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# Trade Facilitation Monitoring in Ukraine

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*Dear readers!*

*Here is the new issue of the Information Bulletin "Trade Facilitation in Ukraine Monitoring," a product of the Institute for Economic Research and Policy Consulting.*

*We strive to provide you with the latest and most up-to-date information on the state of customs reform implementation and the implementation of measures to facilitate international trade in Ukraine. Therefore, send your opinion, feedback, and wishes regarding communication links and methods of providing information to: customs@ier.kyiv.ua*

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## The government's priority action plan for 2025 has been approved

**Order of the Cabinet of Ministers of Ukraine dated February 18, 2025 No. 131 "On Approval of the Government's Priority Action Plan for 2025"**

The Government has approved a priority action plan for 2025.

The plan contains 392 steps (measures) indicating the executor, deadline, performance indicator, as well as expected results. The steps are divided into the following 1-6 areas: 1. European integration of Ukraine; 2. Ukrainian shield (military security and defense capability); 3. Economic development; 4. Digital transformation; 5. Information security; 6. Border security; 7. Humanitarian demining; 8. Public safety; 9. Gender equality; 10. Physical culture and sports; 11. The rule of law and the fight against corruption; 12. Modern medicine; 13 Science and Innovation for High-Tech Development; 14. Development of culture; 15. Reconstruction of the destroyed; 16. Ecology and sustainable development.

In particular, in the economic sphere, the plan provides for the following steps related to international trade:

* continuation of work on the introduction of joint border control at the border with EU member states at checkpoints across the state border;
* implementation of projects for the development of checkpoints across the state border within the framework of the EU program "Connecting Europe Facility";
* development of a draft resolution of the Cabinet of Ministers of Ukraine on the application of the licensing regime for the export (import) of goods, in particular, the establishment of quotas (quantitative or other restrictions) in case of a significant imbalance in relation to certain goods in the domestic market;
* development and submission to the government of the draft Customs Code of Ukraine.

The plan allows you to understand the main priorities of the government for the coming year and track their implementation, as it contains specific indicators of their implementation.

**Source:** https://surl.li/vdlrrg

## The Government clarified the grounds for charging for the performance of customs formalities by customs authorities outside their location

**Resolution of the Cabinet of Ministers of Ukraine No. 93 of February 18, 2025 No. 172 "On Amendments to Paragraph 2 of the Resolution of the Cabinet of Ministers of Ukraine No. 93 of January 18, 2003"**

The Government amended paragraph 2 of its Resolution No. 93 of 18 January 2003 "On Collection of Fees for Customs Formalities by Customs Authorities Outside the Location of Customs Authorities or Outside the Working Hours Established for Customs Authorities".

In particular, the fee for the execution of customs formalities by customs authorities outside the location of customs authorities or outside the working hours established for them is collected from interested persons in the manner determined by the Ministry of Finance, on the basis of:

* a written application of the declarant to the customs authority - for the fulfillment of customs formalities outside the location of the customs authority and/or outside the working hours established for it;
* the act of inspection (re-inspection) of goods, vehicles, hand luggage and baggage, signed by the declarant's representative and an official of the customs authority - for the implementation of forms of customs control determined using the risk management system, outside the location of the customs authority".

The Resolution enters into force on April 19, 2025, simultaneously with the entry into force of the Law of Ukraine of August 22, 2024 No. 3926 "On Amendments to the Customs Code of Ukraine on the Implementation of Certain Provisions of the Customs Code of the European Union". These amendments were adopted in order to harmonize the current version of the said resolution with the new version of the Customs Code of Ukraine.

From April 19, 2025, the fee will not be collected in case of customs formalities regarding:

1. Humanitarian aid imported or exported in accordance with the Law of Ukraine "On Humanitarian Aid".

2. Goods moved in accordance with the Law of Ukraine "On Transit of Goods".

3. Goods that are transported across the customs border of Ukraine as part of goods with the help of.

4. Execution of customs formalities outside the location of customs authorities within the framework of the simplification provided to the enterprise.

This means that businesses with certain simplifications can carry out customs procedures outside official customs points. However, you won't be charged if:

a. The company does not call an additional customs officer.

b. Customs procedures are carried out directly on the territory of the enterprise, as provided for in their simplifications.

5. Goods within the framework of international technical assistance in accordance with international treaties, consent to be bound by which has been granted by the Verkhovna Rada of Ukraine, (temporarily, until the termination or cancellation of martial law on the territory of Ukraine).

6. Goods imported by charitable organizations for military needs (temporarily, until the termination or cancellation of martial law on the territory of Ukraine).

The resolution was adopted in connection with the amendments to the Customs Code of Ukraine, which were adopted in August last year

**Sources:** https://surl.li/cfkxfb https://surl.gd/enxoac



## Amendments have been made to the Classifier of Customs Formalities that can be determined based on the results of the application of the risk management system

**Order of the Ministry of Finance of Ukraine dated 06.02.2025 No. 72 "On Approval of Amendments to the Classifier of Customs Formalities That Can Be Determined Based on the Results of the Application of the Risk Management System, the Classifier of the Results of Customs Formalities That Can Be Determined Based on the Results of the Application of the Risk Management System, and the Classifier of Reasons for Failure to Complete Customs Clearance"**

In order to improve and update the departmental classifiers of information on state customs affairs used in the process of customs declarations, the Ministry of Finance has amended the following:

* Classifier of customs formalities that can be determined based on the results of the application of the risk management system;
* Classifier of the results of customs formalities, which can be determined based on the results of the application of the risk management system;
* Classifier of the reasons for non-completion of customs clearance.

These classifiers were approved by the Order of the Ministry of Finance of Ukraine No. 1011 dated September 20, 2012. It is worth noting that the amendments made some sections of the classifiers received a new edition, and point changes were made to others.

The update of classifiers is caused by a number of changes in the current legislation, which directly relate to the procedures of customs clearance of goods.

**Source:** https://surl.li/klmbhr

## Adaptation to EU norms of the procedure for paying VAT when importing goods through international postal and express shipments

**Draft Law of Ukraine Register. No. 12430-2 of February 3, 2025 "On Amendments to the Customs Code of Ukraine on Bringing the Procedure for Payment of Customs Duties to the Requirements of EU Council Directive No. 2006/112/EC of November 28, 2006 on a Common System of Value Added Tax"**

**Registration date:** February 03, 2025

**Initiator:** People's Deputy of Ukraine

The draft law proposes to amend the Customs Code of Ukraine in order to adapt it to EU norms in terms of paying VAT when importing goods through international postal and express shipments. The goal is to regulate the declaration and taxation of goods sent to Ukraine, where VAT is paid remotely in accordance with international standards. The draft is an alternative to draft law No. 12430 of January 20, 2025.

Main provisions:

* determination of the peculiarities of the application of the exchange rate in customs operations with such goods;
* establishment of rules for taxation of VAT and customs duties of goods depending on the recipient (citizen or enterprise);
* introduction of a simplified customs declaration for goods up to 150 euros;
* determining the procedure for declaring goods with a value of up to 150 euros per citizen and the exchange of information between customs and tax authorities.

Differences from the main project: establishing a transition period, agreeing on the procedure for completing customs clearance, clarifying the tax base for goods worth up to EUR 10,000.

The alternative law does not change the Law "On Postal Services", since it already meets EU requirements.

**Sources:** https://surl.li/bmfnrl
https://surl.li/vfzfgp

## It is proposed to extend benefits for the aircraft industry

**Draft Law of Ukraine Register. No. 13017 of February 13, 2025 "On Amendments to Subparagraph 13 of Paragraph 4 of Section XXI "Final and Transitional Provisions" of the Customs Code of Ukraine on Support of the Aircraft Industry**

**Registration date:** February 13, 2025

**Initiator:** People's Deputy of Ukraine

In 2016, the Verkhovna Rada adopted laws to support the Ukrainian aircraft industry. Until 2025, enterprises engaged in aircraft construction received tax benefits. The saved funds were used for research, modernization and new technologies. In 2021, the government approved a program for the development of the aviation industry until 2030.

The draft law proposes to extend tax benefits for enterprises in the aircraft industry for the period of martial law and until December 31 of the year in which martial law will be lifted or terminated. Tax benefits include:

* extension of exemption from import duties and VAT on goods necessary for the development, production, repair and maintenance of aviation equipment;
* exemption from income tax for aircraft construction entities;
* exemption from land tax for enterprises in the industry.

The purpose of these measures is to support the development of the aviation industry during the war, preserve the scientific and technical potential, mobilization capacities and competitiveness of Ukrainian aviation in the world market.

**Source:** https://surl.li/hiobuc

## Draft amendments to the Order of the Ministry of Finance on some issues of ensuring the payment of customs duties

**Draft Order of the Ministry of Finance of Ukraine "On Amendments to the Order of the Ministry of Finance of Ukraine No. 213 dated April 25, 2023"**

# DRAFT REGULATORY AND LEGAL ACTS

**Published Date:** February 27, 2025

**Initiator:** Ministry of Finance of Ukraine

The draft order is aimed at updating the rules for paying customs duties in accordance with EU requirements. The changes relate to the registration of the guarantor, the conditions of simplifications for enterprises and the updating of documents and forms.

Today, most of the provisions of the Order No. 213, which is proposed to be amended, are relevant. At the same time, the Law of Ukraine of August 22, 2024 No. 3926-IX "On Amendments to the Customs Code of Ukraine on the Implementation of Certain Provisions of the Customs Code of the European Union" (hereinafter referred to as Law No. 3926) introduced a number of amendments to the Code. In view of the above, the Order of the Ministry of Finance of Ukraine dated April 25, 2023 No. 213 "On Certain Issues of Securing the Payment of Customs Duties" needs to be improved.

Namely:

**Status and activities of the guarantor (Article 316 of the Code)**:

The requirement for the absence of sanctions over the past 12 months has been added to all financial institutions. Previously, this rule only applied to banks. The conditions for registering a guarantor are brought in line with the laws of Ukraine on financial services and insurance. In particular, the requirements for licenses and financial reserves of insurance companies have been clarified.

**Terms**:

The term "base amount" is replaced by "reference amount". This is important for determining the amount guaranteed by a financial institution in customs transactions.

**Changes in simplifications for enterprises (Article 13 of the Code)**:

Simplifications regarding the use of warranties have been updated. For example, instead of "general guarantee with a decrease in size by 50%", "use of a general guarantee with a reduction of the reference amount by 50%" is now applied. This also applies to other percentage reductions (up to 30%, 70%).

**Securing the payment of customs duties (Articles 736, 761, 1041 of the Code)**:

New requirements have been introduced to ensure the payment of customs duties for certain customs regimes, such as import, temporary importation, processing in the customs territory and other transactions with goods.

**Updating the concept of "declarant"**:

Amendments have been made to Article 55 of the Code regarding persons who must provide security for the payment of customs duties.

**Procedures for revocation of guarantees (Article 3153 of the Code)**:

A new procedure for the entry into force of the decision to withdraw the guarantee has been defined.

**Determination of Persons Responsible for Payment of Customs Duties (Article 293 of the Code)**:

The guarantor is no longer included among the persons responsible for paying customs duties, which reduces their liability in certain cases.

**Requests for information (Article 317 of the Code)**:

The rules for sending requests for information on violations of customs regimes or failure to comply with customs formalities have been updated. This also applies to transit operations.

**Tax debt (Article 3171 of the Code)**:

Amendments have been made to the procedure for recognizing tax debt for persons who have not provided security for the payment of customs duties or have received an exemption from the guarantee.

In addition, the draft provides for updating the forms of forms for general and individual guarantees, as well as changes in the reservation and release of parts of the reference amount of the guarantee or exemption from it.

In general, the draft order is part of the by-law, which should ensure the full implementation of Law No. 3926 adopted in August 2024, which is part of the process of harmonization of Ukrainian customs legislation with the European one.

**Location:** https://surl.li/ibdsvm

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# DRAFT REGULATORY AND LEGAL ACTS

## It is proposed to amend the Procedure for the creation of customs control zones

**Draft Order of the Ministry of Finance of Ukraine "On Amendments to Section II of the Procedure for the Establishment of Customs Control Zones"**

**Published Date:** February 27, 2025

**Initiator:** Ministry of Finance of Ukraine

The current version of the Procedure for the creation of customs control zones does not comply with the new provisions of the current Customs Code after it was amended in August 2024. This draft order proposes to amend this Procedure to describe the types of zones and the conditions for their creation.

The new rules will speed up customs procedures and optimize the storage of goods under customs control.

Main proposals:

- introduction of new concepts and types of customs control zones;
- optimization of customs formalities;
- unification of storage of goods under customs control;
- exclusion from the Code of concepts that are no longer relevant, for example, "cargo customs complex".

The draft order is part of the by-law, which should ensure the full implementation of Law No. 3926 adopted in August 2024, which is part of the process of harmonization of Ukrainian customs legislation with European law.

**Location:** https://surl.li/ibdsvm



## It is proposed to approve the form of the declaration of temporary storage in the form of a single administrative document

**Draft Order of the Ministry of Finance of Ukraine "On Approval of Amendments to the Procedure for Filling in Customs Declarations in the Form of a Single Administrative Document"**

**Published Date:** February 28, 2025

**Initiator:** Ministry of Finance of Ukraine

The draft order was developed to establish the form of the declaration of temporary storage.

According to the Customs Code, goods can be placed for temporary storage under customs control under a declaration, the form of which is approved by the Ministry of Finance. To implement this provision, it is necessary to determine the form of such a declaration and the requirements for its completion.

The declaration of temporary storage will be submitted in the form of a single administrative document in accordance with the Annex to the Convention on the Facilitation of Formalities in Trade in Goods. The proposed changes clarify the rules for filling out the declaration.

The adoption of the order will help to fulfill the requirements of the Customs Code of Ukraine, bring legislation closer to EU standards and introduce the best European practices in customs.

**Length:** https://surl.li/ubjves

## The 1000th object of intellectual property rights has been registered in the customs register

The fight against counterfeiting is important to protect the economy and the health of consumers. The State Customs Service of Ukraine maintains a customs register of intellectual property rights (IPR), which allows customs officers to distinguish original goods from counterfeit ones. Out of 1000 registered objects, 85% belong to non-residents.

Right holders can apply for registration of IPR objects in the customs register free of charge in order to protect their rights when moving goods across the customs border.

Among the 1000 registered IPR objects:

- 921 – trademarks;
- 50 – objects of copyright;
- 26 – industrial designs;
- 2 – inventions;
- 1 – geographical indication.

The largest number among the categories of goods containing registered objects of intellectual property rights are alcoholic beverages, electrical appliances, food, children's toys, medicines, clothing and footwear.

**Source:** https://surl.li/caqyou






## The State Customs Service has integrated artificial intelligence to improve the efficiency of risk management

The State Customs Service of Ukraine has integrated two new technologies into the Automated Risk Management System (ASMS) to improve customs control: Microsoft's generative artificial intelligence (AI) OpenAI and its own business intelligence (BI) system. This allowed BI to automatically cluster customs clearances and identify risky shipments, and AI complements the analysis, increasing the accuracy of estimates. Shipments that fall under the characteristics of the "red cluster", according to BI and specified by AI, are automatically considered risky.

The first risk profile developed on the basis of this approach has already been put into test operation. In case of positive results, it will be implemented on an ongoing basis. This approach is especially relevant in connection with the upcoming legislative changes regarding the taxation of international postal and express items. Since traditional risk management methods used for customs declarations in trade circulation may not be effective enough to control the completeness of taxation of such items, the integration of AI and BI will provide a qualitatively new level of reliability of customs control.

**Location:** https://surl.li/lvgiwe

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## In Ukraine, 80 enterprises have already received the status of an authorized economic operator (AEO)

80 enterprises received AEO status. This is an important step towards building trust between business and customs. AEO status is not only a recognition of the reliability of a company, but also significant simplifications in customs procedures.

In 2024, 56 enterprises received AEO status (at the end of 2023 there were 21 such enterprises), and 3 enterprises have already received authorization this year.

In 2024, the share of imports and exports of goods by enterprises authorized by AEO amounted to more than 5% of the total turnover in value terms, while in 2023 this share was 1%.

It is worth noting that in 2024, the State Customs Service received 80 applications for AEO authorization. At the same time, both according to the results of the preliminary review and assessment, in 23 cases the enterprises were denied authorization.

Among the main reasons for making negative decisions:

* the company did not provide a self-assessment questionnaire along with the application;
* the self-assessment questionnaire is not completed in full, taking into account the type of AEO authorization for which the application is submitted, or the role of the enterprise in the international supply chain;
* during the assessment, the information specified in the self-assessment questionnaire and compliance with the conditions specified by the criteria were not confirmed;

The application is not signed by the head or a person authorized by him.

**Location:** https://surl.li/nteask

**"Trade Facilitation Monitoring in Ukraine"** is a continuation of the issues of the Monthly Monitoring of Trade Facilitation in Ukraine, which has been prepared by the Institute for Economic Research and Policy Consulting since 2015 within the framework of the Trade Facilitation Dialogue project, with the financial support of the European Union and co-financing of the International Renaissance Foundation, as well as the project "Support to the Civil Society Initiative "For Fair and Transparent Customs", which was implemented with the support of the European Union, the International Renaissance Foundation and the ATLAS Network.

The proposed newsletter is a continuation of the previous ones and is published within the framework of the activities of the Institute for Economic Research and Policy Consulting. The publication consists of three parts (if relevant materials are available):

· Regulations that have entered into force
· Draft regulations
· news.

We understand that small and medium-sized businesses do not have enough time to analyze new legislation or possible regulatory innovations. Also, a significant number of such acts are difficult for an average person to understand. "Monitoring of Trade Facilitation in Ukraine" is designed to draw attention to interesting events, innovations of Ukrainian legislation or planned changes related to the field of trade facilitation, in particular international trade, customs and customs issues, and can directly affect foreign economic entities. Also, in these publications, we will try to analyze draft regulations on this topic.

**The Institute for Economic Research and Policy Consulting (IER)** is an internationally recognized independent Ukrainian think tank founded in 1999.

The IER is engaged in the analysis of problems of economic development, international trade and business climate (in particular in the SME sector), participates in the development of policy documents at the national and regional levels.

The IER regularly issues its own macroeconomic forecast for Ukraine and participates in the development of the consensus forecast of the Ministry of Economic Development and Trade of Ukraine.

The IER team of sociologists conducts regular surveys of enterprises and experts in order to assess the business climate and expectations of Ukrainian business. IER successfully combines its analytical activities with advocacy for change and participation in the public life of Ukraine. The IER cooperates with central and local authorities, domestic and foreign think tanks, and civil society organizations. The work of the IER is financed by grants, charitable contributions and technical assistance funds.

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