable energy sources was registered with the Verkhovna Rada. However, on December 16, its consideration was postponed, which made it impossible to meet the indicator on time.

In early April 2026, the draft law was referred back for a second first reading, and on April 29, the draft law was adopted at first reading. As of the end of August, the draft law had not been considered at second reading.

Indicator No. 10.7. Appointment of a nominated electricity market operator
(Q4 2025)

Sector: energy

Status: completed, but not on time

This indicator provides for the NEURC to appoint a nominated electricity market operator by the end of 2025, which is one of the prerequisites for the full market coupling of the electricity markets of Ukraine and the EU.

As early as 2023, the NEURC began actively discussing the appointment of a nominated market operator at its meetings, where it was noted that the NEURC currently lacks the legal basis to independently determine who will be the sole nominated participant for the European spot energy market, and that legislative provisions must be introduced to enable the NEURC to make the relevant amendments to the specified Licence Conditions.

JSC "Market Operator" believes that it should be recognised by the NEURC as the nominated market operator, as it already holds observer status on the NEMO Committee. In particular, the Letter of Expectations from the owner of JSC "Market Operator" for 2025 states that the Company's objective within the framework of market coupling is to obtain the status of a nominated market operator (NEMO) and to organise trading on the integrated SDAC/SIDC markets.

On April 21, 2026, the NEURC announced the start of the practical implementation of the law on energy market integration; in particular, it is envisaged that procedures will be drawn up for the appointment, suspension of activities and termination of the functions of the NEMO. The regulator is required to ensure the appointment of the NEMO within four months of the entry into force of Law No. 4834-IX (i.e. by August 23, 2026).

On July 7, 2026, the NEURC approved the Procedure for the Appointment of the Nominated Electricity Market Operator. The document sets out the rules for the appointment and supervision of NEMO – the company responsible for organising trading on the day-ahead and intraday markets in accordance with European rules. The document sets out requirements regarding financial capacity, IT systems, market oversight, transparency, non-discriminatory access for market participants and the separation of activities to avoid conflicts of interest. The Procedure also sets out mechanisms for monitoring, suspending or terminating the operator's activities in the event of non-compliance with the criteria, and regulates the NEURC's interaction with ACER and the bodies of the Energy Community.

On August 18, 2026, the NEURC appointed JSC "Market Operator" as the first nominated electricity market operator in Ukraine. Therefore, we consider the indicator to be fulfilled with a delay.

Indicator No. 10.11. Establishment of the NEURC's special status (Q4 2025)

Sector: energy

Status: not completed

This indicator provides for the adoption and entry into force of legislative amendments that will establish a special status to ensure the independence of the Regulator, as required by Directive 2009/72/EU and Directive 2009/73/EU.

On December 27, 2023, the NEURC approved the draft Law of Ukraine 'On Amendments to Certain Laws of Ukraine Regarding the Strengthening of the Regulator's Independence in the Energy and Utilities Sectors'. With this decision, the Regulator began implementing the Action Plan to ensure the independence of the NEURC, which was developed to fulfil Ukraine's international obligations in the context of European integration, in particular the recommendations of the Energy Community. Among other things, the draft law provides for a clarification of the NEURC's special status as a central executive body.

The Energy Community Secretariat has repeatedly pointed out that the independence of the national energy regulator is one of the key requirements of the EU acquis. At the same time, the Secretariat notes that fully ensuring the NEURC's independence may require amendments to the Constitution of Ukraine, which are currently impossible under martial law. In this regard, ways of strengthening the Regulator's institutional independence within the framework of the current constitutional model are being explored.

In accordance with the Memorandum on Economic and Financial Policies under the IMF programme, Ukraine has committed to adopting legislative changes aimed at strengthening the NEURC's independence, improving the procedures for selecting the Regulator's members, and introducing regular external assessments of its governance and independence. The draft legislation is to be drawn up taking into account the recommendations of the Energy Community Secretariat.

In November 2025, the Energy Community Secretariat, in its annual report, once again drew attention to systemic issues regarding the NEURC's independence, in particular its financial and institutional dependence, as well as the need to strengthen the Regulator's autonomy through legislation. The EU Delegation to Ukraine and the Energy Community Secretariat confirmed that the adoption of the relevant legislative amendments is an important prerequisite for the integration of Ukraine's energy markets into the EU market and for Ukraine's fulfilment of its European commitments.

To this end, on December 8, 2025, draft law No. 14282 was registered with the Verkhovna Rada to strengthen the guarantees for the exercise of the NEURC's powers; as of the end of August 2026, it is still being considered by parliamentary committees.

Indicator No. 10.14. Supporting the development of efficient and more sustainable district heating

(Q4 2025, postponed from Q3 2025)

Sector: energy

Status: completed, but not on time

This indicator aims to improve the efficiency of the district heating sector. To fulfil this indicator, the Law of Ukraine 'On Amendments to Certain Laws of Ukraine Regarding Support for the Development of Efficient and Sustainable District Heating' must be adopted and come into force.

It is worth noting that, in November 2023, the Concept of the State Targeted Economic Programme for the Energy Modernisation of State- or Municipally-Owned Heat-Generating Enterprises for the period up to 2030 was approved, which provides for improving the efficiency of district heating systems. Furthermore, on 9 February 2025, the Law "On Amendments to Certain Laws of Ukraine in the Fields of Energy and Heat Supply Regarding the Improvement of Specific Provisions Related to the Conduct of Economic Activities and the Operation of Martial Law in Ukraine", adopted on January 14, came into force. This law aims to settle arrears, improve payment discipline, develop the renewable energy market and bring Ukrainian legislation into line with EU standards.

On May 5, the Ministry of Development published a draft Law "On Amendments to Certain Laws of Ukraine Regarding Support for the Development of Efficient and Sustainable Centralised Heat Supply". On 18 August, the Cabinet of Ministers presented a draft Government Action Programme. The document sets out plans to draft and submit to the Cabinet of Ministers of Ukraine, by December 2025, a bill amending certain laws of Ukraine to support the development of efficient and sustainable district heating. On August 8, the Cabinet of Ministers approved amendments to Ukraine's Plan, which provide for the deadline for this indicator to be postponed to the Q4 2025.

On September 22, Government draft law No. 14067 "On Amendments to Certain Laws of Ukraine Regarding Support for the Development of Efficient and Sustainable District Heating" was registered with the Verkhovna Rada. On November 6, the Verkhovna Rada Committee on Energy and Housing and Communal Services issued an opinion recommending that the draft law be adopted at first reading, and a draft resolution on adopting it as a basis was published.

On February 10, 2026, the draft law was adopted in principle. The draft law was reviewed by the relevant Verkhovna Rada committee ahead of the second reading; in particular, a comparative table was provided on 18 May. Experts from the DiXi Group joined the process, providing a number of proposals aimed at ensuring competition in the installation of individual heating units. On 17 July, the Act was adopted and signed by the President on July 24.

Indicator No. 11.3 Entry into force of the Law on Traffic Safety and Compatibility of Railway Transport of Ukraine with application within three years from the date of its adoption (2/2)

(Q4 2025)

Sector: transport

Status: completed, but not on time

Bill No. 14174 was registered in the Verkhovna Rada only on October 31, 2025. The draft law fulfills Ukraine's obligations under the Association Agreement and implements the requirements of the EU's "fourth railway package" (directives 2016/798, 2016/797, etc.). After its adoption, Ukraine will switch to the European safety management model. Instead of formal control, a risk management system, operator liability, and an independent safety authority will appear. And the Ukrainian railway system will be able to technically and organizationally work in a single space with EU networks (ETCS/ERTMS, TSI, subsystem admission, conformity assessment modules).

In practice, this means:

- clear rules for admitting infrastructure and rolling stock to operation according to European technical specifications (TSI), with transparent conformity assessment procedures
- transition to a European approach to technical maintenance, clear definition of responsibility for the safe condition of rolling stock (ECM approach), requirements for accounting and risk management
- preparation for full integration into the European TEN-T corridors, reduction of technical barriers to transit, simplification of access for foreign operators, opening the market for manufacturers already working under TSI

Overall, the draft law complies with EU law. The amendments to the second reading have significantly improved its compliance by introducing an independent (accredited) external risk assessment and additional guarantees of impartiality and transparency of procedures. However, some provisions require further clarification, in particular regarding the size and methodology for setting the cost of certificates and services, as well as more fully establishing the application of technical specifications for interoperability (TSI) and procedural criteria for decision-making.

The bill was passed in first reading on December 17. On May 25, 2026, a table was prepared for the second reading.

Draft Law No. 14174 was signed by the President of Ukraine and registered as Law No. 4904-ИХ dated 09.06.2026 . The Law shall enter into force on the day following the day of its publication and shall be put into effect three years after the date of its publication.

Indicator No. 1.5. Full launch and use of the human resources management information system (HRMIS)

(Q1 2026)

Sector: public administration reform

Status: completed, but not on time

The indicator assumes the introduction and use of a human resources management information system (HRMIS) in all ministries and in all other central executive bodies and their territorial bodies.

The idea of introducing such a system is not new. Work on its implementation began in 2018-2019. It is designed to reduce expenses for human resource management in executive bodies, make management processes more transparent, understandable, and effective.

In general, individual elements of HRMIS were already operational in Q1, but not fully. .

In summer Ukraine reported on the implementation of this indicator, albeit late.

Indicator No. 3.7 Entry into force of legislation on simplified insolvency procedures for MSMEs
(Q1 2026)

Sector: business environment

Status: not completed

Legislation on simplified insolvency procedures for micro, small and medium-sized enterprises (MSMEs) is to enter into force.

The relevant bill No. 15024 introduces a simplified bankruptcy procedure for micro and small businesses. It is a fast-track procedure with a maximum period of up to 180 days, lower costs and minimal bureaucracy: fewer documents, faster processing, lower fees. Access criteria will be clearly defined so that the procedure applies only to bona fide small businesses, and complex or conflicting cases will be considered according to general rules. Clear rules will also be established for the interaction of bankruptcy procedures and privatization of state-owned enterprises so that assets do not remain in limbo for years.

Bill No. 15024 was registered in the Verkhovna Rada on February 10, 2026. As of the end of August , it had not even been considered in the first reading. The indicator has not been met.

Indicator No. 3.12. Entry into force of legislation ensuring transparent and merit-based selection of prosecutors for management positions in prosecutorial bodies

(Q1 2026)

Sector: judiciary and human rights

Status: not completed

According to the Ukraine Plan, "enhancing the accountability and integrity of the prosecutor's office is key to combating the abuse of power and pressure on businesses and investors by law enforcement agencies, which is a widespread phenomenon in Ukraine."

The indicator envisages the entry into force of legislation that will ensure transparent and merit-based selection of prosecutors for management positions. This legislation will include:

- clear evaluation criteria, including professional competence and integrity/ethics;
- a transparent, competitive and meritocratic selection procedure, which includes a verification of professional competence and integrity;
- strengthening the institutional capacity and powers of the Prosecutor General's Office and prosecutorial self-government, in particular the Prosecutors' Council, in terms of selecting prosecutors for management positions.

On June 24, the newly appointed Prosecutor General of Ukraine, Ruslan Kravchenko, supported a publicly transparent, merit-based selection of prosecutors for leadership positions, as provided for by the EU initiative "Ukraine Facility".

In the Verkhovna Rada of Ukraine, in August 2025, people's deputies introduced two bills that are partially aimed at implementing the indicator — 13601 and 13601-1. At the same time, neither bill even reached the first reading procedure.

As of the end of March 2026, the Prosecutor General's Office informed that it had developed a draft Law of Ukraine "On Amendments to the Law of Ukraine "On the Prosecutor's Office", which was sent to the Cabinet of Ministers of Ukraine by letter dated December 30, 2025 for further submission to the Verkhovna Rada of Ukraine for consideration.

At the same time, the Cabinet of Ministers of Ukraine has not yet submitted a corresponding draft Law to the Verkhovna Rada of Ukraine.

On 22.06.2026, the People's Deputies of Ukraine registered draft law No. 15343, which provides for an open competition for the position of Prosecutor General. Candidacies are submitted to the President of Ukraine exclusively based on the results of the competition, which is conducted by a competition commission consisting of six people: three determined by the High Council of Justice, and three determined by the High Council of Justice on the basis of proposals from international organizations of the European Union countries. Currently, the draft law has been submitted for review to the MP's.

Therefore, the indicator is not fulfilled.

Indicator No. 8.5. Ensuring the resolution of issues related to connection to utility networks

(Q1 2026)

Sector: business environment

Status: completed, but not on time

The indicator assumes the entry into force of the Law on Amendments to Legislative Acts on Simplifying the Connection of Real Estate to External Engineering Networks and Improving Legal Regulation in the Field of Pipeline Transport. The law will contain:

- on a unified procedure for connecting to utility networks
- disclosure of information about engineering networks in electronic registers
- entering data on engineering networks and their protection zones into state property registers.

At the same time, a decision was later made that a Resolution of the Cabinet of Ministers of Ukraine would be adopted to implement the indicator instead of a law.

Thus, the Cabinet of Ministers of Ukraine, by Resolution No. 950 of 07/15/26 , simplified and unified the procedure for connecting facilities to centralized water supply and wastewater networks by amending Government Resolutions No. 681 and No. 1066. The updated mechanism provides for the digitalization of key stages of the procedure, establishes a single list of required documents, clear deadlines for considering applications, and uniform rules for interaction between customers and service providers.

Therefore, we consider this indicator as fulfilled, but with a delay.

Indicator No. 15.8. Development of a strategy for implementing circular economy principles and an action plan for its implementation (Q1 2026)

Sector green transition and environmental protection

Status: not completed

This indicator provides for the approval, by a resolution of the Cabinet of Ministers, of a strategy for implementing the principles of the circular economy and an action plan for its implementation. The strategy is expected to identify the potential opportunities and implications of the transition to a circular economy in Ukraine for 5–10 pre-selected priority sectors and value chains, such as waste, textiles, plastics, batteries, electronics, agriculture, construction and renovation, as well as metals and minerals. The body responsible for implementation is the Ministry of Economy.

At the end of May 2024, a meeting of the inter-ministerial working group on the development of the circular economy was held at the Ministry of Economy, where the results achieved and the further work plan for developing the strategy were presented. The strategy is being developed with financial support from the EU and in collaboration with leading international organisations as part of the project 'Circular Economy – Promoting Sustainable Production and Consumption Models in Ukraine'. According to the project's publication, as of March 2025, the Strategy for the Development of Ukraine's Circular Economy up to 2035, the Operational Plan for the Implementation of the Strategy for 2025–2027, and recommendations on legislative changes to implement the principles of the circular economy had been drawn up. In turn, on 10 September 2025, a consultation meeting was held in Poltava as part of the strategic environmental assessment of the draft Strategy, with the support of the Ministry of Economy, Environment and Agriculture of Ukraine. However, as of the end of October, the draft documents had not been published at all.

On 10 November, the Ministry of Economy published a statement defining the scope of the strategic environmental assessment of the Circular Economy Development Strategy. The collection of comments and proposals continued until 20 November. At the end of November in Vinnytsia and in early December in Odesa, consultation meetings were held to discuss the SEA of the draft Strategy.

On 6 January 2026, the Ministry of Economy published, for public consultation, the draft Strategy for the Development of Ukraine's Circular Economy up to 2035, the operational plan for its implementation in 2026–2028, and the Strategic Environmental Assessment Report. On 6 February, the public consultation on the draft document concluded; according to the Ministry of Economy, over 4,500 comments were received.

On 24 April, the Ministry of Economy published a draft order 'On the Approval of the Strategy for the Development of Ukraine's Circular Economy for the Period up to 2035 and the Adoption of the Operational Plan for its Implementation in 2026–2028'. The draft order underwent a public consultation process and, as of May, consultations with the European Commission were ongoing.

Indicator No. 3.17 . Adoption of the Presidential Decree on the Approval of the Human Rights Protection Strategy

(Q2 2026)

Sector: judiciary and human rights

Status: not completed

The implementation of the indicator is aimed at developing and implementing tools in the field of human rights protection that would respond to current threats.

The previous Strategy was adopted in 2021, and its implementation period expired in 2025.

In March 2026, the Ministry of Justice announced the start of public consultations on the draft Presidential Decree "On Approval of the National Strategy in the Sphere of Human Rights for the Period Until 2035", which will determine the strategic goals, priorities and principles of ensuring and protecting human rights and freedoms in Ukraine for the period until 2035, taking into account the conditions of martial law, the consequences of the armed aggression of the russian federation and the needs of post-war reconstruction. The consultations lasted until April 2, 2026.

At the same time, as of the end of August, the National Human Rights Strategy for the period until 2035 had not been approved by presidential decree, therefore the indicator is unfulfilled.

Indicator No. 4. 20. Adoption of the State Program to Combat Human Trafficking until 2030

(Q2 2026)

Sector: fight against corruption and money laundering

Status: not completed

Human trafficking remains a pressing threat, driven by internal socio-economic factors and external challenges, including the armed aggression of the Russian Federation against Ukraine.

On February 25, 2026, the Cabinet of Ministers of Ukraine, by Order No. 184-p, approved the Concept of the State Targeted Social Program to Combat Human Trafficking for the period until 2030, obliging the Ministry of Social Policy, Family and Unity, together with the interested central executive bodies, regional and Kyiv City State Administrations (military administrations), to develop and submit to the Cabinet of Ministers of Ukraine, within three months, a draft of the State Targeted Social Program to Combat Human Trafficking for the period until 2030.

In accordance with the order, the Ministry of Social Policy prepared and published a draft of the State Targeted Social Program to Combat Human Trafficking. However, as of the end of August 2026, the state program had not been approved by the Cabinet of Ministers of Ukraine. Therefore, the indicator is not fulfilled.

Indicator No. 5.3. Reduction of the state share in the banking sector (Q2 2026)

Sector: financial markets

Status: Done

The indicator overlaps with the IMF's benchmark 6 on adopting an updated strategy for managing state-owned banks. There are currently seven state-owned banks, accounting for over 50% of Ukraine's banking net assets. However, two smaller banks are currently under the FGDF for resolution and are likely to be liquidated or transferred to private investors.

The indicator provides for the Government's approval of the Strategy for Reforming State-Owned Banks, which will provide for a gradual reduction in the state's share in the banking sector. It will also address reducing fiscal risks, resolving problem loans, improving management and operational efficiency, and ensuring the long-term sustainability of banks with state participation. On June 30, the Government adopted a decision to approve the guidelines for the work of state-owned banks . This document contains required measures. In particular, on October 1, 2025, the Government decided to prepare for the sale of stakes in two state-owned banks. In April 2026, the selection of advisors for the privatization of another state-owned bank began. The document provides for the sale of Ukrgasbank or Sense Bank on favorable terms in 2027-2028, and in the future, the sale of Privatbank and a share of Oschadbank. The sale of Ukreximbank is not envisaged.

Indicator No. 5.5. Entry into force of legislative changes to improve the resolution of problem loans

(Q2 2026, postponed from Q1 2026)

Sector: financial markets

Status: completed, but not on time

The indicator assumes the entry into force of legislative acts that will implement the recommendations of the NPL resolution strategy (Indicator 5.4). The strategy has now been approved as a section of the Lending Development Strategy.

Currently, the relevant recommendations have been partially implemented. In particular, the NBU has made changes to the definition of non-performing loans. However, the envisaged changes to the Code of Bankruptcy Procedures as of July 26 have not been submitted to the Verkhovna Rada and, accordingly, the indicator has not yet been implemented. However, during the update of the Lending Development Strategy, the Financial Stability Council expressed the view that the previously adopted amendments to the legislation on preventive bankruptcy also resolve a number of other tasks related to the settlement of problem loans.

Accordingly, the Government and the NBU seem to consider the task accomplished.

Indicator No. 6.3. Creation of supervisory boards with a majority of independent members (1/3)

(Q2 2026)

Sector: state asset management

Status: not completed

According to the terms of this indicator, supervisory boards with a majority of independent members should be appointed for at least 15 state-owned companies, from the list of key state-owned companies approved by the Cabinet of Ministers in a protocol decision.

Nominations for members of supervisory boards should be made after a competitive selection based on procedures agreed upon and in force at the time the selection begins.

In September 2024, the Cabinet of Ministers of Ukraine approved the new composition of the Supervisory Board of JSC “Energy Company of Ukraine”.

The Cabinet of Ministers of Ukraine, by its resolution No. 46-p dated January 21, 2025, approved candidates for the positions of members of the Supervisory Board of the State Company "Forests of Ukraine". The Supervisory Board includes three independent members and one representative of the state.

The members of the Supervisory Board of JSC HARTRON were elected by the remote annual General Meeting of Shareholders of JSC HARTRON, the date of the meeting was April 15, 2025, minutes No. 30 dated April 21, 2025, for the term until the next annual general meeting of shareholders of JSC HARTRON.

By order No. 442-r dated May 6, 2025, the composition of the Supervisory Board of Motor Sich JSC was updated.

In July 2025, the Cabinet of Ministers of Ukraine, by its order No. 721-r dated July 15, 2025 , updated the composition of the Supervisory Board of the Private Joint-Stock Company "Ukrainian Danube Shipping Company" (UDP). This body consists of five people, including three independent members and two representatives of the state.

Indicator No. 6.3. Creation of supervisory boards with a majority of independent members (2/3)

(Q2 2026)

Sector: state asset management

Status: not completed

The Government, by Order No. 1090-r dated October 1, 2025, completed the competitive selection of members of the Supervisory Board of the Joint-Stock Company "Ukrainian Railways".

The Cabinet of Ministers, by Resolution No. 1633 of December 10, 2025, adopted a decision to establish JSC "Guaranteed Buyer" on the basis of the relevant state enterprise.

On January 9, 2026, the Government adopted a decision to update the procedure for selecting candidates for the supervisory boards of strategic business entities. The updated mechanism provides for an accelerated process of selecting and appointing independent members and state representatives, applying the OECD principles of corporate governance, in particular professionalism, transparency, and independence.

It is expected that the introduction of the new procedure will strengthen supervision over the activities of state-owned enterprises and contribute to increasing the efficiency of management of critical infrastructure facilities under martial law.

On January 28, 2026, the Government appointed new members of the Supervisory Board for NNEGC Energoatom based on the submission of the nomination committee.

On March 2, 2026, the Cabinet of Ministers of Ukraine approved the candidacies of independent members and state representatives to the new composition of the Supervisory Board of NJSC Naftogaz of Ukraine.

The composition of the Supervisory Board of the State Enterprise "Ukraine Printing Plant for the Production of Securities" was updated on 03/05/2026. It includes three independent members and two representatives of the state.

Indicator No. 6.3. Creation of supervisory boards with a majority of independent members (3/3)

(Q2 2026)

Sector: state asset management

Status: not completed

On May 13, the Cabinet of Ministers, upon the submission of the Nomination Committee, approved the candidacies of the state representatives:

- to the Supervisory Board of NPC Ukrenergo — Yuriy Boyko, Mykola Brusenko and Yehor Perelygin;
- to the Supervisory Board of LLC "Gas Transportation System Operator of Ukraine" - Anton Bendyk.

The Supervisory Board of the Joint-Stock Company "National Public Broadcasting Company of Ukraine" was updated by decision No. 1404 dated 05/28/2026.

On June 17, 2026, the Cabinet of Ministers of Ukraine terminated the powers of four independent members of the Supervisory Board of PJSC "Ukrhydroenergo" and one representative of the state from July 7, 2026, so the government is launching a competition for the positions of members of the Supervisory Board.

On July 1, the Cabinet of Ministers of Ukraine adopted a resolution “Issues of the Supervisory Board of the Joint Stock Company “National Nuclear Power Generating Company “Energoatom”, which elected Dominique Minier and Matthew Murray to the positions of independent members of the Supervisory Board.

Also on July 1, the Cabinet of Ministers of Ukraine approved the appointment of Yuriy Butsa as the state representative on the Supervisory Board of JSC "GTS Operator of Ukraine", which was the last appointment for the formation of the full composition of the Supervisory Board.

On July 15, the Government adopted a decision to approve the termination of the state enterprise “Scientific and Production Association “Pavlograd Chemical Plant” by transforming it into a limited liability company.

Thus, from public sources as of August 2026, it was known about the creation of supervisory boards with a majority of independent members in 1 3 of the 15 companies required to meet this indicator, so the indicator is not yet met.

Indicator No. 7.7. Approval of the Employment Strategy (Q2 2026)

Sector: human capital

Status: done

The situation on the labor market is difficult: most employers complain about the lack of labor force as the biggest obstacle to their activities. At the same time, the unemployment rate remains high due to the mismatch between demand and supply of labor. Therefore, a change in labor market policy is important. Changes are also needed within the framework of the European integration process.

The indicator provides for the adoption by the Cabinet of Ministers of the Employment Strategy, which will provide for measures in the following areas:

- creating favorable conditions for employment of the population, including through the development of entrepreneurship and with a special emphasis on women;
- simplifying access to the labor market;
- retraining and requalification;
- reforming the state employment service;
- reforming the labor market forecasting system;
- Stimulating the attraction of foreign talents to the Ukrainian labor market - foreign entrepreneurs, highly qualified and working personnel, and students.

In May and June 2025, the Ministry of Economy, with the assistance of BRDO, held several working groups to develop the Strategy. On November 5, the draft Strategy was published for public discussion.
According to available information, on January 7, 2026, the government approved the Employment Strategy of Ukraine for the period until 2030, as well as the operational plan of measures for the implementation of the Strategy in 2026-2028.

Indicator No. 7.12. Investment in education

(Q2 2026)

Sector: human capital

Status: done

Investment in education is one of the investment indicators provided for by the Ukraine Facility.

This involves directing funds to improve access to safe and quality education, including preschool education in accordance with the new legislation on preschool education, in particular:

– shelter and safe conditions in educational institutions;
– school buses;
– materials and equipment for educational institutions, modern teaching methods, including through digitalization;
– quality food;
– creation of workshops and laboratories in educational institutions, increasing the energy efficiency of educational institution buildings.

Initially, it was planned that EUR 650 m in equivalent should be spent for these purposes in 2024 and 2025, but after changes to Ukraine Plan, this amount was reduced to EUR 300 m.
At least 5% of these investments under the "Decentralization" section should be directed to the subnational level.

The government has not published a report on the relevant expenditures and it is not entirely clear which expenditures will be included in the relevant investments. However, according to available information, the government has reported on the implementation of this indicator.

Indicator No. 7.14. Investment in healthcare

(Q2 2026)

Sector: human capital

Status: done

Investment in healthcare is another investment indicator provided for by the Ukraine Facility.

This involves directing funds to strengthen the healthcare sector, in particular:
– laboratory equipment for microbiological, chemical and physical analysis;
– shelter and security for healthcare facilities;
– hospital equipment for medical analysis, surgery and patient care;
– infrastructure and premises for healthcare facilities;
– IT systems to improve the efficiency and effectiveness of medical services.

Initially, it was planned that EUR 200 m in equivalent should be spent for these purposes in 2024 and 2025, but after changes to Ukraine Plan, this amount was increased to EUR 400 m.

At least 20% of these investments under the "Decentralization" section should be directed to the subnational level.

The government has not published a report on the relevant expenditures and it is not entirely clear which expenditures will be included in the relevant investments. However, according to available information, the government has reported on the implementation of this indicator.

Indicator No. 7.18. Providing housing for vulnerable groups of the population (Q2 2026)

Sector: human capital

Status: done

Providing housing for vulnerable groups is identified as one of the government's priorities. It is also an investment indicator provided for by the Ukraine Facility.

This is about allocating funds to provide housing:
- persons with disabilities of groups I–II who defended the independence, sovereignty and territorial integrity of Ukraine;
- family members of deceased defenders;
- internally displaced persons who defended the independence, sovereignty and territorial integrity of Ukraine, as well as their family members.

It is expected that the equivalent of EUR 200 m will be spent for these purposes in 2024 and 2025.

The government has not published a report on the relevant expenditures and it is not entirely clear which expenditures will be included in the relevant investments. However, according to available information, the government has reported on the implementation of this indicator.

Indicator No. 7.20. Implementation of the National Strategy for Overcoming the Gender Pay Gap

(Q2 2026)

Sector: human capital

Status: done

The Cabinet of Ministers must approve the Operational Plan of Action for the implementation in 2026–2028 of the National Strategy for Overcoming the Gender Pay Gap for the Period Until 2030.

This is necessary to improve the functioning of the labor market.

The Cabinet of Ministers approved the relevant Action Plan by its Resolution No. 504-r dated May 27, 2026.

Indicator No. 8.12. Adoption of amendments to the resolution of the Cabinet of Ministers of Ukraine on the definition of a single national metrological institute (Q2 2026)

Sector: business environment

Status: completed, but not on time

This indicator provides for amendments to Resolution No. 330 of the Cabinet of Ministers of Ukraine dated 27 May 2015, which designates the single national metrology institute of Ukraine – the State Enterprise 'All-Ukrainian State Scientific and Production Centre for Standardisation, Metrology, Certification and Consumer Protection' (SE 'Ukrmetrteststandard', Kyiv).

The amendments are aimed at bringing the national metrology system into line with the requirements of European Union legislation and international standards, as well as at improving the institutional model for the operation of the national metrology institute. This is an important component of harmonising Ukrainian legislation in the field of technical regulation and ensuring the uniformity of measurements in accordance with European practices.

The essence of the indicator lies in updating the regulatory framework defining the status and powers of the single national metrology institute, with the aim of ensuring the effective functioning of the national metrology system, the international recognition of measurement results, and Ukraine's integration into the European quality infrastructure.

On 25 May, the Ministry of Economy published a draft resolution of the Cabinet of Ministers of Ukraine 'On Amendments to Paragraph 1 of Resolution No. 330 of the Cabinet of Ministers of Ukraine dated 27 May 2015', which provides for the updating of the list of scientific metrology centres and the official designation of the State Enterprise 'Ukrmetrteststandard' as the sole national metrology institute responsible for the creation, improvement, preservation and application of national standards and for ensuring metrological traceability to the International System of Units (SI), which will contribute to the harmonisation of the national metrology system with EU standards.

The resolution was adopted on August 19 and entered into force on August 26, meaning the indicator was completed not on time.

Indicator No. 9.7. Investments in the restoration, reconstruction and modernization of regional authorities, in particular local self-government (Q2 2026)

Sector: decentralization and regional policy

Status: done

According to this indicator, at least 5% of the non-repayable financial support under Component I of the Ukraine Facility should be directed to the needs of the recovery, reconstruction and modernization of subnational authorities of Ukraine.

Most likely, the indicator takes into account funds sent in the form of a subvention.

The government has not published a report on the relevant expenditures and it is not entirely clear which expenditures will be included in the relevant investments. However, according to available information, the government has reported on the implementation of this indicator.

Indicator No. 10.9. Adoption of a roadmap for the gradual liberalisation of the gas and electricity markets, to be implemented following the end of martial law

(Q2 2026)

Sector: energy

Status: not completed

To fulfil this indicator, the Cabinet of Ministers must approve a Roadmap for the gradual liberalisation of the gas and electricity markets, setting out the steps to be taken and the corresponding deadlines, to be implemented following the end of martial law. The Roadmap should be based on a technical analysis of the sector's financial condition and should focus on:

- measures to reform public service obligations and gradually liberalise prices following the end of martial law;
- measures to protect vulnerable consumers, including a new subsidy structure that will improve targeting and the level of support;
- preparatory actions ahead of the end of martial law, in particular the identification of vulnerable groups and the development of appropriate digital solutions.

As of the end of May, according to unofficial information, work on this has begun on the part of the Ministry of Energy and through individual international technical assistance projects. A key element of this work is conducting a technical analysis of the costs of quasi-fiscal support and developing scenarios for financially sustainable reforms that protect vulnerable consumers (Structural Benchmark No. 10 of the IMF programme).

Indicator No. 10.19. Preparation of the Terms of Reference (ToR) for an independent external audit of the NEURC

(Q2 2026)

Sector: energy

Status: not completed

This indicator involves the development and approval of the Terms of Reference for an independent audit of the NEURC's activities. The audit is to assess the effectiveness of internal governance mechanisms, the transparency of decision-making processes, compliance with ethical standards and anti-corruption measures, as well as the adequacy of the regulator's financial management.

The terms of reference should provide for an assessment of:

- regulatory decision-making processes, in particular internal procedures for approval, documentation, traceability and mechanisms to ensure transparency and integrity;
- ethical standards and practices, including the prevention of conflicts of interest, declaration of interests, recusal procedures and accountability mechanisms for Commission members, management and staff;
- the anti-corruption programme and internal compliance mechanisms, identifying institutional vulnerabilities and corruption risks;
- processes for financial decision-making, the allocation and management of financial resources, as well as internal control systems that ensure transparency, accountability and protection against undue influence;
- the NEURC's communication policy, including interaction with EU and Energy Community regulators, market participants and other public authorities;
- financial management, in particular budgeting, procurement, internal control and reporting.

As of the end of August, no information regarding the preparation of the terms of reference is publicly available.

Indicator No. 12.9. Investments in demining

(Q2 2026)

Sphere: agri-food sector

Status: done

The indicator assumes the need for an investment of at least 30 million euros in the demining of agricultural land.

To meet the indicator, it is necessary to allocate a total of at least 30 million euros (in UAH equivalent) in the state budgets for 2024 and 2025 for payments to owners or users of agricultural land for demining costs.

The corresponding budget expenditure item according to the program classification is "1201420 Compensation for costs for humanitarian demining of agricultural lands".

In 2024, UAH 434 m, or EUR 10 m, was allocated for such demining. In 2025, UAH 1.3 bn, or EUR 47 m, was allocated.

Total investments in demining during this period amounted to EUR 57 m, which exceeds the EUR 30 m set in the indicator. The indicator has been met.

Indicator No. 14.4. Entry into force of legislation supporting electronic identification schemes aligned with the eIDAS Regulation

(Q2 2026)

Sector: digital transformation

Status: completed

To be considered for successful implementation of this indicator, the NPA on the functioning of the Integrated Electronic Identification System in Ukraine as a key component of the national electronic identification infrastructure must come into force in accordance with the principles of Regulation (EU) 2024/1183.

The regulatory act should focus on:

- creating a modern electronic identification system in Ukraine and ensuring its sustainable development;
- ensuring interoperability (technological compatibility) of electronic identification tools, electronic identification intermediate nodes (hubs) and electronic identification schemes;
- protection of information resources processed within the system.

To implement this indicator, the Cabinet of Ministers approved the Regulation on the Integrated Electronic Identification System (as amended), which determines the procedure for appointing, defining the structure, functioning of the integrated electronic identification system, its creation and use.

Also, the Procedure for Maintaining a List of Electronic Identification Schemes and Digital Identification Wallets defined the procedure for maintaining a list of electronic identification schemes and digital identification wallets and making changes to such a list.

In addition, the Cabinet of Ministers adopted Resolution No. 764 of June 28, 2024 , which defines the organizational, methodological, technical and technological conditions for providers of e-identification and e-trust services, as well as the procedure for their verification.

Resolution of the Cabinet of Ministers of Ukraine No. 226 of February 28, 2025 approved the Procedure for assessing the risks and consequences of improper use or alteration of identification data of users of e-identification services and informing the supervisory authority about the provision of electronic trust services using e-identification means.

Also, to establish requirements for electronic identification means in the context of the electronic identification scheme, depending on the levels of trust in electronic identification means and the trust assessment procedure of the CMU, the relevant Technical Regulation was developed, approved by Resolution No. 577 of May 16, 2025. Thus, **the indicator was met.**

Indicator No. 15.11. Adoption of amendments to the Procedure for State Water Monitoring

(Q2 2026)

Sector: green transition and environmental protection

Status: completed

This indicator involves amending Resolution No. 758 of the Cabinet of Ministers of Ukraine of 19 September 2018 'On the Approval of the Procedure for State Water Monitoring' with a view to further aligning the national water monitoring system with the requirements of European Union legislation, in particular the provisions of:

- Directive 2000/60/EC of the European Parliament and of the Council of 23 October 2000 establishing a framework for Community action in the field of water policy (Water Framework Directive);
- Directive 2008/105/EC of the European Parliament and of the Council of 16 December 2008 on environmental quality standards in the field of water policy.

The amendments are intended to improve the state water monitoring system by implementing European approaches to assessing the ecological and chemical status of water bodies, expanding the list of monitored pollutants, improving methods for data collection and analysis, and introducing mechanisms for the regular monitoring of the status of surface and groundwater in accordance with EU requirements.

On 10 June, the Cabinet of Ministers approved Resolution No. 754 "On Amendments to the Procedure for State Water Monitoring". The resolution introduces monitoring of substances on the EU watch list, sets out requirements for monitoring points, methods and frequency, and establishes a list of substances for continuous monitoring. This will help bring the water monitoring system into line with EU standards, enable the timely detection of pollutants and facilitate the fulfilment of Ukraine's European integration commitments.

We therefore consider this indicator to have been met on time.

Indicator No. 1.4. Resumption of work and modernization of the Unified Civil Service Vacancy Portal (career.gov.ua)

(Q3 2026, postponed from Q2 2026)

Sector: public administration reform

Status: in progress

The indicator assumes the resumption of the Unified Civil Service Vacancy Portal (career.gov.ua). The portal should be fully operational and generate statistics on all vacancies and appointments.

Such a portal will contribute to the transparency of civil service employment and increase efficiency. The National Agency for Civil Service is responsible for implementing the indicators.

In accordance with the amendments to Ukraine Plan, which were approved by the government, it is proposed to postpone the modernization of the portal until the Q2 2026.

The wording has also been somewhat clarified: Modernization of the Unified State Web Portal of Electronic Services in terms of the functionality of civil service vacancies. It is likely that a new web portal will be developed, rather than modernizing the previous one. At the same time, the adopted Government Program states that vacancies will be published on the Diya portal. Therefore, it is not yet clear how exactly this indicator will be implemented.

Indicator No. 3.13. Entry into force of legislation improving the disciplinary system of prosecutors and increasing the capacity of the Qualification and Disciplinary Commission of Prosecutors

(Q3 2026)

Sector: judiciary and human rights

Status: in progress

In accordance with the terms of this step, legislation on improving the disciplinary system of prosecutors and strengthening the institutional capacity of the Qualification and Disciplinary Commission of Prosecutors should enter into force.

An improved legal and institutional framework aimed at implementing GRECO recommendations will contain the following elements:

- clarifying disciplinary offenses related to the conduct of prosecutors and their adherence to ethical norms, and expanding the list of available disciplinary sanctions in order to increase their proportionality and effectiveness;

- amending the provisions on the composition of the Qualification and Disciplinary Commission of Prosecutors to ensure that the majority of seats are held by prosecutors elected by their colleagues, and conducting an independent and objective pre-selection procedure for all candidates for members of the Qualification and Disciplinary Commission, including a verification of their integrity;

- increasing the efficiency of disciplinary proceedings by increasing the statute of limitations.

As of August 2026, there is no information in the public space regarding progress in implementing this indicator.

Indicator No. 4.5. Adoption of a new Anti-Corruption Strategy for the period after 2025
(Q3 2026)

Sector: fight against corruption and money laundering

Status: in progress

The Anti-Corruption Strategy and the State Anti-Corruption Program for its implementation for the period after 2025 must be adopted by the Verkhovna Rada and the Cabinet of Ministers, respectively, and published.
On December 31, the CMU extended the deadline for implementing the measures of the State Anti-Corruption Program for 2023-2025 until the date of entry into force of the State Anti-Corruption Program for the next period.
On April 2, 2026, the draft Anti-Corruption Strategy for 2026–2030 was submitted to the NACP for consideration by the Cabinet of Ministers of Ukraine.
The draft Anti-Corruption Strategy for 2026–2030, sent by the National Agency to the Government, can be found at the following links:

- in Ukrainian ;
- in English .

Currently, three draft laws with the Anti-Corruption Strategy for 2026-2030 have been submitted to the Verkhovna Rada of Ukraine:

- No. 15230 dated 05/13/2026 from the Head of the Verkhovna Rada of Ukraine Committee on Anti-Corruption Policy O.V. Radina. The draft law reproduces the version of the strategy prepared by the NACP;
- No. 15230-1 dated 18.05.2026, submitted by the CMU, developed on the basis of a draft prepared by the NACP. On 16.07.2026, the draft was withdrawn due to the resignation of the government;
- No. 15230-2 dated 05/25/2026, initiated by the People's Deputies of Ukraine from the political party "European Solidarity".

Following the consideration of the draft laws in the VRU Committee on Anti-Corruption Policy, it was decided to reject drafts No. 15230 and No. 15230-2 , and to finalize and submit a new draft law that will take into account the provisions of the three previous drafts. This was registered on 07/27/2026 under No. 15230-d , and it has already received an opinion from the Main Committee on approval for the first reading.
In the updated Plan of Ukraine, the indicator was divided into two and their implementation was postponed - 4.5 on the adoption of the Anti-Corruption Strategy for the third quarter of 2026, and 4.11 - on the adoption of the State Anti-Corruption Program for the fourth quarter of 2026. As of the end of August 2026, the draft Anti-Corruption Strategy No. 15230-d is being prepared for voting in the session hall of the Parliament for consideration in the first reading.

Indicator No. 4.9. Strengthening the anti-money laundering system - for SEPA accession

(Q3 2026)

Sector: fight against corruption and money laundering

Status: in progress

Within the framework of indicator No. 4.9, it is necessary for legislation to come into force aimed at further strengthening the anti-money laundering system, in particular with a view to Ukraine submitting an application to join the geographical area of operation of the Single European Payments Area (SEPA) schemes.

The Single Euro Payments Area (SEPA), which covers the EU and some other European countries, allows for cashless transfers in euros between participating countries as easily, quickly and cheaply as within one country (a kind of "financial visa-free").

A government bill was accordingly registered in the Verkhovna Rada : No. 14327 , and then the committee-revised version No. 14327-D . Although the original draft law was withdrawn due to the change of government, the revised version remained in the works, but has not yet been considered at the plenary session in the first reading.

Indicator No. 4.16. Transparency of fund transfers and individual crypto assets (Q3 2026)

Sector: fight against corruption and money laundering

Status: in progress

Legislation should be introduced (the law should enter into force) on information accompanying transfers of funds and certain crypto-assets, in accordance with the principles of Regulation (EU) 2023/1113 and appropriate amendments to the legislation in the field of preventing money laundering should be made.

In September 2025, Law 10225-d , which is intended to amend the Tax Code to regulate the turnover of virtual assets, passed its first reading. This Law also includes provisions on the transparency of transfers of funds and crypto-assets.

As of the end of August, the indicator is in the process of implementation.

Indicator No. 4.18. Combating the illegal use of payment cards

(Q3 2026)

Sector: fight against corruption and money laundering

Status: in progress

Legislation should be introduced (the law should enter into force) establishing criminal liability for illegal actions with payment cards and other payment instruments in the interests of third parties in accordance with the principles of Directive (EU) 2019/713.

In 2025, the Verkhovna Rada registered draft law No. 14161 , which is intended to strengthen control over payment transactions by creating a register of persons whose payments require enhanced supervision. As of the end of August 2026, the law has not been put to a vote.

Indicator No. 6.4. Corporatization of key state-owned enterprises (Q3 2026)

Sector: state asset management

Status: in progress

This indicator is part of efforts to improve the governance and management of state-owned enterprises.

At least 15 state-owned enterprises from the list of the most important state-owned enterprises, approved by a protocol decision of the Cabinet of Ministers, will need to be transformed into joint-stock companies or limited liability companies.

At the end of August 2025, the Commercial Code was abolished in Ukraine (Law No. 4196-IX of 09.01.2025). After August 28, 2025, corporatization of state-owned enterprises must be carried out within three years. State-owned enterprises (including commercial and state-owned) must be transformed into joint-stock companies (JSC) or limited liability companies (LLC), 100% of the shares or stakes of which belong to the state.

As of the end of August, the indicator is in the process of implementation. On August 19, 2026, the Verkhovna Rada adopted a law on the corporatization of the only uranium plant in Ukraine and its transformation into JSC "Eastern Mining and Processing Plant" (Law 15122).

Indicator No. 10.16. Establishing minimum energy performance requirements for buildings and products covered by EU ecodesign legislation

(Q3 2026)

Sector: energy

Status: in progress

To fulfil this indicator, the Cabinet of Ministers must adopt regulations on minimum energy efficiency requirements for buildings and products in accordance with EU ecodesign legislation, whilst the Ministry of Development must adopt regulations on energy efficiency requirements for products in accordance with EU energy labelling legislation.

On October 27, 2020, the Ministry of Development approved the Minimum Energy Performance Requirements for Buildings, which remain in force to this day, and on 6 February 2025, requirements for nearly zero-energy buildings were approved.

As of the end of September 2025, the State Agency for Energy Efficiency had drawn up, and the government had adopted, technical regulations setting out eco-design requirements for 30 types of equipment and appliances, as well as 13 technical regulations on energy labelling. On 18 October 2025, 10 technical regulations on eco-design and labelling came into force, aimed at improving the energy efficiency of household appliances and harmonising Ukrainian legislation with European Union requirements. Technical regulations on eco-design requirements have come into force for: domestic washing machines and domestic washer-dryers; light sources and separate ballasts; refrigeration appliances; domestic dishwashers; and electronic displays.

On February 5, 2026, the Cabinet of Ministers approved a resolution “On the Approval of the Technical Regulation on Ecodesign Requirements for Servers and Data Storage Products”. The document will come into force in six months’ time. In turn, on 18 June, the Ministry of Development published an order approving the Technical Regulation on the energy labelling of energy-using products.

Task 17 of the Operational Action Plan for the implementation, in 2024–2026, of the Long-Term Strategy for the Thermal Modernisation of Buildings up to 2050 provides for the updating of technical regulations and the regulatory framework on the energy efficiency of buildings to bring them into line with EU standards in the Q4 2025. The main outcome will be the approval of updated minimum energy efficiency requirements for residential and public buildings to reduce the maximum level of energy consumption.

Indicator No. 10.21. Submission of a request by the IAEA to conduct an Integrated Regulatory Review Service (IRRS) mission

(Q3 2026)

Sector: energy

Status: completed

The indicator provides for an official appeal by the State Nuclear Regulatory Inspectorate of Ukraine (SNRIU) to the International Atomic Energy Agency (IAEA) with a request to conduct an Integrated Regulatory Review Service (IRRS) mission, the start of which is scheduled for the first half of 2027.

The IRRS mission is an international peer review mechanism carried out by the IAEA to comprehensively analyze the national nuclear and radiation regulatory system for its compliance with IAEA international safety standards and global best practices.

The essence of the indicator is to initiate a process of independent international assessment of the activities of the State Agency for Nuclear Safety and Energy, which will cover the institutional capacity of the regulator, the effectiveness of regulatory functions, the regulatory framework, licensing mechanisms, inspection activities, ensuring nuclear and radiation safety, as well as the level of independence of the regulatory body.

On July 2, the Head of the State Nuclear Regulatory Commission of Ukraine – Chief State Inspector for Nuclear and Radiation Safety of Ukraine, Oleg Korikov, announced that the Ukrainian side intends to make a corresponding request to the IAEA in the near future regarding the Agency's mission on the Integrated Review of the Regulatory System (IRRS). In turn, on July 23, Oleg Korikov reported in his address that the State Nuclear Regulatory Commission of Ukraine has officially addressed the IAEA with the initiative to conduct the IAEA Mission on the Integrated Review of the Regulatory System (IRRS) in Ukraine. Thus, the indicator is considered fulfilled.

Indicator No. 11.9. Adoption by the Cabinet of Ministers of Ukraine of a resolution on approval of the Action Plan for the phased introduction of competition in the field of freight and passenger transportation in the railway transportation market

(Q3 2026)

Sector: transport

Status: in progress

The implementation of the indicator is necessary for Ukraine's progress in creating a competitive rail transportation market in accordance with EU requirements.

The Cabinet of Ministers of Ukraine should approve an action plan that defines the phased introduction of competition in the field of freight and passenger rail transportation, establish a schedule for ensuring non-discriminatory access to railway infrastructure (in particular, 1435 mm gauge), and determine the mandatory stages of reforming the 1520 mm gauge network.

The action plan should be consistent with the revised National Programme for the Adaptation of Ukrainian Legislation to the European Union Legislation (NPAA).

As of July 2026, according to the Deputy Minister of Community and Territorial Development of Ukraine Oleksiy Balesta, the draft Railway Sector Reform Plan is being developed in close cooperation with the European Commission. The new Cabinet of Ministers' program of activities includes one of the tasks: "Reform the railway transport system."

Indicator No. 1.3. Resumption of recruitment to the civil service taking into account professional competencies

(Q4 2026)

Sector: public administration reform

Status: in progress

This indicator is a logical continuation of other measures within the framework of the implementation of public administration reform, in particular those provided for in indicators 1.1 and 1.2.

This indicator assumes that the resumption of selection for vacant positions based on professional competencies for all civil servants will be carried out gradually in three stages:
1) for civil service positions of category "A";
2) for civil service positions of category "B" (in the territory controlled by Ukraine, where there are no hostilities);
3) for civil service positions of category "B" (in the territory controlled by Ukraine, where there are no hostilities).

Thus, at the beginning of the full-scale war, competitions for relevant positions were canceled. It is planned to resume them in order to promote higher professionalism in the civil service.

Indicator No. 2.4. State budget expenditure reviews

(Q4 2026)

Sector: public finance management

Status: in progress

The indicator assumes that reviews of state budget expenditures are conducted annually based on a decision of the Government and using a methodology that complies with the best practices of the Organization for Economic Cooperation and Development (OECD), in particular in such priority areas as social protection, education, healthcare, energy, and business support.

On May 20, the Cabinet of Ministers adopted a resolution on conducting expenditure reviews in 2026 (No. 463-r): 14 main spending units of the state budget in 26 areas of conducting reviews.

We are leaving this indicator in the "in progress" status for now, although it may be considered completed due to the fact that spending reviews have already begun.

Indicator No. 2.10. Strengthening internal control and internal audit in Ukraine, as well as protecting the EU's financial interests within the framework of the Ukraine Facility

(Q4 2026)

Sector: public finance management

Status: in progress

Based on the legislation adopted under Indicator 2.9, Ukraine's internal control and internal audit systems, as well as mechanisms for protecting the financial interests of Ukraine and the European Union within the Ukraine Facility, should be strengthened through the adoption by the Cabinet of Ministers of Ukraine of a national Action Plan on "strengthening internal control and internal audit systems in Ukraine to ensure accountable and effective management." The Action Plan should cover the following aspects:

- improving the effective access of the State Audit Service of Ukraine to information and data necessary for the implementation of state financial control measures within the framework of the Ukraine Facility mechanism, including relevant registers, databases and information systems;
- amendments to the Audit Strategy for the Implementation of the "Plan for Ukraine" in order to clarify the respective roles and mechanisms of cooperation between the Ministry of Finance, the State Audit Service, and internal audit units of state bodies with spending bodies;
- improving the methodological framework for conducting risk-based system audits of expenditure under the Ukraine Facility and ensuring their effective implementation by the second quarter of 2027, including assessing the risks of fraud, corruption, conflict of interest and double funding;
- strengthening risk management and the role of internal control and internal audit in the preparation of management declarations, in particular by providing practical recommendations and support to state bodies responsible for the implementation of the "Plan for Ukraine".

Indicator No. 3.14 . An electronic document management system has been introduced in the criminal justice system
(Q4 2026)

Sector: judiciary and human rights

Status: in progress

The indicator will be considered fulfilled if the system module of the electronic criminal case management system (eCase), the electronic criminal proceedings module and the case analysis module are operational to ensure the digital processing of criminal cases and gradually replace or significantly modernize the outdated Unified Register of Pre-Trial Investigations.

Indicator No. 3.15. Specialized District Administrative Court and Specialized Appeal Administrative Court are functioning (1/2)

(Q4 2026)

Sector: judiciary and human rights

Status: in progress

The indicator will be considered fulfilled if the new district administrative court and the administrative court of appeal are operational to consider disputes with the participation of central authorities, by:

- determining the number of judges of these courts;
- announcement and holding of competitions for filling vacant positions of judges of these courts, appointment of judges of these courts;
- providing courts with premises and logistical facilities;
- notification of the start of the work of the courts by publishing relevant information on the web portal of the judiciary and in the newspaper "Holos Ukrainy".

received 356 applications for participation in competitions for vacant positions of judges in the Specialized District Administrative Court and the Specialized Appeal Administrative Court . The number of unique candidates is 268 people, 88 candidates apply for positions of judges in the SOAC and the SAAC simultaneously.

On June 15, 2026, the Commission approved the coded and decoded results of the fourth stage of the qualifying exam (performance of a practical task on the specialization of the Specialized District Administrative Court) within the framework of the competition.

67 candidates successfully completed the practical assignment for the Specialized District Administrative Court specialization and continue to participate in the competition.

On June 22, 2026, the Commission approved the coded and decoded results of the fourth stage of the qualifying exam (performance of a practical task on the specialization of the Specialized Administrative Court of Appeal) within the framework of the competition.

23 candidates successfully completed the practical assignment on the specialization of the Specialized Administrative Court of Appeal and continue to participate in the competition.

10 candidates applying for the positions of judges in both competitions simultaneously.

The next stage involves the involvement of an Expert Council, consisting of three representatives of Ukraine and three representatives delegated by international organizations. Together with them, the Commission will conduct interviews with candidates.

Indicator No. 3.15. Specialized District Administrative Court and Specialized Appeal Administrative Court are functioning (2/2)

(Q4 2026)

Sector: judiciary and human rights

Status: in progress

On June 5, 2026, a meeting of members of the Expert Council and the HQCJ took place to form a common understanding of the work process, as well as to establish working relations between the Expert Council, members of the HQCJ, the secretariats of the Council and the Commission within the framework of the competition for the positions of judges of the SOAC and the SAAC.

On August 26, 2026, the High Qualification Commission of Judges of Ukraine approved the general results of the first stage of the "Qualification Examination" of the qualification assessment within the framework of the competitions announced by the Commission's decisions No. 193/zp-25 and No. 194/zp-25 of October 29, 2025.

The Commission admitted the following to the second stage of the qualification assessment "Review of the dossier and interview":

- 67 candidates for the positions of judges of the Specialized District Administrative Court;
- 23 candidates for the positions of judges of the Specialized Administrative Court of Appeal.

The second stage of the qualification assessment "Review of dossiers and interview" within the framework of the above-mentioned competitions is planned for the fourth quarter of 2026.

Indicator No. 3.16. Entry into force of legislation expanding the participation of independent experts appointed by international partners in the selection process of members of the High Qualification Commission of Judges of Ukraine

(Q4 2026)

Sector: judiciary and human rights

Status: in progress

This indicator should see the entry into force of a law that, in close cooperation with the European Commission on specific conditions, expands the participation of independent experts appointed by international partners in the selection committee of the High Qualification Commission of Judges (HQCJ).

Previously, on June 1, 2025, the first composition of the competition commission for the selection of members of the High Qualification Commission of Judges completed its powers. According to that regulation, the decisive vote belonged to representatives designated by international organizations. In the future, the competition should take place without involving representatives of the international community in the commission.

In 2027, the 4-year term of office of 15 out of 16 members of the HQCJ will end, which will necessitate a new large-scale competition.

Instead, the HQCJ is an important body on which the qualification assessment for suitability for the position held and the selection of hundreds of judges throughout Ukraine depend.

In order to continue the format of the Competition Commission's work, the Verkhovna Rada of Ukraine registered draft law No. 13382 dated June 18, 2025. It proposes to extend the term of the previously established Competition Commission, counting five years from the date of appointment of the first authorized composition of the HQCJ. Thus, the commission with internationals should work until June 2028, which will allow it to participate in the renewal of the HQCJ.

The draft law was submitted for review to the MP's a year ago.

On August 25, 2026, a meeting was held with the Supreme Judicial Council of Ukraine and the Supreme Judicial Council to discuss the draft law on improving competitive candidate selection procedures. The draft law is currently being prepared for consideration in parliament and may be put to a vote in the near future.

Indicator No. 4.11. Adoption of the new State Anti-Corruption Program for 2026–2030

(Q4 2026)

Sector: fight against corruption and money laundering

~~**Status:** in progress~~

According to this indicator, the Government should adopt and publish the State Anti-Corruption Program for the implementation of the Anti-Corruption Strategy for the period 2026–2030. This is a logical next indicator that will be possible to implement immediately after step 4.5 on the adoption of the Anti-Corruption Strategy for the period 2026–2030.

The State Anti-Corruption Program is a roadmap for the implementation of the State Anti-Corruption Strategy and should contain a set of mandatory measures for ministries and other government bodies, limited in time for implementation, which will lead to the minimization or elimination of identified corruption risks.

Indicator No. 4.12. Entry into force of amendments to the Criminal Procedure Code to ensure prompt and high-quality justice

(Q4 2026)

Sector: fight against corruption and money laundering

Status: in progress

According to this indicator, amendments to the Criminal Procedure Code should come into force to ensure prompt and high-quality justice. These amendments are aimed at:

- cancellation of the automatic closure of criminal cases due to the expiration of the pre-trial investigation period and revision of the current period;
- removing procedural obstacles in criminal proceedings, in particular in cases of high-level corruption;
- ensuring the strengthening of limitation periods and grounds for their interruption/suspension in accordance with European standards;
- expanding NABU's jurisdiction to high-risk positions based on an available independent assessment.

These changes are aimed at increasing the efficiency of investigating corruption crimes and ensuring the inevitability of punishment.

Draft Law No. 15333 of 06/16/2026 proposes, among other things, to abolish the mandatory closure of criminal proceedings due to the expiration of the pre-trial investigation period after the person is notified of the suspicion; to transfer the authority to extend the pre-trial investigation period to 6 and 12 months from the investigating judge to the heads of the prosecutor's office of the appropriate level; to establish the possibility of extending the pre-trial investigation period to 18 months by decision of the investigating judge in the event of exceptional complexity of the proceedings; to introduce the possibility of leaving without consideration repeated petitions filed on the same grounds without indicating new circumstances, as well as petitions, complaints and statements containing offensive or indecent statements, etc.

The draft law has currently been submitted for review to the People's Deputies of Ukraine.

Indicator No. 4.13. Entry into force of the law on the reform of the State Bureau of Investigation of Ukraine

(Q4 2026)

Sector: fight against corruption and money laundering

Status: in progress

Entry into force of the law on the reform of the State Bureau of Investigation, taking into account the results of an independent comprehensive analysis of the activities of the SBI, as they become available, which includes the following elements:

- significant involvement of international experts, in particular to ensure transparency and objectivity of the procedure for selecting the head of the bureau based on professional merit;

- mechanism for certification of management staff;

- independent external evaluation of the effectiveness of the work, conducted by independent experts appointed by international partners.

On May 29, Prime Minister Yulia Svyrydenko stated that a draft law on the reform of the State Bureau of Investigation should be developed by the end of the year and submitted to the Verkhovna Rada in December.

As of July 2026, the government has not submitted a relevant bill to parliament.

Indicator No. 4.14. Entry into force of legislation allowing the consideration of civil and administrative cases in the High Anti-Corruption Court by a single judge

(Q4 2026)

Sector: fight against corruption and money laundering

Status: in progress

According to the content of this indicator, amendments to the Civil Procedure Code and the Administrative Procedure Code of Ukraine should come into force, which provide for the consideration of civil and administrative cases in the High Anti-Corruption Court (HACC) by a single judge.

At the legal level, there are still no amendments to the procedural codes that would provide for the consideration of civil and administrative cases in the HCJ by a single judge. The relevant amendments were discussed in the government bill No. 14033 , which was withdrawn due to the resignation of the government on July 16, 2026, but at the moment these disputes are heard exclusively collegially (composed of three judges of the first instance).

The complexity of collegial consideration in such cases lies in organizational and procedural factors (difficulties in coordinating judges' schedules, the influence of the human factor, such as illness or vacation, as well as higher financial costs for the state). In addition, the consideration of civil and administrative cases in the Supreme Court of Justice provides for strict procedural deadlines that must be adhered to, which complicates the organization of hearings in the collegial format to resolve property disputes.

Indicator No. 4.15. Enactment of a law that provides anti-corruption agencies with effective, impartial, and timely access to high-quality forensic medical examinations

(Q4 2026)

Sector: fight against corruption and money laundering

Status: in progress

The content of this indicator is the entry into force of legislation that:

- ensures the institutional and operational independence of the Scientific Research Center for Independent Forensic Medical Examination (SRCME) by taking the necessary measures for the proper functioning of the supervisory body with the participation of members appointed in accordance with the procedure established by law, which, among other things, will be responsible for electing the head of the SRCME, submitting proposals for his dismissal, evaluating his performance, and will have the authority to participate in inspections of the SRCME and in disciplinary proceedings against the staff of the SRCME;

- ensures timely access of NABU to forensic services provided by the National Center for the Study of Criminal Investigations, as a rule, within 2 months, as well as an increase in the overall operational capacity of the National Center for the Study of Criminal Investigations;

- expands the possibilities of using private expert services in the field of forensics by limiting the exclusive competence of state expert institutions to a narrower, legally defined list of expertise.

This is necessary to overcome the monopoly on expertise in criminal proceedings and eliminate "bottlenecks" in anti-corruption investigations, which directly affects the speed of bringing top corrupt officials to justice.

Indicator No. 4.19. Strengthening the financial investigation system (Q4 2026)

Sector: fight against corruption and money laundering

Status: in progress

It is necessary to introduce legislation (strategy and action plan) on financial investigations, taking into account EU recommendations and international technical assistance, as well as methodological recommendations on conducting financial investigations in subordinate regulations, in particular in money laundering cases.

The action plan should include an audit of current cases for the retrospective opening of financial investigations. Methodological recommendations should define the criteria for opening financial investigations, methods and resources for their conduct, mechanisms for data exchange (including with foreign jurisdictions), the use of joint investigation teams, approaches to forming an evidence base, as well as mechanisms for monitoring and evaluating effectiveness.

The goal is to increase the number of autonomous cases and convictions for money laundering.

Indicator No. 6.10. Adoption of a roadmap for the lifting of moratoriums on debt collection from state-owned enterprises and the gradual lifting of these moratoriums

(Q4 2026)

Sector: state asset management

Status: in progress

The indicator was added during the update of the Ukraine Plan to receive funds under the Ukraine Support Loan.

The purpose of the indicator is to prepare and approve a roadmap for the gradual lifting of moratoriums on debt collection from SOEs in order to strengthen the financial discipline of state-owned enterprises, reduce distortions of market competition, and bring the sector closer to standards of good corporate governance.

The indicator envisages the adoption of a roadmap for the gradual lifting of moratoriums on debt collection from state-owned enterprises. This involves reducing special protection for SOEs from forced execution of debt obligations, which should strengthen financial discipline, management responsibility, and bring the management of state-owned enterprises closer to market rules. Implementation is planned for the fourth quarter of 2026; the indicator is currently in the process of implementation.

Indicator No. 6.11. Entry into force of amendments to the legislation on state-owned enterprises, bringing the operational autonomy and internal control system of state-owned enterprises closer to OECD standards (Q4 2026)

Sector: state asset management

Status: in progress

The indicator was added as part of the update of the Ukraine Plan to receive funds under the Ukraine Support Loan mechanism.

It envisages the entry into force of amendments to the legislation on state-owned enterprises, which should strengthen their operational autonomy and internal control in accordance with OECD standards. This should reduce manual state intervention in the management of SOEs, strengthen the accountability of management bodies, and bring corporate governance of state-owned enterprises closer to international practices.

Indicator No. 6.12. Independent assessment of the main corporate governance systems in selected state-owned enterprises not related to the defense industry, in accordance with the Resolution of the Cabinet of Ministers No. 1223, with the involvement of external auditors and/or consulting companies.
(Q4 2026)

Sector: state asset management

Status: in progress

The indicator was added as part of the update of the Ukraine Plan to receive funds under the Ukraine Support Loan mechanism.

It involves conducting and publishing an independent comprehensive assessment of corporate governance systems in selected non-defense state-owned enterprises. The assessment should cover internal control, risk management, public procurement, corporate integrity and anti-corruption mechanisms, with the involvement of external auditors or consultants according to internationally recognized standards.

Indicator No. 7.21. Entry into force of legislation on occupational health and safety

(Q4 2026)

Sector: state asset management

Status: in progress

The indicator was added as part of the update of the Ukraine Plan to receive funds under the Ukraine Support Loan mechanism.

This indicator assumes the entry into force of legislation on occupational health and safety in accordance with the principles of the EU Framework Directive on Occupational Health and Safety. The expected changes should increase the protection of workers' lives and health, strengthen employers' responsibility for safe working conditions, and at the same time simplify regulation in this area.

The draft Law on Occupational Safety and Health of Workers has been registered in the parliament , which was adopted as a basis in August 2024, the table for the second reading was submitted in May 2025, and then it remains without movement. Probably, the adoption of this law would help to fulfill the indicator.

Indicator No. 8.11. Strengthening the institutional capacity of the Bureau of Economic Security

(Q4 2026)

Sector: business environment

Status: in progress

It is necessary to introduce legislation (the law has entered into force) to further strengthen the institutional capacity of the Bureau of Economic Security of Ukraine (BEU) to effectively combat economic crimes, in particular by:

- creation of territorial departments of the BEB;
- ensuring access of BEB to key information systems, registers and databases through electronic data exchange;
- strengthening institutional capacity, in particular the human resources potential of the BEB, using a gender-sensitive approach and ensuring the participation of Bureau staff in specialized training on best practices in detecting, preventing and investigating criminal offenses.

Indicator No. 10.6. Adoption of legislation to amend the tax regime for participants in the electricity market

(Q4 2026)

Sector: energy

Status: in progress

The indicator provides for the adoption of legislation to amend the indirect taxation regime for electricity market participants, which is necessary for the integration of the 'day-ahead' and intraday markets with similar markets in neighbouring countries, as well as for electricity import and export operations.

The list of amendments to the Tax and Customs Codes will be finalised following the adoption of the framework law on the transposition of the electricity integration package (see indicator 10.5). In accordance with the final and transitional provisions of Law No. 4834-IX, the Cabinet of Ministers of Ukraine must, within 12 months of the law coming into force, ensure the adoption and alignment of the necessary regulatory acts.

In turn, on June 9, the NEURC adopted amendments to the Electricity Market Rules aimed at strengthening financial discipline, increasing the transparency of market operations and improving the mechanisms for interaction between market participants and the transmission system operator. The amendments also strengthen the protection of balancing market participants and improve the mechanisms for settlements and monitoring of the fulfilment of contractual obligations.

Indicator No. 10.18. Entry into force of secondary legislation on electricity market integration in accordance with the Energy Community acquis

(Q4 2026)

Sector: energy

Status: in progress

The indicator provides for the development, adoption and entry into force of the subordinate regulatory legal acts necessary for the implementation of the Law of Ukraine No. 4834-IX and the further integration of the Ukrainian electricity market into the European energy space. The specified acts should ensure the approximation of national legislation to the five network codes and guidelines of the European Union in the field of electricity, namely:

- rules for the allocation of long-term cross-border capacity (Commission Regulation (EU) 2016/1719);
- rules on capacity allocation and congestion management at interstate intersections (Commission Regulation (EU) 2015/1222);
- rules for balancing the electricity system (Commission Regulation (EU) 2017/2195);
- rules for the operation of the electricity transmission system (Commission Regulation (EU) 2017/1485);
- network code on the restoration of the electricity system after emergencies and blackouts (Commission Regulation (EU) 2017/2196).

In accordance with Law of Ukraine No. 4834-IX, the NEURC has commenced the development of a package of subordinate legislation necessary for the implementation of the European network codes and the integration of the Ukrainian electricity market into the EU internal market, in particular, it approved an Action Plan for the timely drafting and adoption of secondary legislation required to implement the provisions of the Act. At the same time, the market operator amended the rules governing the operation of organised market segments, as required for the further implementation of the market coupling mechanism in accordance with the requirements of the legislation.

On July 10, the NEURC held the first meeting of the Advisory Body for the practical and timely implementation of Law No. 4834-IX. Working groups within the Advisory Body will prepare proposals for draft regulatory acts necessary for the implementation of the Act, as well as recommendations on the transposition of European Union and Energy Community legislation in the field of electricity.

Indicator No. 10.20. Completion of the NEURC's independent external audit of the integrity and reliability of its financial processes and decision-making

(Q4 2026)

Sector: energy

Status: in progress

The indicator provides for the conduct and completion of an independent external audit of the activities of the National Commission for State Regulation of Energy and Public Utilities (NEURC), with the aim of comprehensively assessing its institutional capacity, governance mechanisms, transparency and integrity of operations.

The audit is to cover an assessment of:

- regulatory decision-making processes, in particular internal procedures for approval, documentation, traceability and mechanisms to ensure the transparency and integrity of the Commission's decisions;
- ethical practices, including mechanisms for preventing conflicts of interest, the declaration of interests, recusal procedures and accountability of Commission members, management and staff;
- the anti-corruption programme and internal compliance mechanisms, identifying institutional vulnerabilities and risks to the integrity of the regulator's activities;
- the NEURC's communication policy, in particular its interaction with regulators of the European Union and the Energy Community, market participants and other public authorities, as well as mechanisms to ensure transparency, consistency and equal treatment of all stakeholders;
- the financial aspects of the Commission's activities, including budgeting, procurement, internal control and reporting processes.

Fulfilment of this indicator follows the preparation of the Terms of Reference (ToR) for an independent external audit of the NEURC (indicator No. 10.20), which is scheduled for completion by the end of June 2026.

Indicator No. 11.8 Entry into force of the law on the railway transport market with the phased application of its provisions

(Q4 2026)

Sector: transport

Status: in progress

Initially, the law was supposed to be adopted in the 4th quarter of 2025, but the deadline was postponed.

The adoption of the law on the railway transport market is a key requirement of the Association Agreement and the negotiating chapter "Transport Policy", without it there is no full-fledged entry into the single European railway area. The law should implement Directive 2012/34/EU (single European railway area) and Regulation 1370/2007 (PSO), that is, move from the "ministerial-monopoly" model to a market with competition and public service contracts. The law will allow for the functional separation of infrastructure and carriers, create an independent regulator and licensing authority, introduce non-discriminatory access to infrastructure and transparent infrastructure rates, as well as a normal system of PSO contracts for passenger transportation.

The creation of an independent regulatory body and licensing authority can theoretically be done in 1–2 years, but critical are real independence, powers of access to information, and the ability to appeal discriminatory decisions of UZ or the ministry. Licensing of operators can be launched relatively quickly, because this is a more technical and legal task. The most difficult element here is the creation of a truly competitive market, because it affects the interests of UZ, large shippers, and local authorities.

The entry into force of the Law of Ukraine "On the Railway Transport Market" by the end of 2026 is quite possible, if there is political will from the deputies. It is inappropriate to delay the adoption of this law any longer. The term of 3–5 years for the full launch of the market according to EU standards looks very tight, but also achievable. And again, provided there is political will, a strong team in the government and the Ukrainian Railways, and synchronization with the requirements of the EU and the IMF.

Indicator No. 14.5 Implementation of electronic certificates in the EU format in the "Diia" service

(Q4 2026)

Sector: digital transformation

Status: in progress

The indicator will be considered fulfilled if the technical characteristics of the mobile application of the "Diya" portal will allow the use of electronic certification of attributes of Ukrainian citizens in the data format specified for the EU digital identification wallet.

The EU Digital Identity Wallet (EUDI) is a government mobile application that allows EU citizens, residents and businesses to store and exchange digital documents, verify their identity for public and private services, and create legally binding electronic signatures across all European Union member states.

Each EU member state must provide at least one digital wallet solution by the end of 2026.

In February 2025, the Action team, together with the Ministry of Digital Affairs, successfully tested their compatibility with European digital wallets in accordance with the eIDAS 2.0 regulation, a single digital standard for European Union countries.

Digital wallets will provide a safe, secure, and confidential means of digital identification.

According to Valeria Koval, Deputy Minister of Digital Transformation of Ukraine, four documents are currently being tested within the framework of integration with the European Digital Identity Wallet (EUDI Wallet):

- electronic driver's license;
- digital certificate of residence;
- taxpayer card;
- electronic identification certificate.

Indicator No. 15.7. Adoption of a Law of Ukraine to reduce deforestation and forest degradation (1/2)

(Q4 2026)

Sector green transition and environmental protection

Status: completed (conditionally)

To fulfil this indicator, a law must come into force to regulate the verification of the sustainable origin of timber and other goods associated with the risk of deforestation and forest degradation. The legislation must provide for the establishment of a transparent system for tracking and monitoring the movement of timber through the expansion of electronic record-keeping, the introduction of certification for all timber products, and the establishment of requirements for verifying their origin during trade.

In June 2025, the State Forestry Agency reported that it had already implemented a number of tools to ensure the readiness of Ukraine's forestry sector for the EU Regulation on the Prevention of Deforestation and Forest Degradation (EUDR), in particular:

- an electronic felling permit – a transparent authorisation system for timber felling, including the geolocation coordinates of felling sites;
- e-waybill with photographic evidence – a tool for tracking timber transport and preventing illegal operations;
- an e-certificate – confirming the origin of timber for export operations;
- transparent electronic auctions – all unprocessed timber is sold through open auctions, which promotes fair competition and eliminates shadow schemes.

In addition, the State Forestry Agency plans to:

- to implement the EUDR requirements into national legislation;
- expanding the functionality of the EOD system, and automating the entry of geolocation data into felling permits and other documents;
- regularly verifying the EOD system and continuing cooperation with international partners;
- running information campaigns and training sessions for forestry enterprises and business representatives.

On March 17, 2025, the Ministry of Environment held a meeting with representatives of the FAO regarding forestry sector reform and Ukraine's preparations for the implementation of the EU's EUDR Regulation on preventing deforestation. It was agreed to set up a working group to draft a new Forest Code, which is intended to ensure transparent forest management, strengthen oversight and harmonise legislation with EU standards.

On November 27, 2025, Viktor Smal, head of the State Forestry Agency, announced that the European Parliament had supported a one-year postponement of the EUDR's implementation, giving Ukrainian exporters additional time to prepare traceability systems and documentary evidence of timber origin.

Indicator No. 15.7. Adoption of a law of Ukraine to reduce deforestation and forest degradation (2/2)

(Q4 2026)

Sector green transition and environmental protection

Status: completed (conditionally)

On November 28, the Cabinet of Ministers of Ukraine approved a resolution setting out the procedure for implementing a pilot project to transpose European Union legislation on the prevention of deforestation and forest degradation in relation to exported timber products. It is reported that the pilot project will run for two years, after which the Ministry of Economy will prepare a report and proposals to improve legislation for the full implementation of EU requirements.

On January 6, 2026, the State Forestry Agency identified 2026 as a key preparatory stage ahead of the launch of the EUDR requirements in 2027, with a focus on the digitalisation of timber accounting, the launch of the exporter's portal, the preparation of a draft law and the completion of reforms to ensure compliance with EU standards.

On March 6, in a public report, the head of the State Forestry Agency, Viktor Smal, noted that, for the first time, Ukraine had been granted 'low-risk country' status by the EU under the EUDR Regulation, and that the State Forestry Agency had been recognised as one of the best-prepared organisations for implementing the EUDR Regulation. On April 24, the State Forestry Agency announced the establishment of the 'Forest Friends for Ukraine' working group to support forests and the forestry sector in responding to a range of challenges: full-scale war, rapid climate change and the implementation of reforms for EU membership.

On May 20, 2026, the Cabinet of Ministers of Ukraine adopted Resolution No. 646 on the launch of a pilot project to implement the requirements of the EU acquis in the field of preventing deforestation and forest degradation for agricultural products exported to the EU. The document provides for the creation of an electronic system for verifying the origin of agricultural produce via the 'State Agricultural Register' and its geoinformation subsystem to confirm that the produce was grown on land that has not been subject to deforestation since 31 December 2020. We therefore consider the indicator to be provisionally met following the approval of the relevant pilot resolution, which will remain in force until a full-fledged law is adopted.

Furthermore, on June 25, a draft law "On the circulation of goods linked to deforestation and/or forest degradation" was registered with the Verkhovna Rada; its aim is to combat deforestation and forest degradation by expanding the use of electronic timber accounting.

Indicator No. 9.3. Better division of powers between local governments and executive authorities

(Q1 2027, changed from Q1 2026)

Sector: decentralization and regional policy

Status: in progress

Legislation should come into force to ensure a better division of powers between local governments and executive authorities. Legislation on the separation of powers between local governments and executive authorities shall enter into force within 12 months after the termination or lifting of martial law, but not before the start of the new budget period.
These legislative changes will lead to a better distribution of powers between local governments and executive authorities based on the principles of subsidiarity and decentralization, will contribute to the elimination of conflicts of competence between different levels of central, regional, district and local government, as well as within local governments, and to the proper quality of public services at the local level, as well as the effective use of budget funds.
In Ukraine's updated plan, the deadline for implementing the indicator was moved forward by a year — it must be implemented by the Q1 2027. Therefore, the indicator is in the process of implementation.
The relevant draft law No. 1 4412 "On the principles of the separation and distribution of powers between levels of public governance" was approved as a basis on April 7, 2026.

Indicator No. 11.5. Entry into force of legislation on merchant shipping and inland waterways

(Q1 2027, changed from Q4 2026)

Sector: transport

Status: in progress

The Law of Ukraine "On Amendments to Certain Legislative Acts of Ukraine on Merchant Shipping and Navigation on Inland Waterways" is to enter into force.

The Ukrainian law will focus on the following key areas:

- definition and regulation of the principles of ensuring the safety of navigation in the territorial sea, internal sea waters, seaports and inland waterways;
- improving the mechanism for implementing the international regime for the protection of ships and seaports;
- definition of a detailed mechanism for controlling vessels in the seaport;
- review of the functions of the central executive body that implements state policy in the areas of maritime and inland waterway transport and shipping in the Merchant Shipping Code, the Laws of Ukraine "On Transport", "On Inland Water Transport" and "On Seaports of Ukraine" in order to eliminate duplication of legislative norms and clarify the distribution of competence, in particular, with the central executive body that ensures the formation and implementation of state policy in the areas of maritime and inland waterway transport;
- simplification of administrative procedures, a clear list of powers of state bodies, elimination of administrative barriers.

At the end of December 2025, the Cabinet of Ministers approved draft law No. 14344 "On Amendments to Certain Legislative Acts of Ukraine Relating to Merchant Shipping and Inland Waterway Navigation", which will allow for the launch of a large-scale reform of the public administration system in the field of maritime and inland water transport.

The conclusion of the VRU Committee on EU Integration determined that the Draft Law does not contradict the Association Agreement and Ukraine's international legal obligations, but at the same time requires terminological revision in order to more fully take into account Directive 2009/21/EC of the European Parliament and of the Council.

Due to the resignation of the government on July 16, 2026, draft law No. 14344 was withdrawn from consideration.

Indicator No. 12.2 Establishment of the Farm Sustainability Data Network (FSDN) system
(Q1 2027)

Sphere: agri-food sector

Status: in progress

It is envisaged that a unified EU Farm Sustainability Data Network (FSDN) system will be created.

The system will allow you to monitor the situation in the agricultural sector and make informed decisions regarding the allocation of state support to agricultural producers.

This step is necessary for Ukraine to gradually move to a more evidence-based agricultural policy, compatible with EU approaches. FSDN should provide the state with systematic data on the state of farms, their economic, social and environmental sustainability. This will allow for a better assessment of the needs of the agricultural sector, targeting state support, monitoring its effectiveness and preparing Ukraine for future integration into the EU Common Agricultural Policy. Work has been underway to implement it at a pilot stage since 2024. In 2026, the FADN/FSDN survey will be held in three regions of Ukraine: Lviv, Zhytomyr and Poltava.

Indicator No. 4.10 Launch of the bank account register (Q2 2027)

Sector: fight against corruption and money laundering

Status: in progress

The purpose of this reform is to further approximate the legal framework of Ukraine to the EU acquis and FATF standards, as well as to create an effective anti-money laundering system in Ukraine to more effectively combat economic crime and improve the overall business climate in Ukraine.

It is necessary to put into operation the necessary software and hardware for the functioning of the register of bank accounts of individuals and individual bank safes, as well as the register of bank accounts of legal entities. In April, draft law 14327-1, which, among other provisions, provides for the launch of the register, was recommended for approval in the first reading. However, the Verkhovna Rada has not yet considered the draft law.

Indicator No. 4.17 Launch of the registry of ultimate beneficial owners of trusts

(Q2 2027)

Sector: fight against corruption and money laundering

Status: in progress

The purpose of this reform is to further approximate the legal framework of Ukraine to the EU acquis and FATF standards, as well as to create an effective anti-money laundering system in Ukraine to more effectively combat economic crime and improve the overall business climate in Ukraine.

It is necessary to ensure the functioning of the software and hardware complex of the register of ultimate beneficial owners of trusts and other similar legal entities and access to it for authorized bodies. In April, draft law 14327-1, which, among other provisions, provides for the launch of the register, was recommended for approval in the first reading. However, the Verkhovna Rada has not yet considered the draft law.

Indicator No. 7.3. Legislative changes adopted to improve the rehabilitation system for persons with disabilities

(Q2 2027)

Sector: human capital

Status: in progress

The indicator assumes that amendments to the Law of Ukraine "On the Rehabilitation of Persons with Disabilities in Ukraine" should enter into force.

The law focuses on the following main areas:

- using the International Classification of Functioning, Disability and Health to measure functioning.
- "implementation of an electronic system that contains information about a person's needs and automatically offers services in accordance with the identified needs (social, medical and others)"

Such changes are important given the large number of people with disabilities who remain without access to opportunities to meet these needs. At the same time, rehabilitation will also help integrate such people, particularly veterans, into social life and the labor market.

Indicator No. 7.4. Entry into force of legislation on the system of changes to implement the system of transition from military service to civilian life

(Q2 2027 - postponed from Q3 2026 - postponed from Q3 2025)

Sector: human capital

Status: in progress

The Law of Ukraine on Amendments to Certain Legislative Acts of Ukraine on the Implementation of the Transition System from Military Service to Civilian Life is to enter into force, and resolutions of the Cabinet of Ministers have been adopted on approving the procedures and conditions for receiving services by participants in the transition system. The acts should focus on ensuring the creation of:

- ➔ rehabilitation and medical, in particular psychological, assistance;
- ➔ training, retraining and advanced training programs;
- ➔ necessary conditions for the employment of veterans as a separate category;
- ➔ measures to support veteran businesses.

The deadline for implementing this indicator was postponed to the second quarter of 202 7. In November 2025, the White Paper and the model of the draft law “On the system of transition from service in the security and defense sector to civilian life” were presented. And in August 2026, the Law on Strengthening Guarantees of Medical Care, Rehabilitation and Prosthetics for Military Personnel and Veterans was adopted, and on August 22, it was returned with the President’s signature (№13704-d). This law provides for cash payments, treatment and rehabilitation, and also proposes to instruct the CMU to submit a draft Law on the rehabilitation and prosthetics procedure for consideration by the Verkhovna Rada within three months.

Indicator No. 7.9. Amendments to the Law “On Social Housing Fund” have come into force

(Q2 2027)

Sector: human capital

Status: in progress

The indicator assumes that amendments to the Law "On Social Housing" should enter into force or a new version of this law should enter into force.
The need for amendments to this law or a new version is due to the adoption in January 2026 of the law on the basic principles of housing policy, which changes the framework regulation of social housing.

So, amendments to this law or its new version should provide for the following:

- creating an institutional framework to ensure a sufficient supply of social housing projects;
- creating a transparent system for monitoring citizens' needs to ensure prompt response at the local level;
- creating a transparent framework for monitoring by the public, civil society and the international community;
- improving the capacity of the institutional base to ensure a sufficient supply of social housing projects;
- improving the rules for the creation and operation of social housing, including ensuring compliance with energy efficiency, safety and other standards

Indicator No. 10.12. Lifting the moratorium on increasing tariffs for heat and hot water

(Q2 2027, postponed from Q4 2026)

Sector: energy

Status: in progress

This indicator provides for the lifting of the moratorium introduced by Law of Ukraine No. 2479–IX of 27 July 2023 'On the Specifics of Regulating Relations in the Natural Gas Market and in the Heating Sector during Martial Law and the Subsequent Restoration of Their Functioning', with the aim of achieving economically justified tariffs for heating and hot water. Under the Act, the moratorium on tariff increases remains in force until the end of martial law and for a further six months thereafter.

On June 4, 2024, the Verkhovna Rada lifted the moratorium on increases to gas distribution tariffs for non-domestic consumers (enterprises, state-funded organisations, heat supply organisations, and public utility facilities). Consequently, following the adoption of the law, the moratorium remained in place only for domestic consumers.

In turn, according to the NBU's Inflation Report of April 2025, tariffs for gas, heating and hot water are unlikely to change this year. At the same time, from 2026, they are expected to gradually converge towards economically justified levels. Uncertainty regarding the timing and scale of tariff increases poses risks to the inflation forecast: postponing decisions will reduce inflation but worsen the financial position of energy companies. Conversely, a rapid rise in tariffs could exacerbate inflation and increase the need for subsidies.

On August 18, the Cabinet of Ministers presented a draft Government Action Programme. The document provides for the resolution of issues concerning the setting and application of tariffs for centralised water supply and centralised wastewater disposal services through amendments to CMU Resolution No. 502 of April 29, 2022 (October 2025) and the Procedure for Setting Tariffs (November 2025), the settlement of accounts payable by heat, water supply and wastewater disposal companies through the preparation of a draft law and amendments to CMU Resolution No. 812 of 19 July 2022 (October 2025), defining a mechanism for restructuring natural gas debt that is independent of the amount of debt arising from tariff differentials (by December 31, 2025).

On August 8, the Cabinet of Ministers approved amendments to Ukraine's Plan, which provide for the deadline for this indicator to be postponed to Q4 2026.

Indicator No. 11.6 Ensuring full compliance with the provisions of the Port Services Regulations

(Q2 2027, postponed from Q1 2027)

Sector: transport

Status: in progress

According to this indicator, Ukraine should review and amend national legislation (subordinate regulations) in order to fully align it with the requirements of Regulation (EU) 2017/352 of the European Parliament and of the Council of 15 February 2017 laying down requirements for access to the port services market and common rules on financial transparency of ports.

The corresponding changes require amendments to the subordinate legislation. It is expected that the Ministry of Community and Territorial Development will approve the procedure for providing towing services in seaports and shipping channels of Ukraine, the rules of maritime pilotage, and will also amend the rules for providing services in seaports.

Currently, tariffs for pilotage services and port dues are determined administratively, without a methodology. However, since revenues from port dues are used to replenish the state budget through deductions from the profit of the Sea Ports Administration of Ukraine in the form of dividends, the development of relevant NPA will require consultations with the Ministry of Finance.

Indicator No. 3.11 New IT solutions have been introduced in the judicial system

(Q3 2027)

Sphere: judiciary

Status: in progress

To implement this indicator, it is necessary to introduce electronic document management subsystems of the Unified Judicial Information and Communication System in 15 pilot courts of general, commercial, and administrative jurisdiction at the level of courts of first and appellate instance.

Electronic transmission of materials between the courts of first and appellate instance takes a matter of minutes. This completely eliminates the months-long delays associated with the physical delivery and mailing of paper case volumes.

Participants in the process, in turn, receive 24-hour access to their case materials via the "Electronic Cabinet" from anywhere in the world. This makes it impossible for documents from paper folders to be accidentally lost or falsified.

Indicator No. 6.5 Improving governance and management of state-owned enterprises

(Q3 2027)

Sector: state asset management

Status: in progress

It is necessary to ensure that the first annual report on the financial and operational results of state-owned enterprises is prepared and submitted to the European Commission, confirming the proper compliance with the principles of corporate governance. The report should also include an assessment of the independence of decision-making by supervisory boards, in particular of at least the 15 largest state-owned enterprises, including an assessment of whether strategic decisions and management appointments require the de facto approval of the Government.

Prior to conducting the assessment, it is necessary to ensure the implementation and adherence to the following corporate governance principles:

- clearly define the powers of the Cabinet of Ministers of Ukraine, the Ministry of Finance, and the Ministry of Economy and strengthen parliamentary control;
- clearly define the mandate and scope of responsibility of consolidated entities managing state-owned enterprises in accordance with the State Property Policy;
- integrate public finance management principles into the charters of the largest state-owned enterprises (and, if necessary, consolidated management entities);
- bring the charters of the largest state-owned enterprises into line with the principles of corporate governance reform, in particular to ensure the independence of supervisory boards when making decisions.

Indicator No. 6.8. Independent audit report confirming the separation of activities related to the performance of special duties and activities not related to the performance of special duties

(Q3 2027)

Sector: state asset management

Status: in progress

By the end of the second quarter of 2027, Ukraine must ensure the preparation and submission of an independent audit report on the separation of accounts in key state-owned companies entrusted with special responsibilities (SOCs). The audit must be conducted by an internationally recognized audit firm and confirm the separation of activities related to the implementation of SOCs from commercial activities. The report must include an assessment of the implementation of account separation, compliance with market rules and avoidance of cross-subsidization, determination of the scope and nature of special responsibilities, as well as an analysis of costs, financial flows and liabilities arising from the implementation of SOCs.

The implementation of the indicator is critically important for increasing the transparency of state asset management and the gradual transition to a market model of functioning of state-owned companies in accordance with EU standards.

Indicator No. 7.13. Investment in education

(Q3 2027)

Sector: human capital

Status: in progress

Investment in education is one of the investment indicators provided for by the Ukraine Facility.

This involves directing funds to improve access to safe and quality education, including preschool education in accordance with the new legislation on preschool education, in particular:

– shelter and safe conditions in educational institutions;
– school buses;
– materials and equipment for educational institutions, modern teaching methods, including through digitalization;
– quality food;
– creation of workshops and laboratories in educational institutions, increasing the energy efficiency of educational institution buildings.

It was initially planned that the equivalent of 650 million euros would be spent for these purposes in 2026 and 2027.

At least 5% of these investments under the "Decentralization" section should be directed to the subnational level.

Indicator No. 7.15. Investment in healthcare

(Q3 2027)

Sector: human capital

Status: in progress

Investment in healthcare is another investment indicator provided for by the Ukraine Facility.

This involves directing funds to strengthen the healthcare sector, in particular:
– laboratory equipment for microbiological, chemical and physical analysis;
– shelter and security for healthcare facilities;
– hospital equipment for medical analysis, surgery and patient care;
– infrastructure and premises for healthcare facilities;
– IT systems to improve the efficiency and effectiveness of medical services.

It was initially planned that the equivalent of 400 million euros would be spent for these purposes in 2026 and 2027.

At least 20% of these investments under the "Decentralization" section should be directed to the subnational level.

Indicator No. 7.16 Investments in social infrastructure (Q3 2027)

Sector: human capital

Status: in progress

According to this indicator, budget funding of at least 350 million euros (in hryvnia equivalent) should be provided for the restoration, construction (new construction, reconstruction, major repairs, restoration) of damaged or destroyed social infrastructure in 2026 and 2027.

The Government Report (or Treasury Report) must demonstrate that in the state budgets for 2026 and 2027, the Government has allocated at least 350 million euros (in hryvnia equivalent) for the restoration, construction (new construction, reconstruction, major repairs, restoration) of damaged or destroyed social infrastructure in order to overcome the social, economic and environmental consequences caused by the armed aggression of the Russian Federation against Ukraine, in particular at the regional level.

The state budget for 2026 includes 127 million euros (equivalent) of relevant expenditures. The indicator is in the process of implementation.

Indicator No. 7.17 Investments in compensation for damaged or destroyed housing

(Q3 2027)

Sector: human capital

Status: in progress

According to this indicator, compensation should be provided to persons whose housing was damaged or destroyed as a result of hostilities, terrorist acts, sabotage caused by the military aggression of the Russian Federation, based on verified data from the State Register of Property Damaged and Destroyed as a Result of Hostilities, Terrorist Acts, and Sabotage Caused by the Armed Aggression of the Russian Federation against Ukraine.

The Government Report (or Treasury report) must demonstrate that in the state budgets for 2026 and 2027, the Government has allocated at least 600 million euros (in hryvnia equivalent) for compensation to persons with damaged or affected housing.

Indicator No. 7.19 Investments in housing for vulnerable groups (Q3 2027)

Sector: human capital

Status: in progress

According to this indicator, budget funding of at least 450 million euros (in hryvnia equivalent) should be provided to provide housing for veterans with disabilities of groups I–II, family members of fallen defenders, and internally displaced persons in 2024, 2025, 2026, and 2027.

The Government Report (or Treasury Report) must demonstrate that in the state budgets for 2024, 2025, 2026 and 2027, the Government has allocated at least 450 million euros (in hryvnia equivalent) to provide housing:

— persons with disabilities of groups I–II who defended the independence, sovereignty and territorial integrity of Ukraine;

— family members of fallen defenders;

— internally displaced persons who defended the independence, sovereignty and territorial integrity of Ukraine, and their family members.

In 2024, 96 million euros (in equivalent) were spent on the relevant expenditure program, and in 2025 - 138 million euros.

Indicator No. 8.6 Entry into force of new public procurement legislation (Q3 2027)

Sector: business

Status: in progress

Ukraine Plan foresees the need to amend the law on public procurement to improve the regulatory framework, procurement procedures and practices, strengthen competition, combat corruption in the procurement sector, and strengthen the competencies and professional qualifications of procurement personnel.
organizations, integration of sustainable development criteria, and, perhaps most importantly, increased alignment of Ukraine's procurement system, procedures, and practices with those of the EU.

After almost two years of preparation of the draft law, on May 27, 2026, the parliament adopted draft law No. 11520 in the second reading.
It has not yet been signed by the President.

According to TI Ukraine, the draft law does not fully comply with all EU procedures and practices.
At the same time, there is a possibility that the European Commission will consider this project after signing as a completed indicator, which will mean that Ukraine will be able to receive a tranche for it as early as 2026.

Indicator No. 8.9 Resolving the problem of overdue payments (Q3 2027)

Sector: business environment

Status: in progress

The goal of this reform is to ensure that late payments do not hinder economic activity.

The reform consists of one stage. It provides for the entry into force of amendments to the legislation in accordance with the principles of Directive 2011/7/EU of the European Parliament and of the Council of 16 February 2011 on combating late payment in commercial transactions (recast).

It is expected that the implementation of the reform will be completed by the fourth quarter of 2027.

Indicator No. 8.10 Investments in financial support for MSMEs

(Q3 2027)

Sector: business environment

Status: in progress

According to this indicator, budget financing of at least EUR 450 million (in hryvnia equivalent at current prices) should be provided to improve access to financial support for microenterprises, SMEs, small and medium-sized farms, and primarily small and medium-sized processing enterprises in 2024, 2025, 2026 and 2027. Support may include both corporate lending and grants, which should be provided based on transparent criteria.

The Government Report (or Treasury Report) must demonstrate that the Government has allocated at least EUR 450 million (in hryvnia equivalent at current prices) in the state budgets for 2024, 2025, 2026 and 2027 for the implementation of the above support measures. It is expected that the implementation of the investments will be completed by the fourth quarter of 2027.

Indicator No. 9.8 Investments for the needs of restoration, reconstruction and modernization of local government bodies of Ukraine

(Q3 2027)

Sector: decentralization and regional policy

Status: in progress

As part of the implementation of this indicator, non-repayable financial support should be allocated under Component I of the Ukraine Facility to cover the needs for the restoration, reconstruction and modernization of regional authorities of Ukraine, in particular local self-government.
For this purpose, a report must be prepared showing that at least 20% of the non-repayable financial support was received under Component I of the Ukraine Facility.

Indicator No. 10.17. Investment of at least €550 million in strengthening Ukraine's energy infrastructure

(Q3 2027)

Sector: energy

Status: in progress

By the end of Q4 2027, Ukraine must ensure that at least €550 million is allocated in the state budgets for 2026–2027 to strengthen energy infrastructure. A relevant government or treasury report must confirm that the funding is directed towards key areas: the modernisation of district heating systems, support for the Energy Efficiency Fund, the thermal modernisation of public sector buildings, the physical protection of energy infrastructure, and the development of renewable energy and highly flexible generation capacity. Part of the funding should also be channelled to the regional level as part of the decentralisation policy.

Implementing this measure is critically important for enhancing the resilience of Ukraine's power system during the war and during post-war recovery. Investment in energy efficiency and infrastructure modernisation will help reduce energy losses, improve the reliability of heat supply and ease the burden on the state budget in the long term. At the same time, supporting the development of renewable energy sources, flexible generation capacity and the physical protection of energy facilities is a key prerequisite for strengthening Ukraine's energy security, integrating into the EU energy market and fulfilling climate and European integration commitments.

Indicator No. 11.4 Adoption of subordinate regulatory legal acts to implement the legislation on railway transport of Ukraine

(Q3 2027)

Sector: transport

Status: in progress

The Ministry of Development of Communities and Territories of Ukraine should develop, and the Government should adopt, a number of subordinate regulatory legal acts to implement the Law of Ukraine "On Railway Transport of Ukraine" to introduce mechanisms for the functioning of the railway transportation market, in particular regarding:

- equal access to infrastructure;
- licensing of carriers;
- safety management systems;
- procedure for organizing socially important passenger transportation (PSO).

The issues of licensing carriers and the safety management system are enshrined in Law 4904 “On Safety and Interoperability of Railway Transport of Ukraine”, which was adopted on 09.06.2026.

The National Adaptation Program provides that the law on the railway transport market should be adopted by December 2026. The Rules for Equal Access to Railway Transport Infrastructure and Licensing Conditions for Conducting Economic Activities of a Railway Carrier should be developed by the end of 2027. Ensuring functional separation between the infrastructure operator and railway carriers, independence of the infrastructure operator and licensing of railway carriers is planned by the end of 2029. And the procedure for forming a tariff for access to railway transport infrastructure, the procedure for approving and putting into effect a consolidated train timetable, development and publication of the Network Notice and the entry into force of the provisions of the Law of Ukraine “On the Railway Transport Market” that liberalize the railway transport market - by the end of 2031.

Indicator No. 11.7 Investing at least 350 million euros in transport infrastructure

(Q3 2027)

Sector: transport

Status: in progress

To implement this indicator, the Government must allocate at least 350 million euros (in hryvnia equivalent) during 2026-2027 for the construction, reconstruction, restoration, modernization and renewal of damaged and destroyed transport infrastructure facilities in accordance with the National Transport Strategy of Ukraine for the period until 2030, including part of which will be directed to the regional level (as part of the step of the "Decentralization" section to direct 20% to the subnational level), in particular in the following sectors:

- railway transport (in accordance with the new legislation on railway transport of Ukraine);
- sea and river navigation (in accordance with the new legislation on merchant shipping and inland waterways navigation);
- road maintenance;
- aviation;
- border crossing points (in accordance with the Strategy for the Development and Expansion of Border Infrastructure with the Member States of the European Union and the Republic of Moldova until 2030).

The relevant investments must be reflected in the Government or Treasury report.

Indicator No. 12.10 Investing at least 150 million euros in demining agricultural land

(Q3 2027)

Sphere: agri-food sector

Status: in progress

The purpose of this investment is to support owners or users of agricultural land who carry out demining activities.

The investment consists of two stages. The first stage provides budget funding of at least EUR 30 million (in hryvnia equivalent at current prices) to compensate owners or users of agricultural land for demining costs in 2024–2025. The second stage provides budget funding of at least EUR 100 million (in hryvnia equivalent at current prices) to compensate owners or users of agricultural land for demining costs in 2024–2027.

The Government Report (or Treasury Report) should demonstrate that the Government has allocated at least EUR 30 million (in hryvnia equivalent at current prices) in the state budgets for 2024–2025 to compensate for demining costs, and at least EUR 100 million (in hryvnia equivalent at current prices) in the state budgets for 2024–2027 to implement the above support measures. It is expected that the investment will be completed by the fourth quarter of 2027.

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Annex 3

Detailed status of compliance with the conditions for receiving macro-financial assistance under the Ukraine Support Loan

Condition No. 1.1 Submit to Parliament a bill on the abolition of tax benefits for imported parcels (condition for the tranche I)

Component: domestic revenue mobilization

Status: completed

The Cabinet of Ministers of Ukraine was to submit to the Verkhovna Rada of Ukraine a draft law that would include provisions to consider abolishing the tax-free limit of 150 euros for international parcels. This condition is closely linked to the structural benchmark for obtaining financing from the IMF and obligations to the EU in terms of customs policy and revenue mobilization.

To fulfill this condition, amendments were made to Bill 12360, which provided for the establishment of key performance indicators for customs authorities, which provided for the taxation of VAT on international low-value postal items.

An attempt to abolish the privilege took place on May 26, when the Verkhovna Rada rejected draft law No. 12360 on amendments to the Customs Code regarding key performance indicators of the State Customs Service.

At the same time, the fulfillment of this condition was assessed positively for receiving the first tranche of macro-financial assistance under the Ukraine Support Loan.

After the failure of this document, the Cabinet of Ministers of Ukraine submitted a new draft law No. 15460 on the abolition of the value added tax (VAT) exemption for parcels worth up to EUR150.

On August 26, the Committee of the Verkhovna Rada of Ukraine on Finance, Tax and Customs Policy decided to recommend to the Parliament to adopt as a basis and in general revised draft law No. 15112-D on amendments to the Tax Code regarding VAT taxation of e-commerce transactions and No. 15460 on amendments to the Customs Code regarding the registration of goods in international parcels and express shipments.

Condition No. 1.2 Submit to Parliament a draft law on the introduction of taxation of income received through digital platforms (condition for tranche I)

Component: Domestic Revenue Mobilization

Status: completed

It was simply necessary to submit to the Verkhovna Rada a bill on the introduction of taxation of income received through digital platforms.

Such a bill was submitted back in April to implement IMF structural benchmark No. 3, so condition No. 1.2 for USL is also met.

Condition No. 1.3 **Adopt a law to extend the military levy at 5% for 3 years**
(condition for tranche I)

Component: Domestic Revenue Mobilization

Status: completed

It was necessary to pass a law to extend the military levy (military tax) at the level of 5 percent for 3 years, which would provide at least 140 billion hryvnias in additional revenue per year.

Such a law (No. 4835-IX of 04/07/2026) was adopted back in April to implement IMF structural benchmark No. 3, so condition No. 1.3 for USL is also fulfilled.

Condition No. 1.4 **Adoption by the Government of a resolution on the approval of the Procedure for the development, monitoring and evaluation of the results of the implementation of strategies, which are the basis for the formation of proposals for public investments together with the corresponding action plan** (condition for the tranche I)

Component: sustainability and quality of public expenditures

Status: completed

On March 25, 2026, the Government approved the Procedure for the Development, Monitoring and Evaluation of the Results of the Implementation of Strategies, which are the Basis for the Formation of Proposals for Public Investments (hereinafter referred to as the Procedure). This decision became an important stage in the reform of public investment management and is aimed at improving the quality of strategic planning, the consistency of state priorities with resources, and the effectiveness of investment decisions.
The new Procedure establishes uniform requirements for the content of strategies. In particular, they must clearly define strategic goals, objectives, measurable performance indicators, an operational implementation plan, approaches to monitoring and evaluation, as well as a forecast assessment of financial needs for the implementation of the strategy.

Separately, the document unifies reporting formats and monitoring approaches. This is necessary so that strategies are not declarations of intent, but working documents that can be used to track progress, adjust actions, and evaluate results.

Condition No. 1.5 Adopt and publish the Public Finance Management Strategy and the Action Plan for its implementation (condition for the I tranche)

Component: public finance management systems

Status: completed

The development of the document began in implementation of the Roadmap for Public Administration Reform. It was approved by government order back in May 2025 to ensure the negotiation process for Ukraine's accession to the EU (within Cluster 1 "Fundamentals").

Foreign specialists were involved in the preparation of the project. Expert support to the Ministry of Finance was provided by analysts of the EU4PFM program (EU Program to Support Public Finance Management in Ukraine).

In early December 2025, the Ministry of Finance published the developed draft Strategy for public discussion. The document was analyzed by expert circles, representatives of local governments, and business associations.

After processing the comments and conducting consultations, the final version was agreed with the relevant ministries and departments. The project was submitted for consideration by the Cabinet of Ministers, which culminated in its official adoption at the end of February 2026.

The full text of the order with a detailed Operational Plan of Action is available on the official web portal of the Verkhovna Rada in the Order of the CMU dated February 25, 2026 No. 217-r .

Condition No. 1.6 Submit to the Government a new Customs Code of Ukraine, which will contribute to the harmonization of customs legislation with the EU Customs Code (condition for the tranche I)

Component: public finance management system

Status: completed

The process of developing and submitting the draft of the new Customs Code of Ukraine (CCU), fully harmonized with European standards, took place in two stages of approval by the Government with lengthy international and public consultations between them. The final approval by the Cabinet of Ministers took place on May 28, 2026, and on June 3, 2026, the government draft law was officially registered in the Verkhovna Rada under No. 15295 .

On August 26, 2025, the Government adopted the first protocol decision, which supported the initial draft of the new code, developed by the Ministry of Finance and the State Customs Service with the technical support of EU experts. Immediately after that, the Government Office for the Coordination of European and Euro-Atlantic Integration sent the text of the draft to the European Commission for an official assessment of its compliance with European legislation.

During October 2025 - March 2026, 14 working meetings directly with European experts to take into account amendments from the European Commission.

In parallel, a special government working group was working, which included 15 representatives of the largest Ukrainian business associations and associations selected by the Ministry of Finance, who together held more than 60 rounds of consultations.

On May 28, 2026, the Cabinet of Ministers of Ukraine officially approved the final version of the draft law of the new Customs Code.

In connection with the resignation of the Government, the Customs Code of Ukraine was resubmitted to the Verkhovna Rada under No. 15450 dated 07/28/2026.

Condition No. 1.7 Appoint a new permanent head of the State Customs Service (condition for the tranche I)

Component: public finance management system

Status: completed

The selection and appointment of the new Head of the State Customs Service of Ukraine (SCS) through an open competition was completed on April 10, 2026, when the Cabinet of Ministers of Ukraine officially appointed Orest Mandziy to this position. This competition became historic, as for the first time in many years the agency received a full-fledged head without the status of "acting" through a completely new transparent procedure.

The competition was announced by the Cabinet of Ministers on August 4, 2025, in accordance with the law on the resettlement of the customs service. A special competition commission was created, which included an equal number of Ukrainian and international experts, with the latter having the deciding vote.

From fall 2025 to March 2026, all candidates went through a multi-level competition, which consisted of:

- testing knowledge of legislation and general abilities
- integrity and professional competence checks
- final interviews. At the final stage, the commission interviewed 15 main applicants in detail.

On March 27, 2026, after seven rounds of voting, the commission identified two finalists. They were two current NABU employees — Orest Mandziy (head of the NABU detective unit since 2021) and Ruslan Damentsov. On March 30, 2026, the Selection Commission officially submitted the candidacies of these two winners for consideration to the Minister of Finance of Ukraine, Serhiy Marchenko. The Minister of Finance considered the submission and recommended the candidacy of Orest Mandziy to the Government. On April 10, 2026, the Cabinet of Ministers approved this appointment.

Condition No. 2.1 Submit to Parliament a draft law on amendments to the corporate taxation rules for alignment with Article 4 of the EU Anti-Tax Avoidance Directive, ATAD (condition for tranche II)

Component: Domestic Revenue Mobilization

Status: in progress

Submit to the Council proposals for amendments to the legislation aimed at harmonizing the corporate taxation system of Ukraine with Article 4 of the EU Anti-Tax Avoidance Directive (Council Directive (EU) 2016/1164).

It is planned to strengthen the rules for taxation of corporate groups' profits: expanding and tightening the application of transfer pricing, introducing restrictions on taking into account debt financing costs when calculating income tax with the possibility of carrying forward unrecognized costs to future periods, as well as taxation of foreign companies with actual management in Ukraine.

The changes are aimed at reducing opportunities for underreporting income tax through intra-group transactions and debt schemes and are a structural benchmark of the IMF program with a submission deadline of the end of June 2026.

The Ministry of Finance has published the necessary draft law 12 August on its website, but as of August 31, it has not yet been registered in the Verkhovna Rada, so condition No. 2.1 has not yet been met.

Condition No. 2.2 Adopt a law on the introduction of taxation of income received through digital platforms (condition for the II tranche)

Component: Domestic Revenue Mobilization

Status: in progress

The Verkhovna Rada was supposed to adopt a bill on the introduction of taxation of income received through digital platforms.

Such a bill was submitted back in April to implement IMF structural benchmark No. 3, and in June the Rada supported it.

As of August 31, the law is awaiting the President 's signature . We previously marked condition No.2.2 as fulfilled, but the long delay in signing creates risks for the second tranche of the USL. The condition is still in the process of being fulfilled.

Condition No. 2.3 Parliament’s adoption of a law repealing tax exemptions for imported parcels, with the exception of those related to food security and defense

(condition for thr tranche II)

Component: domestic revenue mobilization

Status: in progress

After the resignation of the government, the bill on the abolition of the tax exemption for international shipments was resubmitted to the Verkhovna Rada of Ukraine on July 29, 2026.

On August 26, 2026, the Committee of the Verkhovna Rada of Ukraine on Finance, Tax and Customs Policy decided to recommend to the Parliament to adopt as a basis and in general revised draft law No. 15112-D on amendments to the Tax Code regarding VAT taxation of e-commerce transactions and No. 15460 on amendments to the Customs Code regarding the registration of goods in international parcels and express shipments.

First of all, the proposed changes involve the abolition of the tax benefit for international parcels and the introduction of VAT on imported goods purchased through marketplaces, starting at 0 euros (currently, parcels up to 150 euros are exempt from VAT).

It should be noted that the adoption of the package of draft laws is also a structural benchmark of the Memorandum with the IMF.

Condition No. 2.4 Parliament adopts law on property valuation framework (condition for tranche II)

Component: Domestic Revenue Mobilization

Status: in progress

Ukrainian valuation standards are outdated and need to be aligned with European (TEGOVA) and international (IVS) standards. This will enhance trust in real estate valuation and bank collateral among both businesses and government agencies, and will facilitate cross-border transactions.
The unification of valuation standards is a necessary condition for the transparent circulation of assets and the development of financial markets. It creates the prerequisites for better collateral quality, reduced risks in the banking sector, and more active participation of international investors.

The necessary draft law No. 13435 of 06/27/2025 as of August 31 The first reading was held in 2026. The final vote and the president's signature are still ahead.

Condition No. 2.5 Adoption of the State Tax Service roadmap for improving VAT compliance management and implementation plan (condition for tranche II)

Component: Domestic Revenue Mobilization

Status: in progress

The State Tax Service should adopt a roadmap for improving VAT compliance management, identifying key compliance risks, reform priorities, and implementation timelines.

As of the end of August, the fulfillment of the condition is in progress. In July, the State Tax Service began to emphasize in its press releases that the National Revenue Strategy (NRS), adopted back in 2023, is a “roadmap” of all necessary tax and customs conditions. Perhaps some adaptation of the NRS will be considered fulfillment of condition No. 2.5.

Condition No. 2.6 State Tax Service adoption of a plan to improve tax compliance (condition for tranche II)

Component: Domestic Revenue Mobilization

Status: in progress

The State Tax Service must adopt a plan to improve tax compliance, which identifies key gaps in tax compliance and provides measures to address them within the next year.

As of the end of August, the fulfillment of the condition is in progress. In July, the State Tax Service began to emphasize in its press releases that the National Revenue Strategy (NRS), adopted back in 2023, is a “roadmap” of all necessary tax and customs conditions. Perhaps some adaptation of the NRS will be considered fulfillment of condition No. 2.6.

Condition No. 2.7 Adopt secondary legislation or methodological recommendations that clarify the definition of investments falling under the PIM framework and distinguish them from other capital expenditures for the preparation of the EPP-2027

(condition for the tranche II)

Component: sustainability and quality of public expenditures

Status: in progress

The Memorandum of Understanding between Ukraine and the EU provides for the development and adoption of secondary legislation or methodological recommendations that will clarify the definition of investments falling under the Public Investment Management (PIM) system and distinguish them from other capital expenditures.

The Ministry of Finance, with the help of technical support from the IMF, is already developing relevant recommendations. Their goal is, in particular, to clearly distinguish between public investments and capital expenditures when forming the Unified Portfolio of Public Investment Projects for 2027.

Condition No. 2.8 Adoption by the Government of the Concept of a Unified Information Ecosystem for Public Investment Management (condition for the II tranche)

Component: sustainability and quality of public expenditures

Status: completed

The Memorandum of Understanding between Ukraine and the EU stipulates that the CMU will adopt a Concept of a Unified Information Ecosystem for Public Investment Management to ensure, inter alia, the integration of PIM-related systems and data with the IT systems of the Ministry of Finance, the Ministry of Economy, Environment and Agriculture of Ukraine, the Ministry of Development and relevant line ministries, including DREAM, the State Budget, LOGICA, Prozorro and the Treasury system, among others. The Concept should include an action plan defining the stages and timeframes for implementation.

On June 4, the Cabinet of Ministers of Ukraine adopted the resolution "On approval of the Concept for developing a Unified Digital Ecosystem for Public Investment Management and approval of the action plan for 2026–2028 for its implementation" (hereinafter referred to as the Concept).

The main goal of the Concept is to integrate disparate state information systems into a single network that will support the investment cycle at every stage — from planning and selection of community projects to their financing, technical control and evaluation of results. It is important that the basis of the future IT architecture will be the integration of existing digital tools. Among them — the DREAM system, which is under the responsibility of the Ministry of Development, as well as the AIS systems "GRK-VEB", LOGICA, resources of the State Treasury Service and the electronic procurement system.

The Ministry of Finance of Ukraine will coordinate the implementation of the Concept, monitor the implementation of the action plan, and control the achievement of the specified results.

Condition No. 2.9 Approval of the Budget Declaration for 2027–2029, which is agreed with the IMF and meets EU requirements (condition for the II tranche)

Component: sustainability and efficiency of public spending

Status: completed

The adoption of the Budget Declaration for 2027-2029, according to the requirements of the condition, should have included:
(i) a baseline policy scenario for 2027-2029, reflecting the path of key revenue and expenditure indicators under unchanged policies, as provided for in current legislation. This scenario will also quantify the gap - or fiscal space - between the deficit under current policies and the deficit consistent with the government's fiscal targets agreed with IMF staff;
(ii) an active policy scenario for 2027-2029, including the impact of all planned expenditure and revenue measures, as well as measures to achieve the Government's fiscal targets for the general government deficit and debt;
(iii) a section explaining changes in macroeconomic assumptions compared to the previous Budget Declaration and deviations between previous forecasts and the latest execution data;
(iv) a special annex containing a summary of public investment projects reflected in the medium-term fiscal projections, in accordance with the PIM cycle.

All these conditions were met in the Budget Declaration approved by the Cabinet of Ministers on June 17 (which is later than the deadline provided for in the Budget Code).

Condition No. 2.10 Government decision on the scope, objectives and timing of expenditure reviews in 2026 (condition for tranche II)

Component: sustainability and efficiency of public spending

Status: completed

Adopt and publish a decision of the Cabinet of Ministers on determining the areas, objectives and deadlines for conducting state budget expenditure reviews in 2026, which provides for the coverage of areas related to overcoming the consequences of military actions and ensuring post-war recovery, such as housing, regional and veterans' policies. The decision will also determine the requirements for expenditure review reports, which will contain, in particular: at least two options for achieving the objective of the expenditure review; proposals for optimizing state budget expenditure; a proposal for the optimal option for achieving the objective of the review based on a comparison of the options included in the report.

Condition No. 2.11 Adoption by the Ministry of Finance of the Digital Development Plan of the State Customs Service until 2030 (condition for the II tranche)

Component: public finance management system

Status: completed

In February 2024, the Ministry of Finance approved the first Long-Term Strategic Plan for the Digitalization of the State Customs Service, which was designed only until 2026. It focused on basic paperless procedures and the implementation of the Center ASMO.

In May 2025, the Cabinet of Ministers adopted Resolution No. 464-r , which officially extended the general Strategy for Digitalization of Finance until 2030. This required the Ministry of Finance to radically update the departmental IT development plan of customs for long-term European integration goals.

The draft of the updated Plan was finalized in the first half of 2026 under the direct coordination of the Ministry of Finance of Ukraine and the new leadership of the State Customs Service. It was expected to be approved in July 2026, however, as of the end of the month, there is no relevant information in public sources.

The Ministry of Finance of Ukraine approved the updated Strategic Plan for the Digital Development of the State Customs Service of Ukraine until 2030 (order dated 07/27/2026 No. 406).

Condition No. 2.12 The Verkhovna Rada must appoint the remaining experts to the commission for the selection of members of the Accounting Chamber of Ukraine (condition for the II tranche)

Component: public finance management system

Status: in progress

In December 2024, the law on the reform of the Accounting Chamber (hereinafter referred to as the AC) came into force. Among other things, it introduced a renewed competitive selection procedure for AC members, which provides for the creation of an Advisory Group of Experts (hereinafter referred to as the AGE) of 6 people (three international experts and three representatives from the Verkhovna Rada with a majority vote of international experts).

In August 2025, the Verkhovna Rada failed to vote on the establishment of the AGE to conduct a preliminary selection of candidates for the positions of members of the Accounting Chamber. Back in September 2025, the Budget Committee resubmitted for consideration by the Parliament the candidates for the AGE to conduct a preliminary selection of candidates for the positions of members of the Accounting Chamber. However, this issue has not yet been considered.

Despite the fact that the candidacies of three international experts were identified and approved by the CMU Order No. 498-r dated May 23, 2025, the Verkhovna Rada has not yet appointed members of the AGE, in particular, whose candidacies should be proposed by parliamentary factions (groups). As a result, the AGE has not been formed and cannot begin the preliminary selection of candidates for the positions of members of the Accounting Chamber.

Within the framework of the updated Memorandum with the IMF (dated July 2026), the Ukrainian side promised to appoint 6 members of the AGE, which should conduct a preliminary selection of candidates for the AC and by the end of 2026 appoint 6 new AC members from among the verified candidates (recall that under the updated law, the AC consists of eleven members) .

Condition No. 3.1 Submit to Parliament a draft law on reforming the preferential tax regime (condition for the III tranche)

Component: Domestic Revenue Mobilization

Status: in progress

Submit to the Council a proposal for a law introducing measures to reform the preferential tax regime, which will provide additional revenues of at least 70 billion hryvnias per year, in particular:
(i) anti-tax evasion measures to prevent the artificial fragmentation of businesses in order to meet the criteria for preferential tax regimes;
(ii) restrictions on re-transition of business entities to the simplified taxation system after their transition to the general taxation system;
(iii) introduction of differentiated tax rates for taxpayers of the third group depending on the type of economic activity; and
(iv) steps towards alignment with Council Directive 2006/112/EC

Condition No. 3.2 Parliament's adoption of the law on simplifying VAT administration for individual entrepreneurs (condition for the III tranche)

Component: Domestic Revenue Mobilization

Status: in progress

Adoption by the Council of the law on simplifying VAT administration for individual entrepreneurs (quarterly reporting instead of monthly; monthly tax invoices instead of daily; formation of a preliminary tax declaration for individual entrepreneurs; simplification of unblocking tax invoices).

As of the end of June 2026, the relevant bill has not been submitted to parliament.

Condition No. 3.3 Parliament adopts a law on harmonizing Ukraine's corporate taxation system with Article 4 of the EU Anti-Tax Avoidance Directive, ATAD.

(condition for the III tranche)

Component: Domestic Revenue Mobilization

Status: in progress

The Verkhovna Rada should adopt amendments to the legislation aimed at harmonizing Ukraine's corporate taxation system in accordance with Article 4 of the EU Anti-Tax Avoidance Directive (Council Directive (EU) 2016/1164).

It is planned to strengthen the rules for taxation of corporate groups' profits: expanding and tightening the application of transfer pricing, introducing restrictions on taking into account debt financing costs when calculating income tax with the possibility of carrying forward unrecognized costs to future periods, as well as taxation of foreign companies with actual management in Ukraine.

The changes are aimed at reducing opportunities for underreporting income tax through intra-group transactions and debt schemes and are a structural benchmark of the IMF program with a submission deadline of the end of June 2026.

The Ministry of Finance has published the necessary draft law August 12 on its website, but as of August 31 It has not yet been registered in the Verkhovna Rada.

Condition No. 3.4 Submit to Parliament a draft law to align corporate taxation with other ATAD provisions (condition for tranche III)

Component: Domestic Revenue Mobilization

Status: in progress

Proposals for legislative amendments aimed at aligning Ukraine's corporate taxation system with the EU Anti-Tax Avoidance Directive (Council Directive (EU) 2016/1164) should be submitted to the Council, in particular Article 5 (capital gains tax on the disposal of assets), Article 6 (General anti-abuse rule), Articles 7 and 8 (Controlled foreign company rules), and Articles 9 , 9a and 9b (Hybrid mismatches).

As of the end of August, the fulfillment of the condition is in progress.

Condition No. 3.5 A Report with long-term projections of pension expenditures based on the current system and planned parameters of the pension reform has been prepared.

(condition for the III tranche)

Component: sustainability and efficiency of public spending

Status: in progress

The indicator requires the government, in cooperation with the World Bank, the IMF and the Commission services, to provide a report with long-term projections of pension expenditure based on the current system and the parameters of the planned pension reform.

As of the end of June 2026, the Ministry of Social Policy is developing a pension reform, for which a report on projected pension expenditures should be prepared.

Condition No. 3.6 Submit to Parliament the draft State Budget for 2027 with an explanation of how the results of expenditure reviews are taken into account in expenditure allocations (condition for tranche III)

Component: sustainability and efficiency of public spending

Status: in progress

Submit to the Verkhovna Rada the draft State Budget of Ukraine for 2027, which should contain an explanation of how the results of the expenditure review were taken into account in the budget and reflected in the distribution of expenditures.

The government has already begun working on the draft Law on the State Budget for 2027.

The government is expected to submit the draft law on the State Budget for 2027 by September 15, 2026.

Condition No. 3.7 Develop a new Public Procurement Strategy for 2027–2030 (condition for the III tranche)

Component: sustainability and efficiency of public spending

Status: in progress

The indicator envisages the development of a new Public Procurement Strategy for 2027–2030 and its submission to the European Commission as a condition for the 3rd tranche of the Ukraine Support Loan. The strategy should determine the further development of the procurement system after the completion of the current strategy for 2024–2026, in particular the implementation of new legislation, further harmonization with the EU acquis, updating of the secondary legislation and technical development of Prozorro.

For now, the Strategy for Reforming the Public Procurement System for 2024–2026, approved by the CMU on February 2, 2024, is in effect, along with the operational plan for 2024–2025.

Condition No. 3.8 Prepare a draft law on defense procurement, to be developed in 2027 in accordance with the EU acquis (condition for tranche III)

Component: sustainability and efficiency of public spending

Status: in progress

The indicator envisages the preparation of a concept for a future law on defence procurement, to be developed in 2027 and aligned with the EU acquis, in particular with the EU rules on defence and security procurement. Its logic is to define in advance the approach to updating the special regime for defence procurement: a balance between transparency, competition, security constraints, speed of procurement and protection of sensitive information.

This is important both for the effective use of defense spending and for Ukraine's gradual approximation to the rules of the EU internal market in the defense industry.

Condition No. 3.9 The State Audit Office of Ukraine should prepare a proposal for a clear organizational and managerial separation of inspection and audit functions (condition for the III tranche)

Component: public finance management system

Status: in progress

Preparation by the State Audit Service of a proposal for a clear organizational and managerial distinction between inspection and audit functions within the structure of the State Audit Service.

The indicator requires that the State Audit Service of Ukraine should prepare a proposal for a clear organizational and managerial separation of inspection and audit functions. This is necessary to strengthen the state financial control system: the inspection function should be separated from audit, so that the audit is more risk-based, assesses systemic problems and does not duplicate inspections. In a broader context, this condition should also clarify the roles and interaction of the Ministry of Finance, the State Audit Service of Ukraine and internal audit units within the framework of the implementation of Ukraine Plan.

Condition No. 3.10 Prepare 10 new audit committees in accordance with current legislation in key spending units of budget funds (condition for the III tranche)

Component: public finance management system

Status: in progress

Create 10 new audit committees in accordance with the requirements of the legislation in the following key budget administrators: the Ministry of Internal Affairs, the Ministry of Energy, the Ministry of Digital Transformation, Kyiv, Lviv and Chernivtsi regional state administrations; the State Agency for Infrastructure Restoration and Development of Ukraine; the State Property Fund of Ukraine, the National Securities and Stock Market Commission, and the National Commission for State Regulation in the Energy and Utilities Sectors.

Condition No. 3.11 The Ministry of Finance will update the National Internal Audit Standards, aligned with the Global Internal Audit Standards (condition for the III tranche)

Component: public finance management system

Status: in progress

Adoption by the Ministry of Finance of a revised national internal audit standard, aligned with global internal audit standards.

The indicator envisages the Ministry of Finance updating the National Internal Audit Standards and aligning them with the Global Internal Audit Standards. This should strengthen the quality of internal audit in the public sector, make it more independent, risk-oriented and useful for managing budget funds. In a broader context, the indicator is aimed at strengthening internal control and internal audit systems as part of the reform of public financial control.

Condition No. 3.12 Adoption by the Parliament of the new Customs Code of Ukraine in accordance with the EU Customs Code (condition for the III tranche)

Component: public finance management system

Status: in progress

As of the end of June 2026, the government draft law on the new edition of the Customs Code of Ukraine (reg. No. 15295), submitted by the Cabinet of Ministers of Ukraine, is currently at the initial stage of parliamentary consideration after its official registration in the Verkhovna Rada on June 3, 2026. The document, developed for full synchronization with the EU Customs Code (Regulation No. 952/2013), is undergoing regulatory procedures in specialized committees.

Currently, an expanded working group has been formed on the basis of the VRU Committee on Finance, Tax and Customs Policy, involving representatives of the Ministry of Finance, the State Customs Service, business and experts from the EU4PFM program. It will review and prepare the draft law for voting in the first reading. The work will begin on July 7, 2026 and will continue approximately until the end of September 2026, after which the draft law should be submitted to the session hall of the parliament for consideration.

In connection with the resignation of the Government, a new draft law of the Customs Code of Ukraine No. 15450 was registered in the Verkhovna Rada, which actually replaced the draft law No. 15295, which was withdrawn after the resignation of the Government, and is identical in text. Accordingly, a working group formed under the relevant committee continued work on the text of the draft. During August 2026, the content of 5 of the 17 sections was discussed.

Condition No. 3.13 Approve technical requirements for national customs IT systems for processing customs declarations and risk management (condition for the tranche III)

Component: public finance management system

Status: in progress

The development of these systems is a mandatory technical condition for Ukraine's accession to the EU Customs Union, as they allow Ukrainian databases to "speak" a single digital language with Brussels. The new platforms fully automate the verification of declarations and the analysis of security risks even before crossing the border, minimizing the human factor and corruption. For businesses, this means the abolition of paper documentation, acceleration of customs clearance and reduction of queues at the borders.

More details about the systems for which technical requirements should be developed:

- Automated Export System (AES). Technical specifications are developed based on the European Data Harmonisation component interoperability standard. The Ministry of Finance approves requirements that ensure automatic exchange of messages between Ukrainian customs offices of departure and European customs offices of destination.
- Centralized Customs Clearance (CCI) and New Import System (NIS). Functional and technical requirements are approved taking into account the EU Customs Data Model (EU CDM). They provide for the separation of processes: the declaration will be submitted to the central node (CCI), and the physical control of goods will be at the border or inland customs post level (NIS).
- Security standards. A new national risk management system is being developed under the ICS2 Release technical regulation. The requirements approved by the Ministry of Finance require the system to receive and instantly process the Entry Summary Declaration (ENS) before the actual border crossing. The technical specifications include the deployment of artificial intelligence algorithms to automatically compare ENS data with international security databases in real time.

As of August 2026, there is limited information in the public domain regarding progress in the development and approval of technical requirements for such systems.

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