

Nº13

March 2025

Monitoring of the implementation of the IMF program and the Ukraine Plan

SPECIAL TOPIC

"Cancellation of Lozovyi's "amendments"





Contents.

1. Summary - [slide 3](#)

2. Monitoring of the implementation of structural benchmark of the IMF programme

- Status of IMF program implementation - [slide 6](#)
- Map of implementation of the IMF structural benchmarks - [slide 7](#)
- Detailed status of implementation of IMF structural benchmarks - [slides 8-36](#)

3. Monitoring the implementation of the indicators of the Ukraine Plan

- Ukraine Plan: highlights as of March 2025 - [slide 38](#)
- Map of the implementation of the indicators of the Ukraine Plan - [slide 39](#)
- Detailed status of implementation of the indicators of the Ukraine Plan - [slides 40-103](#)

4. Special topic: Cancellation of the Lozovyi amendments - [slides 104-108](#)



Summary:

Implementation of the IMF program and the Ukraine Plan

At the end of March 2025, the IMF Executive Board is expected to make a **decision on the seventh review of the Program**. At the same time, one structural benchmark was implemented with a significant delay, and another - the cancellation of the Lozovyi amendments - was not implemented. That is, the revision of the Program was again ensured by the IMF's flexibility. At the same time, the tranche requested by the government was reduced to USD 0.4 bn.

During the review, new structural benchmarks are traditionally added, which are important to fulfill to receive funds from the IMF in a timely manner. So we are waiting for the review and the updated table of structural benchmarks.

The IMF program remains important for coordinating international support for Ukraine. At the same time, Ukraine continues to fall behind in implementing structural benchmarks.

In March 2025, Ukraine received the fifth tranche of budget support from the EU under the Ukraine Facility. This was preceded by the timely fulfillment of the indicators of the Ukraine Plan in the fourth quarter of 2024. Ukraine has slowed down in meeting the indicators for the Q1 2025: traditionally, some of the indicators will be adopted in the last days of the quarter.

Successful cooperation with international partners is critically important for Ukraine. It is crucial for the financing of priority state budget expenditures (domestic revenues are used for security and defense). That is why **the RRR4U Consortium continues to regularly monitor** Ukraine's compliance with the IMF financing program and the implementation of the Ukraine Plan, which is the basis for EU assistance under the Ukraine Facility.

Fulfillment of obligations under financial support programs is not needed by donors - **they are needed by Ukraine to achieve economic stability and transition to growth and increase the welfare** of Ukrainians. And it is also a way to gain trust from all international partners and foreign businesses.

The IMF program and the Ukraine Plan are not the only commitments Ukraine has made to its external partners. There are also reforms needed to receive funds from the World Bank.

There is also a wide range of reforms that Ukraine needs to implement to become an EU member.

RRR4U



rrr4u.org



All materials from the RRR4U
consortium



Monitoring of the implementation of structural benchmarks under the IMF program



completed
on time



executed
with a delay



in the
process of
implemen
tation



not fulfilled





Status of the IMF program implementation

On 28 February 2025, Ukraine reached a staff-level agreement on the seventh review of the EFF programme. The agreement is subject to approval by the IMF Executive Board, with a meeting expected on 28 March.

Ukraine requested a reduction in the size of this tranche to preserve funds for next year. Thus, if the review is approved by the IMF Executive Board, Ukraine will receive around \$0.4 billion instead of the previously planned \$0.9 billion. **The total funding under the programme will remain unchanged.**

A key condition for the seventh review was the signing of a bill to increase excise taxes on tobacco products. The delay in signing resulted in the budget missing out on more than UAH 2 billion.

The seventh review may also introduce new structural benchmarks – new commitments by Ukraine. The RRR4U Consortium will continue to monitor their implementation.



The benchmarks to be assessed during the next, eighth review, scheduled for June, include:

- ✓ Amendments to the Budget Code of Ukraine to integrate the PIM system into the budget process, ensure mandatory prioritisation, and implement an IT solution (*deadline – end of January 2025*);
- ✗ Appoint the head of the Bureau of Economic Security (*deadline – end of February 2025*);
- ✓ Adopt the methodological framework underpinning the PIM process (*deadline – end of February 2025*);
- ✗ Complete the external audit of the NABU and publish its report (*deadline – end of February 2025*);
- ✗ Prepare a strategy for the National Securities and Stock Market Commission (NSSMC) (*deadline – end of January 2025*).

During the eighth review, our progress on quantitative performance criteria and structural benchmarks as of the end of March 2025 will be assessed. Unfortunately, our progress so far cannot be considered satisfactory.

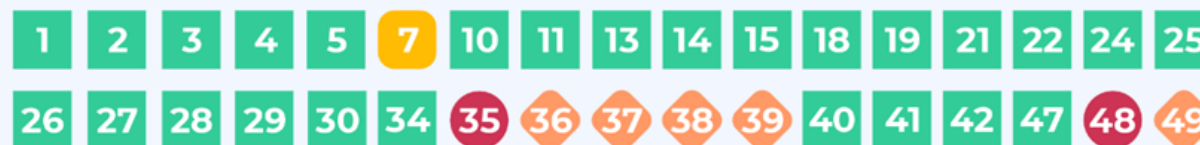


Structural Benchmarks Implementation Map



The IMF program

Fiscal sector/
Financial sector



Monetary and Exchange Rate



Governance/Anti-Corruption



Energy/
SOE Corporate Governance



Completed



Completed,
but not on time



In progress



Not completed



Ukraine has completed the first five structural benchmarks by the first program evaluation (June 2023)

Full performance reviews are available here: <http://surl.li/bsrqng>

RRR4U

BENCHMARK No.1 Amendments to the 2023 budget — defense financing (end of April 2023)

Parliament approved government-proposed amendments to the 2023 State Budget to provide for more and sustainable funding for defense and security, as well as funds for emergency reconstruction. In particular, they doubled the expenditure on the reserve fund. They also optimized the structure of managers and united the two ministries into a single Ministry of Community Development, Territories and Infrastructure, to which the Fund for Elimination of the Consequences of Armed Aggression was transferred.

BENCHMARK No.2 Limitation of spontaneous changes to the law on the budget and restoration of medium-term planning (end of May 2023)

For this purpose, a draft law was registered in the parliament, which, among other things, allowed the Council to consider only those changes to the state budget that received an expert opinion from the Ministry of Finance, and also restored medium-term budget planning. In June, the budget committee updated the text, which later became a law (see BENCHMARK No.10 for details)

BENCHMARK No.3 Preparation of tax reform plan for the National Revenue Strategy roadmap (end of May 2023)

The Ministry of Finance has prepared a corresponding action plan, as evidenced by the document of the first evaluation of the IMF program. At the same time, this plan is not publicly available. The document should become the basis for the preparation of the National Income Strategy (see benchmark No.20)

BENCHMARK No. 4 Registration of the draft law on the limitation of state guarantees (end of May 2023)

The corresponding changes are designed to contribute to higher debt sustainability of the state. The norms for the implementation of this BENCHMARK were included in draft law No.9346 together with the norms for the implementation of BENCHMARK No. 2 (see more details about BENCHMARK No. 10)

BENCHMARK No.5 Transparency and accountability of funds in special accounts of the NBU in UNITED24 (end of May 2023)

In April 2023, the parliament adopted the corresponding law (No. 3035-IX), which was supposed to increase the transparency and accountability of accounts opened at the NBU by managers of funds for charitable assistance and donations. First of all, this concerned accounts on the UNITED24 platform. This is how the legal framework for transparent collection of funds and expenses from state charity accounts has finally appeared.



State of execution of benchmarks No. 6 – 9

Full performance reviews are available here: <http://surl.li/bsrqng>

RRR4U

BENCHMARK No.6 Preparation of a strategy for the transition to flexible exchange (end of June 2023)

On June 29, 2023, the board of the NBU approved the Strategy for easing currency restrictions, transitioning to greater exchange rate flexibility, and returning to inflation targeting. The public version of the Strategy [was published](#) on July 7.

BENCHMARK No.7 Restoration of pre-war taxation (end of July 2023)

At the end of June 2023, the Verkhovna Rada adopted the relevant [draft law](#). However, this law returned inspections only for manufacturers of excisable goods, gambling, and financial companies. Other businesses could operate without inspections. IMF representatives were not satisfied with this: the Fund [said they were](#) waiting for a new law to be passed on the resumption of tax audits.

On November 9, the Parliament adopted in the second reading the [draft law No. 10016-d](#) with an expanded range of taxpayers who may be subject to documentary scheduled audits starting from December 1, 2023. At the same time, the President of Ukraine signed [Law No. 3453-IX](#) only in early December, so it came into force on January 08, 2023.

BENCHMARK No.8 Corporate governance reform of the GTS Operator: transfer the GTSO shareholding to the Ministry of Energy and adopt the new charter (end of July 2023)

The first part of the BENCHMARK was completed on September 22, when the CMU [handed over](#) the corporate rights of "Operator GTS of Ukraine" LLC to the Ministry of Energy. The second part was completed only at the end of October, when the Ministry of Energy approved the updated charter of GTSOU agreed with the Energy Community Secretariat. The document [appeared](#) on the company's website on October 31.

BENCHMARK No.9 Restoration of declaration by officials (end of July 2023)

In September 2023, the parliament passed a [bill](#) stipulating that the register of declarations would remain closed for another year. Declarants could voluntarily open their data for public access. The public and international partners reacted negatively to this news. As a result, the President of Ukraine vetoed the law and submitted his own proposals, which opened the register of declarations immediately.

On September 20, 2023, the Parliament reconsidered the above-mentioned draft law and adopted it with the President's proposals. [Law No. 3384-IX entered into force](#) on October 12, 2023. On December 10, 2023, the National Agency on Corruption Prevention [announced the](#) opening of public access to the Register of Declarations.



State of execution of benchmarks No. 10 – 13

Full performance reviews are available here: <http://surl.li/bsrqng>

RRR4U

BENCHMARK No.10 Restoration of medium-term budget planning, development of debt strategy and risk limitation under state guarantees (end of September 2023)

In July, the Parliament adopted the necessary [changes to the Budget Code \(BCU\)](#) in order to increase the predictability and predictability of fiscal policy in the medium term.

BENCHMARK No.11 Submission of a medium-term budget forecast and a report on fiscal risks in documents to the draft State Budget for 2024 (end of September 2023)

On September 15, 2023, the government submitted to the Parliament [a draft law](#) on the State Budget for 2024 with a large list of explanatory documents. The package, in particular, contained the following documents: planned CRI of budget programs in 2022-2026; forecasts of budgetary and macroeconomic indicators for 2025-2026, priority goals of fiscal policy; marginal expenses for the period 2022-2026.

BENCHMARK No.12 Strengthening Financial Monitoring of Politically Significant Persons (PEPs) (end of September 2023)

On October 17, 2023, the Verkhovna Rada adopted a [bill](#) that effectively restores the lifetime status of a politically exposed person (PEP). At the same time, it increases the liability of banks for unreasonable refusal to provide financial services to users. [Law No. 3419-IX came into](#) force on October 29, 2023.

BENCHMARK No.13 Strengthening of banking supervision (end of September 2023)

Implementation of the BENCHMARK will bring banking supervision in Ukraine into line with European Union directives.

Point I: On April 21, 2023, the National Bank of Ukraine [separated](#) the Department of Monitoring of Persons Associated with Banks and the Department of Integrated Supervision of Banks.

Point II: The NBU has introduced oversight panels without public communication about this. The oversight panels are to advise the Supervisory Committee and additionally independently analyze its decisions, facilitate horizontal communications between stakeholders, and highlight issues of particular importance.

Point III: On July 29, 2023, the NBU [resumed](#) scheduled on-site inspections of the activities of banks and non-banking institutions in a remote format so as not to expose its employees to danger.



State of execution of benchmarks No. 14 – 17

Full performance reviews are available here: <http://surl.li/bsrqng>

RRR4U

BENCHMARK No.14 Tax and customs authorities must prepare a reform plan (end of October 2023)

STS and SCS had to prepare action plans by the end of October, which will later be integrated into the overall National Revenue Strategy. On October 23-27, STS and SCS representatives met with IMF representatives to discuss progress. From the second review of the IMF program, it became known that this BENCHMARK was fulfilled on time and in full.

BENCHMARK No.15 Update and publication of the Medium-Term Strategy for State Debt Management (end of October 2023)

On October 27, the Ministry of Finance adopted a separate [Strategy](#), in which it is clearly planned to conduct an operation on the management of the public debt and intends to adopt an updated Strategy after that. The document states that the Ministry of Finance is planning these steps with the aim of: "(i) gradually restoring Ukraine's debt sustainability, (ii) maintaining liquidity and reducing the state budget deficit during the IMF program period, as well as (iii) creating the necessary conditions for the participation of the commercial sector in the post-war reconstruction of Ukraine in order to restore Ukraine's access to the market as soon as possible."

BENCHMARK No.16 Simplification of the declaration system of civil servants (end of October 2023)

[The draft law on the renewal of the](#) declaration process, adopted in September 2023, stipulates that the NACP will provide access to and automatic transfer of data from other registers and databases to the declaration form. At the same time, the function of automatically filling in the available data does not relieve the declarant of the obligation to indicate in the declaration all the information known to him or her, even if it is not available in other databases. [Law No. 3384-IX](#) came into force on October 12, 2023.

BENCHMARK No.17 Corporate governance reform of the GTS Operator: appointment of a Supervisory Board (end of October 2023)

On October 31, the Government [approved](#) the composition of the Supervisory Board of the company: three independent members and one representative of the state, fulfilling this BENCHMARK on time. At the same time, there remains the question of appointing one more representative of the state to form a full composition of 5 members. [According to the Charter](#), the supervisory board of GTSOU must consist of five members, three of whom must be independent. As of the end of April 2024, 5 members have not been appointed and there are no Government statements on this matter.



State of execution of benchmarks No. 18 – 21

Full performance reviews are available here: <http://surl.li/bsrqng>

RRR4U

BENCHMARK No.18 Better management of public investments

(end of December 2023)

Accordingly, in order to change the approaches to the UPI, in December, the CMU adopted a protocol decision on the project [of the Roadmap for reforming the management of public investments](#), which is designed to ensure "the formation of the context, the vision of the main principles and directions for the construction of a holistic, sustainable and effective system of public investment management, which ensures the planning of investment projects on the basis of strategic priorities and the medium-term budget framework, their selection in accordance with unified and transparent procedures and clear criteria and implementation within the planned terms and funding".

BENCHMARK No.19 Approval of the National Revenue Strategy until the end of 2023 (end of December 2023)

The national revenue strategy is designed to create conditions for increasing internal budget revenues. For this, Ukraine must strengthen its ability to collect tax and customs revenues. On December 27, 2023, [the government approved](#) the National Income Strategy, timely fulfilling the conditions for inclusion in the IMF program benchmark.

BENCHMARK No.20 Increasing the institutional independence of the SAP (end of December 2023)

On December 08, 2023, Ukraine's parliament adopted the above draft law. The [law](#) came into force on January 1, 2024. It is aimed at: improving the procedure for competitive selection of heads and prosecutors of the SAPO; strengthening the SAPO's ability to regulate its own organizational structure and activities; clarifying the powers of the head of the SAPO; creating a Specialized Disciplinary Commission of SAPO prosecutors; conducting regular audits of the SAPO's activities with the participation of external experts with international experience.

BENCHMARK No.21 Changes to the budget to create new sources of income (end of February 2024)

Based on the findings of the revenue task force, which was formed in December 2023, the government was to prepare short-term measures to increase revenues by at least 0.5 percent of GDP, to make appropriate changes to the 2024 budget if necessary.

The additional revenue mobilization measures proposed by the Ministry of Finance envisage an increase in budget revenues by 44.2 billion hryvnias. Among the measures are an increase in revenues from military and excise duties, the introduction of monthly advance payments of income tax by enterprises engaged in fuel retailing.



State of execution of benchmarks No. 22 – 25

Full performance reviews are available here: <http://surl.li/bsrqng>

BENCHMARK No.22 Concept note on the 5-7-9 program for greater support for SMEs (initially the end of September 2023, postponed to the end of March 2024)

In December 2023, [the government adopted changes](#) to the resolution on providing support within the framework of this program, narrowing the provision of compensation for investment projects and working capital for non-priority sectors to small and medium-sized enterprises only (for working capital in priority sectors, large companies may in the future be recipients of support) . In March 2024, the government submitted a concept for the 5-7-9 program to the IMF, but it was not made public or officially approved.

BENCHMARK No.23 Optimize and increase the efficiency of HACC work

(end of April 2024 (postponed from end of March 2024))

On April 24, 2024, the Verkhovna Rada adopted the aforementioned draft law in its entirety. It is assumed that consideration of cases in the court of first instance is carried out individually. At the same time, the possibility of consideration of cases by a collegial court consisting of three judges is determined only at the request of the accused in relation to certain categories of crimes.

BENCHMARK No.24 Rebooting BEB (end of June 2024)

On June 20, 2024, the Verkhovna Rada adopted draft law No. 10439, the text of which is in line with the requirements of international partners. It was signed by the president on June 28.

Next, it is necessary to choose a professional, independent head of the BEB and start the process of reforming the institution. The law provides for a change of management and re-certification of all bureau employees. The chairman will be elected by a commission of six members, three of whom are appointed by international experts and three by the Cabinet of Ministers.

BENCHMARK No.25 Determination of the relationship between the Budget Declaration and capital expenditures (end of December 2024)

This BENCHMARK is actually a continuation of steps to increase the efficiency of public investment management, the road map for reforming which was adopted for the implementation of structural BENCHMARK 18.

To implement this benchmark, the government adopted [an action plan and schedule for the implementation of a road map](#) for the development of public investment management procedures, as well as [criteria for prioritizing public investment projects](#) for 2025.



State of execution of benchmarks No. 26 – 29

Full performance reviews are available here: <http://surl.li/bsrqng>

BENCHMARK No.26 Preparation of methodology for assessment of tax benefits (end of September 2024, postponed from the end of July)

The review of tax benefits should be a step towards expanding the domestic revenue base without increasing tax rates.

The Ministry of Finance of Ukraine approved the necessary methodology with its order No. 474 dated 09/27/2024 "On approval of the Methodology for evaluating tax policy instruments that lead to tax expenditures."

BENCHMARK No.27 Assessment of fiscal and quasi-fiscal losses from SE (end of September 2024)

The Ministry of Finance submitted annexes to the draft State Budget for 2025, in which it presented quasi-fiscal losses from the state-owned enterprises, as well as a report on fiscal risks, which provided an estimate of quasi-fiscal losses, as well as the results of stress testing of the state-owned enterprises.

BENCHMARK No.28 Approval of changes to the Customs Code of Ukraine in accordance with the best global practices (end of October 2024)

As stated in the Memorandum, changes to the ICU must be coordinated with EU regulations. The Ministry of Finance should continue to report to the Ministry of Finance. Since business often complains about corruption in the Ministry of Internal Affairs, one of the directions of change should be to strengthen the integrity of the staff and introduce a management selection process based on a transparent competition with the participation of international experts. It is also stated that other reforms in 2024 include (i) modernization of the framework conditions for imposing administrative liability for violations of customs rules and (ii) development of criteria for assessing the impact of the Anti-Corruption Program of the State Customs Service.

The Parliament adopted two draft laws, which together correspond to the above-mentioned provisions: [No. 10411](#) and [No. 6490-d](#).

BENCHMARK No.29 Medium-term budget planning: analysis and update (end of October 2024)

According to information from the Ministry of Finance, with the help of technical assistance from the IMF, a report was prepared, which presents a diagnostic review of pre-war policies and practices regarding medium-term budget planning compared to best practices. As of October 30, the text of the report has not been made public, but we are recording this BENCHMARK as "completed".



BENCHMARK No.30 NBU's assessment of risks to financial stability under unfavourable scenarios and preparation of contingency plans

(end of October 2024)

Industry: financial sector

Status: completed

According to NBU officials, the BENCHMARK has been met, an assessment has been conducted, and plans have been prepared. Although there is no public communication on this, the IMF assessed this indicator as met.



BENCHMARK No.31 **Audit of the financial status of the district heating companies before and after February 2022** (deadline - end of October 2024)*

Sector: energy

Status: completed

The benchmark will help determine the amount of debt and the financial condition of district heating companies (DHCs), including the reasons for the accumulation of debt before and after the start of the war, on the eve of the 2024/25 heating season. Thus, [according](#) to Naftogaz of Ukraine, as of February 21, 2022, the total overdue debt of DHCs and CHP plants to Naftogaz is 49.1 bn UAH (including 39.3 bn UAH for gas for heat production). At the beginning of the heating season in 2023, the state's debt on the difference in tariffs [amounted to](#) about 36 bn UAH, and according to preliminary [estimates, it](#) will exceed 54 bn UAH in 2024. According to the Ministry of Regional Development, as of 16 September, [the total debt of district heating companies for gas consumption](#) was UAH 101.22 bn.

The [Letter of Intent](#) dated 1 December 2023 states that district heating companies have accumulated significant debts to Naftogaz due to the difference in tariffs and the effects of the war. The issue will be resolved when the military pressure on the budget decreases through a new tariff methodology. The President, Prime Minister, Finance Minister, and NBU Governor added that the amount of debt will be determined by an audit firm that will distinguish between debts incurred before and after February 2022.

At the end of December 2023, the Verkhovna Rada registered [draft law No. 10383](#) on compensation for the difference in tariffs, which was developed to address the problem of debt of district heating companies, but as of October 2024, it is still under consideration. The Ministry of Finance does not support the draft law. In May 2024, a new [draft law No. 11273](#) was registered to settle accounts payable of district heating companies. As of the end of October 2024, the draft law is still under consideration.

The issue of auditing the district heating companies was raised in 2019, when the government [instructed](#) the Ministry of Regional Development and the State Audit Service to check the objectivity of the cost of heat and water. In 2022, the Cabinet of Ministers again [initiated](#) an audit to assess whether Naftogaz's fixed prices were a form of subsidy. Between February and September 2023, the State Audit Service audited district heating companies in different regions and found overcompensation of more than UAH 4 bn.

As of early September, according to the Cabinet of Ministers' Reform Matrix, the indicator is considered to be met, but no information or reports on the audit are publicly available. In addition, on December 20, 2024, the IMF approved the 6th review of the Extended Fund Facility (EFF) programme, where the report states that Ukraine has successfully completed the audit of the financial status of the DHCs.

* The deadline has been postponed from the end of June 2024

**BENCHMARK No.32 Strengthening the functional independence of the NEURC**

(deadline - end of December 2024)

Sector: energy**Status:** completed

The proposed structural benchmark will contribute to strengthening the NEURC's functional independence. An identical indicator is also mandatory under the Ukraine Facility, which underscores its importance.

In order to bring the Law of Ukraine "On the NEURC" in line with European legislation to ensure the functional independence of the Regulator, amendments to the Law No. 3354-IX "On Lawmaking" should be adopted by the end of December 2024 to exempt the NEURC's regulatory decisions from the state registration procedure. The updated Memorandum on Economic and Financial Policy also mentions the need to implement Article 5 of the NEURC Law, which prohibits state authorities from interfering with the Regulator's activities.

On 27 December 2023, [the](#) NEURC [approved](#) the draft Law "On Amendments to Certain Laws of Ukraine on Strengthening the Independence of the Energy and Utilities Regulator". With this decision, the NEURC launched the implementation of the NEURC Independence [Action Plan](#), which was developed to fulfil Ukraine's international obligations in the context of European integration, in particular the recommendations of the Energy Community Secretariat.

The Law No. [3915-IX](#) dated 08.21.2024 amended the Law No. [3354-IX](#) "On Law-Making Activities", which exempted the NEURC from adjusting decisions. In this way, the conflict with the provision of ch. 6 of Article 14 of the Law on the NEURC ("Decisions of the Regulator are not subject to state registration by the Ministry of Justice of Ukraine"). However, the Law "On Law-Making Activities" has only just entered into force, but most of the provisions, in particular regarding the functional independence of the NEURC, are put into effect a year after the end of martial law.

Thus, in fact, the benchmark is completed, however, without being used in practice until the end of martial law.



BENCHMARK No.33 Improving the management of state-owned enterprises

(end of October 2024 (postponed from end of August))

Field: corporate governance of SOEs

Status: completed

For years, state-owned enterprises (SOEs) have been a source of inefficiency and fiscal risks. To improve efficiency, a corporate governance reform of SOEs was introduced but has not yet been completed.

In the Memorandum, the Ukrainian side indicated its intention to improve the efficiency of SOE management through further reform of SOE corporate governance in close cooperation with international partners, in particular:

- adopt a law on corporate governance of SOEs ([adopted](#) in February 2024);
- Implementation of relevant bylaws;
- assessment of the financial condition and fiscal risks of state-owned enterprises in the state ownership policy by the end of March 2024 (as an interim step in the implementation of Structural BENCHMARK No. 28)
- The development of a comprehensive policy on state ownership and dividends, as well as a privatisation strategy, is envisaged as a **structural beacon**. It is likely that the privatisation strategy will take into account past approaches to triage.

This is an important beacon, since today there is virtually no ownership policy, which prevents SOEs from operating efficiently. The share of dividends that should be allocated to the budget is determined each year based on the budget's needs rather than the need for SOEs to operate efficiently.

However, while the goal is to improve the governance of SOEs, in reality the authorities do not always adhere to the best standards: the chairman of Ukrenergo's board was dismissed with violations, and two independent members of the supervisory board resigned. International partners now expect new members of the Supervisory Board to be appointed no later than December 2024.

In early October 2024, [the Ministry of Economy presented the draft State Property Policy](#), which was developed together with international partners. It provides for the definition of goals, reporting plans, dividend policy, etc.



BENCHMARK No.34 Amendments to the Budget Code on the integration of PIM into the budget process, mandatory prioritization and provision of IT solutions

(end of January 2025)

Sector: fiscal sector

Status: completed

This benchmark contains steps to further implement an effective public investment management (PIM) system, the initial steps of which were implemented under benchmarks 18 and 25.

According to the text of the Letter of Intent, amendments to the Budget Code were envisaged to envisage following steps:

- (i) integrate PIM system into the budget process, ensuring that only projects that have been scored and selected in a proper manner are included in the budget;
- (ii) define the roles of the participants in the PIM process;
- (iii) introduce medium-term planning of public investment, including prioritisation of ongoing projects;
- (iv) establishing mandatory use of the unified IT platform (DREAM, IT systems of the Ministry of Finance and the Ministry of Economy).

All public investment projects should be selected according to the already approved prioritisation criteria, and the Ministry of Finance will be responsible for their financing.

On 16 January, the relevant amendments to the Budget Code were adopted by the Parliament ([Draft Law No. 12245](#)). Since the Memorandum defines the adoption of amendments to the Budget Code as a structural milestone, we consider this benchmark to be fulfilled. The President signed the amendments into Law in March.



Benchmark No.35 Appoint a new head of the Economic Security Bureau of Ukraine (ESBU)

(end of February 2025)

Sector: Fiscal sector

Status: Not met (as of the end of February 2025)

This benchmark is a continuation of the earlier benchmark on the reset of the Bureau of Economic Security (BES). While the previous benchmark required the relevant law to come into force, this new one aims at implementing the BES reform. The BES is expected to focus on major economic and financial crimes, with strengthened analytical capacity. The law also establishes robust mechanisms to ensure transparency, accountability, and integrity.

The new BES head will be responsible for approving the procedure for staff re-attestation and forming the attestation commission within three months of appointment. Measures in the area of anti-money laundering and counter-terrorism financing, as well as cooperation with the State Financial Monitoring Service, should also be used to further support the detection of tax crimes and smuggling. This will require enhanced analytical capacity across authorities and improved information exchange.

The new BES head was to be appointed by the end of February 2025. Ukraine missed this deadline, as the competitive selection process was still in its early stages at that point. In March, the selection commission shortlisted 30 candidates whose documents met the requirements to proceed to the next stage of the competition.



BENCHMARK No.36 Adoption of the methodological framework underpinning the PIM process

(end of February 2025)

Sector: fiscal sector

Status: competed

RRR4U

This benchmark contains steps to further implement an effective public investment management (PIM) system, the initial steps of which were implemented under benchmarks 18, 25, 30 and 34.

According to the text of the Letter of Intent, the amendments to the Budget Code made in line with benchmark No.34 should form the basis of the CMU's decision to adopt a methodological framework underlying the PIM process. In particular, this includes the adoption of criteria and procedures for: (i) preparation of projects, (ii) formation of a single project portfolio, (iii) project evaluation, (iv) project selection, (v) identification of sources and mechanisms of financing, (vi) implementation, monitoring and evaluation of projects. At the same time, among the principles of determining the procedures is that the source of funding will be considered only after a decision has been made on the need to implement the project, and the projects will be reviewed comprehensively by the Ministry of Finance, the Ministry of Economic Development and the Ministry of Infrastructure. It is important to note that the Cabinet of Ministers has already adopted prioritization criteria for 2025, but they will be changed in the future.

On January 16, the relevant amendments to the Budget Code were adopted by the Parliament ([draft law No. 12245](#)) - benchmark No.34, and on February 28 (the last day of the Lighthouse's deadline), the CMU adopted the main regulatory acts governing the stages of implementation of the public investment management reform:

- [Procedure](#) for developing and monitoring the implementation of the medium-term plan of priority public investments of the state - line ministries prepare proposals: May 2025
- [Preparation of investment projects](#) and public investment programs based on the new methodology - starting in May 2025
- Assessment and prioritization
- Formation of sectoral and unified portfolios at the local, regional and national levels: September-November 2025, with approval in November-December



BENCHMARK No.37 New Tax Reporting Requirements for Digital Platform Operators (end of April 2025)

Sector: Fiscal sector

Status: In progress

RRR4U

The authorities have reaffirmed to the IMF their commitment to streamlining the simplified tax system in the medium term, as it currently allows for widespread tax evasion.

Back in August 2024, the Ministry of Finance held discussions with digital platform operators on a proposed framework for reporting user income. The Ministry aims to introduce obligations for digital platform operators – such as ride-hailing services, property rental platforms, marketplaces, and apps for selling goods and services – to collect specific user information and submit an annual report to the State Tax Service of Ukraine on the income users earn from defined types of activity.

These measures are intended to improve tax administration and broaden the tax base, thereby increasing overall tax collection.

The new requirements are expected to be adopted by the end of April 2025. Draft legislation is currently in development. The proposal preliminarily includes a 5% tax to be automatically withheld from the income of self-employed individuals operating via digital platforms.

**Benchmark No.39** Submit the Budget Declaration for 2026-2028 on time

(end of June 2025)

Sector: fiscal sector

Status: in progress

The restoration of medium-term budget planning is among the important focuses of the IMF Program. That is why quite a few benchmarks are devoted to this issue including the implementation steps.

In particular, medium-term budget planning is discussed in Benchmarks 10, 11, 25, and 29.

This is because the reintroduction of medium-term budget planning increases the predictability, transparency, and efficiency of fiscal policy.

In January, the Ministry of Finance sent an instructional letter to all budget spending units. The Ministry of Economy is working on assumptions for the macroeconomic forecast for 2026-2028.

The Ministry of Finance is now moving forward with the preparation of the Declaration, has received the first forecast estimates and is forecasting the main budget indicators in accordance with the preparation [calendar](#).

**BENCHMARK No.38** Appoint a permanent head of the SMS

(end of June 2025)

Sector: fiscal sector

Status: in progress

In line with Structural Adjustment 28, amendments to the Customs Code were adopted, which, among other things, required a competition with the participation of independent experts to select a permanent head of the SCS. The relevant amendments were signed by the President on October 17, 2024.

As of March 26, 2025, the competition has not been announced.



BENCHMARK No. 40 Systemic state-owned banks fall under the jurisdiction of the Ministry of Finance. Non-systemic state-owned banks are not recapitalized at the expense of the state.

(permanent)

Sector: financial sector

Status: completed on time. but additional actions may be required

Three state-owned banks are registered as owned by the State represented by the CMU (Oschadbank, Ukreximbank, and Privatbank). Ukrgasbank and Sens Bank are owned by the state, represented by the Ministry of Finance. In practice, the Ministry of Finance acts as the shareholder of state-owned banks, although key decisions are made by the Government upon the proposal of the Ministry of Finance.

During the full-scale war, Sense Bank (formerly Alfa), PINbank (First Investment Bank), and Motorbank were nationalized. Sense Bank was sold to the state for UAH 1 by the DGF as part of the procedure for withdrawal from the market due to sanctions against its owners. The other two banks were transferred to the state by the HACC decision

Currently, the target has been met: all state-owned banks except PINbank and Motor Bank are systemically important and the Ministry of Finance is responsible for their management either directly or through government decisions developed by the Ministry of Finance. As of March 1, 2025, PinBank and Motor Bank had capital below UAH 200 million and, accordingly, violated the prudential norm N1 and were also unprofitable in 2024. If the banks do not return to profitability, the NBU will need to transfer them to the DGF for resolution to fulfill the lighthouse. On February 4, the state-owned shares of PinBank were transferred to the management of the Ministry of Development for possible transfer to Ukrposhta to form a financial inclusion bank. This may remove the issue of bank profitability, but Verkhovna Rada needs to approve the necessary legislation.

**BENCHMARK #41** Development of the Framework for Bank Rehabilitation

(end of December 2024)

Sector: Financial sector**Status:** completed

The Deposit Guarantee Fund (DGF), the Ministry of Finance, and the National Bank of Ukraine (NBU) were tasked with developing a framework for bank resolution. This framework was expected to include:

- (i) mechanisms to support the DGF;
- (ii) measures to strengthen the operational readiness of the banking system for unforeseen events;
- (iii) improvements to bank exit procedures and early intervention measures; and
- (iv) alignment of counterparty eligibility criteria for NBU monetary operations and lender-of-last-resort functions with best international practices.

As intermediate steps, the DGF and NBU, in consultation with international financial institutions (IFIs), were to:

- (i) prepare a diagnostic note by end-February 2024 to assess the current resolution infrastructure for insolvent banks, including an analysis of existing challenges; and
- (ii) based on the diagnostics, adopt a roadmap by end-April 2024 outlining a reform agenda to further enhance the authorities' capacity for crisis management and resolution in the financial sector, with the goal of addressing key weaknesses by end-December 2024.

According to available information, the NBU submitted to the IMF a draft package of legal amendments required to adopt the new methodology, which was counted as fulfilment of the structural benchmark.

**BENCHMARK #42** New Risk Assessment Methodology for Supervisory Activities

(end of December 2024 (postponed from end of June))

Sector: Financial sector

Status: completed

The National Bank of Ukraine (NBU) was tasked with introducing risk assessment methodologies for supervisory activities to support informed decision-making on supervisory priorities. The methodology is to be applied across all banks, and a supervisory action plan was to be prepared by the end of December 2024.

To enhance supervisory outcomes, the NBU also aims to improve supervisory efficiency by optimising resource allocation and processes through adjustments to the organisational structure of banking supervision. This will be complemented by strengthening supervisory capacity through the development of relevant professional profiles and the introduction of a multi-year training programme for new staff.

According to the government's Reform Matrix, the NBU has reported that this structural benchmark has been fulfilled. Based on available information, the new methodology was approved on time, although no public announcement was made.



BENCHMARK No. 43 Complete the formation of the Supervisory Board of Ukrenergo, with the majority of 7 members being independent

(deadline - end of December 2024)

Sector: energy

Status: completed

The benchmark is aimed at implementing corporate governance reform at state-owned enterprises. The high-profile dismissal in September 2024 of Ukrenergo's CEO Oleksandr Kudrytskyi, which he [explained as](#) a desire to "take control of investments in reconstruction", and the subsequent resignation of two independent members of the Supervisory Board, which [was politically motivated](#), raised serious concerns about governance, including from international partners and market participants. The critical role of Ukrenergo in ensuring the stability of the power system, including during the heating season, only exacerbates this problem.

By Order No. 337 of 09.09.2024, the Ministry of Energy [announced](#) a competitive selection of candidates for the positions of three independent members of the Supervisory Board of Ukrenergo. At the same time, the Ministry of Energy was identifying and selecting candidates for state representatives. The selection of all 7 members - 4 independent and 3 state representatives - was to be completed by 9 December 2024.

On November 26, the Cabinet of Ministers [approved](#) four candidates for the positions of members of the Supervisory Board of Ukrenergo - Patrick Roland Graichen, De Francischi Luigi, Eppe Sebastian Kofod, and Jan Henryk Montell as independent members.

On December 11, the Cabinet of Ministers [approved](#) a new 7-member Supervisory Board of Ukrenergo, with Yuriy Boyko, Anatoliy Hulei and Oleksiy Nikitin appointed as state representatives.

Thus, the benchmark is considered to be completed on time and in full.



BENCHMARK No. 44 Cancel the “Lozovyi’s amendments” and allow the SAPO to manage extradition and mutual legal assistance requests **(Slide 1)**

(end of December 2024 (postponed from end of October 2024))

Sector: governance/anti-corruption

Status: not implemented

The structural benchmark provides for amendments to the [Criminal Procedure Code of Ukraine](#), in particular regarding:

- enabling the Prosecutor General to delegate to the SAPO the management of requests for extradition and mutual legal assistance in connection with the investigation of corruption crimes;
- cancellation of the mandatory closure of pre-trial investigations in connection with the expiration of the pre-trial investigation period after notification of suspicion (the so-called “Lozovyi’s amendments”);
- giving the investigating judge the authority after the end of the deadline and at the request of the accused or the injured persons to prompt the prosecutors to make a decision regarding the pre-trial investigation (either the closing of the proceedings or the completion of the pre-trial investigation), or to refuse to grant the request.

The issue of cancelling the “Lozovyi’s amendments” has long been on the Ukrainian agenda. Back in November 2023, the ambassadors of the Group of Seven (G7) countries, in a [letter](#) to the Speaker of the Verkhovna Rada, noted the need to abolish the restrictions on the time limits for pre-trial investigation before serving a notice of suspicion in the CPC, “to prevent premature closure of cases”.

In December 2023, the Verkhovna Rada only partially cancelled the “Lozovyi’s amendments”. It is not surprising that [the Memorandum with the IMF of 17.06.2024](#) was supplemented by a benchmark on the cancellation of the “Lozovyi’s amendments”.

**“Lozovyi’s amendments” refers to a number of amendments to the Commercial Procedure Code, the Civil Procedure Code, the Criminal Procedure Code, as well as the Code of Administrative Justice of Ukraine and other regulatory acts proposed by MP Andriy Lozovyi.*



BENCHMARK No. 44 Cancel the “Lozovyi’s amendments” and allow the SAPO to manage extradition and mutual legal assistance requests (Slide 2)

(end of December 2024 (postponed from end of October 2024))

Sector: governance/anti-corruption

Status: not implemented

At the end of October 2024, the Parliament adopted [draft law No.11265](#) as a basis for implementing the benchmark. At the same time, [according](#) to the Anti-Corruption Action Centre, the provisions proposed in the draft law do not fully repeal the “Lozovyi’s amendments” and do not fully cover the IMF’s requirements.

At the end of December 2025, the Government registered a new draft law [No.12367](#) with the Verkhovna Rada aimed at cancelling the “Lozovyi’s amendments”. In addition, 3 more alternative draft laws were registered ([No.12367-1](#), [No.12367-2](#), [No.12367-3](#)). At the same time, on January 16, the Parliament did not support the inclusion of the above draft laws on the agenda.

It is worth noting the different positions taken by stakeholders on the above draft laws. Business associations (SUP, Manifest 42, etc.) and the Ukrainian Chamber of Commerce and Industry [urged](#) the Parliament not to support all of the above draft laws and proposed to initiate a broad discussion with business representatives, experts, and the public to develop balanced changes that would improve access to justice without creating additional risks for business. Instead, the NABU and the SAPO [supported](#) only the draft law [No.12367-3](#), which, in their opinion, is aimed at improving the efficiency of pre-trial investigation and ensuring the inevitability of punishment for corruption offenses, and called on MPs to support it in the first reading and in general. Representatives of the Anti-Corruption Action Centre also [stated](#) that only draft law [No.12367-3](#) completely cancels the “Lozovyi’s amendments” and restores the mechanism of extending the investigation period by the prosecutor.

As of the end of March 2025, none of the above-mentioned draft laws had been adopted. Thus, the authorities have failed to fulfil this benchmark.

**BENCHMARK No.45 Complete the external audit of NABU and publish its report.**

(end of February 2025 (not fulfilled at the end of September 2024))

Sector: governance/anti-corruption

Status: not implemented

The issue of conducting an external audit of the NABU has been on the Ukrainian agenda for quite some time. Both the International Monetary Fund and the European Commission have repeatedly pointed out the need for it. In the [Memorandum on Economic and Financial Policy of December 5, 2018](#), the Ukrainian side promised to complete the external audit of the NABU by the end of July 2019. However, this promise was never realized.

Under the current program, Ukraine also has problems with the NABU audit. It was supposed to be completed by the end of September 2024. Instead, in early September, the Cabinet of Ministers only [approved](#) the composition of the Commission for the Audit of the NABU (which was defined as a preliminary measure in the [Memorandum of 04.10.2024](#)). The Commission was formed on the basis of proposals from international and foreign organizations that, in accordance with international or intergovernmental agreements, have provided Ukraine with international technical assistance in the field of preventing and combating corruption in the last three years prior to the assessment.

According to the updated [Memorandum of October 04, 2024](#), Ukraine is to conduct an external audit of the NABU and publish its report by the end of February 2025. Robert Westbrook, Chairman of the NABU External Audit Commission, said that the assessment of NABU's activities will be completed on time. The Commission [will assess the](#) effectiveness of NABU's activities for the period from March 6, 2023 (the date of appointment of the current NABU Director) to November 18, 2024 (the date of approval of the audit methodology by the Commission).

It should be noted that as of the end of March, the NABU External Audit Commission has not provided any information on the stage of the audit.



BENCHMARK No. 46 Create a new administrative court to replace the dissolved District Administrative Court of Kyiv (end of December 2024 (postponed from end of July 2024))

Sector: governance/anti-corruption

Status: not completed (completed with a delay)

In December 2022, the parliament liquidated the District Administrative Court of Kyiv (DACK), which considered disputes involving central executive bodies. The DACK's cases were to be transferred to the Kyiv District Administrative Court (KDAC) until the new court is established.

In its [Report](#) published in November 2023, the European Commission noted that after the liquidation of the DACK, access to justice in cases involving central authorities has deteriorated, as a new court has not yet been established and the court with temporary powers is overcrowded. Therefore, in the Memorandum with the IMF, Ukraine promised to adopt a law establishing a new court that will hear administrative cases against national state bodies (e.g., the NBU, NABU, NACP) by judges who have been properly vetted for professional competence and integrity.

Back in early December 2024, the Verkhovna Rada failed to vote on draft law [No.12206](#) on the establishment of the High Court for Public Law Disputes and two alternative draft laws ([No.12206-1](#), [No.12206-2](#)). After that, the Government registered a new draft law [No.12368](#) on the establishment and functioning of a specialised administrative court with the Parliament. However, it was rejected and withdrawn from consideration.

On February 26, 2025, the Parliament, in fact, with a delay of almost 2 months, fulfilled the structural BENCHMARK and adopted as a whole the draft law No. [12368-1](#) on the establishment and functioning of the Specialized District Administrative Court as a court of first instance to consider administrative cases involving state bodies such as the NACP, the NBU, the BES and the Specialized Administrative Court of Appeal, which will act as a court of appeal for these disputes.

On March 24, 2025, the President signed the above draft law. The High Qualification Commission of Judges of Ukraine (HQCJ) is to announce a competition for judges within one month after the law comes into force.



BENCHMARK No.47 Adoption of amendments to the law to reform the Accounting Chamber of Ukraine (end of December 2024)

Sector: governance/anti-corruption

Status: completed

Today, it is urgent to ensure the independence, strengthen the powers and increase the effectiveness of the Accounting Chamber of Ukraine to fulfil its constitutional function of overseeing public expenditures in accordance with the standards of the International Organisation of Supreme Audit Institutions, as well as to audit all public funds.

The relevant [draft law](#) was already passed in the first reading on 19 September, and the text has already been prepared for the second reading, and on 30 October it was adopted.

The adopted draft law meets the requirements set out in the IMF Letter of Intent, in particular, it: (i) will strengthen the independence of the Accounting Chamber, including the process of selecting new members of the ACU by making it an open, transparent, reliable and competitive procedure, with a decisive and key vote of independent experts with international experience, as well as improving the dismissal procedure; (ii) establish that the ACU shall consist of at least 11 members; (iii) allow the ACU to choose the audit area without any guidance or interference and to have full and timely access to all necessary information and databases to perform its audit functions; (iv) empower the ACU to perform external audit of all public funds (including funds or budgets of local governments, state-owned enterprises and extra-budgetary funds); and (v) establish formal procedures in the legislation for reviewing and monitoring external audit reports and follow-up on audit recommendations, with appropriate financial and technical resources; and (vi) establish a mechanism for periodic peer review by independent experts with international audit experience.



BENCHMARK #48 Development of a Strategy for the National Securities and Stock Market Commission (NSSMC)

(end of January 2025)

Sector: Financial sector

Status: Not Met

According to the IMF programme Memorandum, the National Securities and Stock Market Commission (NSSMC) was expected to develop a restructuring strategy and conduct a performance assessment in coordination with international financial institutions. This step is key to enhancing the effectiveness of the NSSMC as a regulator.

The plan also includes updating and implementing a Code of Ethics for staff in line with international standards, and conducting an independent review to assess whether the Chair and Commission members meet qualification requirements, including compliance with the Code of Ethics.

In addition, together with the NBU, the NSSMC was to work by end-December 2024 on improving capital flow management, including aligning regulatory frameworks and harmonising restrictions on securities transactions with those applied to banking operations.

These efforts are essential for ensuring transparency, building investor confidence, maintaining financial system stability, and supporting Ukraine's integration into global markets.

Ukraine did not meet this benchmark on time. It is likely that the deadline will be extended during the ongoing IMF programme review, or that the NSSMC will complete the benchmark with delay.



BENCHMARK No.49 Preparation and submission of a draft law to the Parliament on the risk of critical third parties in the financial sector
(end of May 2025)

Sector: financial sector

Status: in progress

Benchmark is aimed at extending the NBU's supervision to companies that provide services critical to the bank's functioning. It is a model of a bank in a smartphone where the work of a bank (like Monobank) is closely linked to non-banking companies that are currently not subject to regulation. It is proposed to extend the NBU's requirements for business reputation and professional suitability to them.

In accordance with the Memorandum on Economic and Financial Policies, the NBU has now prepared an analytical document on third-party risks, and it is planned to prepare a supervision concept and then a draft law defined by this beacon. Currently, there are virtually no references to "critical third parties" outside the memorandum with the IMF



BENCHMARK No.50 Complete and publish the external assessment of the NEURC with the involvement of the Energy Community Secretariat

(deadline - end of October 2025)

Sector: energy

Status: in progress

The benchmark is aimed at strengthening the NEURC's independence and accountability. Ukraine has committed to developing an accountability system for the NEURC, which provides for regular external assessments of the Regulator's governance and independence.

Thus, the Government of Ukraine, in accordance with this structural benchmark, should develop a legal framework for ensuring the NEURC's accountability, which will allow for regular external assessments of the NEURC's independence and governance systems by the Energy Community Secretariat (upon request) every 2-3 years. The first external assessment is expected to be completed and published by October 2025.

At the end of February 2025, at the RRR4U event, Andrejs Juris, [Head of the ECRB Unit at the Energy Community Secretariat, confirmed his](#) readiness to conduct such an assessment, which will include various aspects of independence enshrined in EU legislation - both reflected in national legislation and implemented in practice.

Monitoring of implementation of the Ukraine Plan indicators



completed
on time



completed
not on time



in process



not
completed



→ Ukraine's Plan: the main points as of March 2025

- The Council of the European Union has approved **3.5 billion EUR for Ukraine** for fulfilling 13 Q4 2024 indicators;
- The European Commission has appointed **members of the Audit Board** to ensure the transparency and effectiveness of financial assistance under the Ukraine Facility;
- On March 26, the **Ministry of Finance and the Audit Board signed a Memorandum of Cooperation**;
- The European Commission has launched a **Scoreboard on the implementation of the Ukraine Plan** on its website.

By the end of March, **Ukraine has to fulfill 16 indicators** Q1 2025;

There is a risk of untimely fulfillment of the Q1 indicators - as of March 26, 9 indicators remain unfulfilled.

In process



9

Completed on time



7



Map of the implementation of the indicators of the Ukraine Plan

	I 2025	II 2025	III 2025	IV 2025	
Public Administration Reform	1.1		1.2	1.2	
Public Financial Management / Management of Public Assets	6.6		2.8 6.7 6.9	2.6 2.9	
Fight Against Corruption and money laundering / Judicial System	4.3 4.7	3.5 3.8	3.1 3.2	3.3 3.4 3.9 4.8	
Business Environment / Human Capital	7.2 7.11	7.1 7.10 8.4	8.2 8.8	7.4 7.8	
Energy Sector / Green Transition and Environmental Protection / Management of Critical Raw	13.5 15.2 15.5	10.4 13.3 13.4 15.6	10.14 13.2 15.4	10.5 10.7 10.11 10.12 10.13 13.6 15.3	
Agri-food Sector / Transport	12.3 12.7		12.4	11.3	
Decentralisation and Regional Policy	9.1 9.4	9.2			
Digital Transformation	14.1 14.2 14.3				
Financial Markets		5.4		5.6	

 Completed
 Completed,
but not on time
 In progress
 Not completed



Status of implementation of the Ukraine Plan indicators set for Q2 2024

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

INDICATOR No.2.2 Adoption of the digitalisation plan for the State Customs Service

In accordance with the provisions of the NDS, the Ministry of Finance approved [the Long-Term National Strategic Plan for Digital Development, Digital Transformation and Digitalisation of the State Customs Service](#) in February 2014.

INDICATOR No.2.3 Adoption of the Budget Declaration for 2025-2027

The budget declaration was finally approved on 28 June 2024, the last working day of the quarter. This is likely due to the fact that a positive decision by the IMF Executive Board on the fourth review of the programme was expected. Thus, the macroeconomic indicators on which the budget indicators of the Budget Declaration for 2025-2027 are based differ from the IMF's macroeconomic forecast. The budget declaration contains projected revenues, one of the components of which is an additional package of tax measures. As there is no certainty about the amount of international support, it remains limited, forcing the government to foresee cuts in almost all functions except defence in 2025, and in the following two years, defence as well.

INDICATOR No.2.7 Adoption of the Action Plan for the implementation of the Roadmap for Public Investment Management Reform

Improving the quality of public investment management (PIM) will allow for more economical and efficient use of public funds in the context of limited budgetary resources. One of the steps should be the unification of PIM approaches and the competitive selection of projects for budget funding.

The Action Plan for the implementation of the IPO Reform Roadmap was approved [in June 2014](#).

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

On 13 November 2023, the Cabinet of Ministers of Ukraine published an [announcement on the terms and conditions of the competition for the position of the Head of the National Agency for the Prevention of Corruption \(NAPC\)](#) on its official website.

Following a competitive selection process, Pavlushchyk was appointed Head of the National Agency for the Prevention of Corruption by the Order of the Cabinet of Ministers of Ukraine No. 162-r dated 27 February 2024.



Status of implementation of Ukraine plan indicators set for Q2 2024

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

INDICATOR No.6.2 **Enactment of the Law on Corporate Governance of State-Owned Companies**

In February 2024, the Parliament passed a law improving corporate governance in Ukraine. In March, it was signed by the President and came into force on the day of its publication. According to the law, state-owned companies must have supervisory boards, whose powers and responsibilities have been clarified, and the government must develop a state ownership policy. The law also introduced compliance, risk management and internal audit mechanisms.

INDICATOR No. 8.3 **Legislation to revise the legal framework for BES activities enters into force**

On 20 June, the Verkhovna Rada passed Bill 10439, the text of which was agreed with the requirements of international partners. On 28 June, the President signed it and the law came into force. The new legislation will pave the way for the renewal of the BES management and detectives through transparent competitions. This will provide a chance to turn the Bureau into an effective body that will prevent economic crimes and schemes that cause damage to the budget.

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

On 25 June, the NECP was [approved](#) by a decree of the Cabinet of Ministers of Ukraine, and the text [was published](#) on the website of the Ministry of Economy. In October, the English version of the NECP [was published](#).

INDICATOR No. 10.15 **Adoption of the Strategy for Thermal Modernisation of Buildings for the period up to 2050 and the Action Plan for its implementation**

Pursuant to the Cabinet of Ministers' [Resolution](#) No. 1228-r dated 29 December 2023, the Strategy for Thermal Modernisation of Ukrainian Buildings until 2050, the concept of the State Targeted Economic Programme for Supporting Thermal Modernisation of Buildings until 2030, and the Operational Action Plan for Implementation in 2024-2026, which sets out a long-term plan for the gradual renovation of the Ukrainian building stock with regard to energy-saving technologies, were approved.

INDICATOR No. 12.8 **Adoption of a mine action strategy until 2033 and a system for prioritising areas to be demined**

The Mine Action Strategy until 2033 and its Operational Plan for 2024-2026 were adopted [by a CMU Resolution on](#) 28 June 2024.



Status of implementation of Ukraine Plan indicators set for Q3 2024

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

INDICATOR No. 4.1 Increase in the number of staff of the Specialised Anti-Corruption Prosecutor's Office

As part of this indicator, the Specialised Anti-Corruption Prosecutor's Office should have been given the opportunity to increase the number of employees from 10% to at least 15% of the number of employees of the National Anti-Corruption Bureau. To meet this indicator, the Verkhovna Rada of Ukraine adopted draft law No. 10060 of 08.12.2023, which stipulates that the total number of employees of the Specialised Anti-Corruption Prosecutor's Office shall be 15% of the statutory maximum number of central and territorial departments of the National Anti-Corruption Bureau of Ukraine.

INDICATOR No. 4.4 Amendments to the Criminal Code and the Criminal Procedure Code enter into force

The indicator was not met on time. On 29.10.2024, the VRU adopted draft law No. 12039 as a basis and as a whole, and on 31.10.2024, the law was signed by the President and entered into force on 01.11.2024.

INDICATOR 4.6 Approval of the action plan for the implementation of the Asset Recovery Strategy for 2023-2025

As part of this indicator, the Cabinet of Ministers of Ukraine had to adopt and publish an Action Plan for the Implementation of the Asset Recovery Strategy for 2023-2025. As a result, on 13.08.2024, [the Cabinet of Ministers of Ukraine approved the previously prepared Action Plan for the Implementation of the Asset Recovery Strategy for 2024-2025 by Resolution No. 759-r.](#)

INDICATOR No. 7.6 Adoption of a comprehensive Demographic Development Strategy until 2040

On 30 September, the Government approved the Demographic Development Strategy until 2040. The next step towards its implementation is the adoption of a detailed Action Plan.

INDICATOR No. 8.1 Adoption of the Deregulation Action Plan

In early September, the Government approved an updated [deregulation action plan](#). It includes 99 measures, most of which are to be implemented this year. The plan mainly provides for the cancellation of a number of permits that, in the opinion of the plan's developers, are outdated or irrelevant. It also includes support for a number of deregulation draft laws, including those on state control (5837) and foreign trade (5167). There are also a number of measures to improve the current regulation.



Status of implementation of Ukraine Plan indicators set for Q3 2024

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

RRR4U

INDICATOR No. 9.5 Legislation amending the State Strategy for Regional Development for 2021-2027 enters into force

The government adopted the [updated SFDRR](#) on 13 August, which identifies new challenges and strategic and operational goals.

At the same time, [the Action Plan for](#) the implementation of the SFDRR has not been updated, although it logically should have been changed as well.

INDICATOR No. 10.8 Amendments to the Criminal Code and the Code of Criminal Procedure enter into force

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 27 December 2023);
- [The Procedure for](#) the Functioning of Insider Information Platforms (Resolution No. 137 of 16.01.2024);
- [Requirements](#) for Ensuring Integrity and Transparency in the Wholesale Energy Market (Resolution No. 614 of 27.03.2024) (on 23 August 2024, the NEURC [published](#) draft amendments to the Requirements, the collection of comments and proposals lasted until 9 September, and an open discussion will take place on 31 October);
- [The Procedure for](#) Submitting Information on Business and Trade Operations with Wholesale Energy Products (Resolution No. 618 dated 27.03.2024).

On 2 October, the Cabinet of Ministers of Ukraine [approved the](#) terms of reference for the development of an information system to support the NEURC's functions, thus completing the implementation of this indicator.

INDICATOR No. 15.1 Enactment of the Law of Ukraine on Prevention, Reduction and Control of Industrial Pollution

On 16 July 2024, the act was adopted as a whole, and in early August, [Law No. 3855-IX](#) was signed by the President.

INDICATOR No. 15.10 Adoption of a comprehensive Demographic Development Strategy until 2040

At the end of April 2024, the Ministry of Ecology published [a draft](#) concept note for discussion. Comments and suggestions [were](#) accepted until 30 May. According to the position voiced by the Ministry of Ecology during the public discussion held on 14 May 2024, [the purpose and objective of](#) the note is to summarise all available deviations from EIA procedures in a single document, determine the body that decides on such deviations, the period of application of deviations and provide arguments for the reasons for their application.

On 18 September, the Ministry of Ecology [published](#) the final version of the Concept Note defining the scope of deviations from the EIA and SEA rules



Status of implementation of Ukraine Plan indicators set for Q4 2024

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

INDICATOR 2.1. Adoption of the strategic plan for the digitalization of the STS

As part 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 out in the National Revenue Strategy until 2030.

At the end of 2024, the Ministry of Finance published a [Plan](#) containing the measures previously mentioned in the NDS. Integration with the international information exchange system DAC7 should also be ensured. Stakeholders should pay attention to ensuring the monitoring of the STS's implementation of the initiatives set out in the document, as the STS is currently responsible for assessing the effectiveness of the [Plan's](#) implementation, along with the Ministry of Finance and the Ministry of Digital Transformation.

Indicator 3.6 Legislation Improving the Bankruptcy Regime Has Entered into Force

This indicator is part of the broader reform agenda on insolvency resolution and enforcement of court decisions. The new legislation focuses on preventing bankruptcy and restoring debtor solvency. It aims to ensure the timely identification of early signs of financial distress, provide additional tools for restoring companies' solvency, and improve access to information on insolvency prevention and early warning mechanisms. On 19 September 2024, the Verkhovna Rada adopted the law (draft No. 10143 dated 12 October 2023). The President signed it on 22 September, and it entered into force on 23 January 2025.

INDICATOR 6.1. Adoption of state ownership policy and ranking of state-owned companies

In March 2024, a law updating the rules for managing state-owned enterprises came into force (indicator 6.2). The Government approved [the State Property Policy](#) on November 29, 2024.

The policy provides for the basic principles of management of state-owned enterprises, the procedure for their division into those that will remain in state ownership to ensure the goals of state policy, 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 martial law.

On December 27, 2024, the Government approved the lists of state-owned enterprises by category by [a protocol decision](#).

Indicator 7.5 Approval of the Strategy for Reforming Residential Institutions and the Strategy to Ensure Every Child's Right to Grow Up in a Family Environment (2024–2028)

The indicator is part of the reform aimed at improving social infrastructure.

The Strategy to Ensure Every Child's Right in Ukraine to Grow Up in a Family Environment was approved by Cabinet Resolution No. 1201-r dated 26 November 2024.

The Strategy for Reforming Residential and Psychoneurological Institutions for Adults was approved by Cabinet Resolution No. 1315-r dated 24 December 2024.



Status of implementation of Ukraine Plan indicators set for Q4 2024

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

INDICATOR 8.7. Entry into Force of Legislation on the Restoration of Market Surveillance and Control Measures for Non-Food Products, Including Product Safety Inspections

To restore market surveillance and control measures for non-food products, including product safety inspections, the Cabinet of Ministers adopted and enacted [Resolution No. 261 dated 8 March 2024](#), titled "On Amendments to Cabinet of Ministers Resolutions No. 303 of 13 March 2022 and No. 550 of 3 May 2022."

INDICATOR 9.6. Enactment of legislation for the development of urban planning at the local level

In pursuance of this indicator, the Cabinet of Ministers of Ukraine developed [Resolution No. 254 of 05.03.2024](#) "Some issues of implementation of the pilot project on the creation of the Unified State Register of Administrative and 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 CMU, namely [Resolution No. 909 of 09.08.2024](#), regulated the implementation of a pilot project to introduce the Urban Planning Cadastre at the state level.

[The CMU Resolution No. 1111 of 26.09.2024](#) introduced the concept of the administrator of the Urban Planning Cadastre and the electronic system for the pilot project, and defined their powers.

The digitalization of urban planning services, in particular the project to introduce a digital Urban Planning Cadastre at the state level, is important because it actually unifies previously dispersed urban planning documentation that existed on paper in different local governments.

INDICATOR 10.2. Introduction of a market-based concept for renewable energy

On March 1, the Cabinet of Ministers approved [Resolution No. 232](#), which provides for the improvement of the procedure for holding auctions for the allocation of support quotas for renewable energy facilities.

On August 13, the Cabinet of Ministers issued a decree [setting](#) an additional annual support quota of 110 MW for 2024.

On November 29, the Cabinet of Ministers [approved](#) a schedule for 2025 for auctions for the distribution of renewable energy support quotas, as well as forecast indicators for renewable energy support quotas until 2029.

Indicator 10.10: Ensuring the NEURC's independence

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 on Strengthening the Independence of the Regulator in the Energy and Utilities Sectors". With this decision, the Regulator launched the implementation of [the Action Plan](#).

Law [No. 3915-IX](#) of 21.08.2024 amended Law [No. 3354-IX](#) "On Lawmaking", exempting the NEURC from proofreading decisions. Thus, the conflict with the provision of Part 6 of Article 14 of the Law on the NEURC was removed. However, the Law "On Lawmaking" has only just entered into force, but most of the provisions, in particular those on the NEURC's functional independence, will come into force a year after the end of martial law.



Status of implementation of Ukraine Plan indicators set for Q4 of 2024

RRR4U

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

INDICATOR 11.1. Adoption of the updated National Transport Strategy of Ukraine for the period up to 2030

The strategy is aimed at achieving the following goals, which are in line with the requirements of the Plan of Ukraine:

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

The National Transport Strategy of Ukraine for the period up to 2030 and the operational plan for its implementation in 2025-2027 were approved by the Cabinet of Ministers on December 27, 2024 ([Resolution No. 1550](#)).

INDICATOR 11.2. Adoption of the Strategy for the Development and Construction of Border Infrastructure with the EU Member States and Moldova until 2030

On 24.12.2024, the Cabinet of Ministers [of](#) Ukraine approved the Strategy and the operational plan for its implementation in 2024-2030 [by Resolution No. 1337-r.](#)

The strategy aims to build 17 and modernize 29 border crossing points with the EU and Moldova. Ukraine also aims to conclude a joint control agreement with each EU neighboring country. The eCheck project is to be extended to all automobile checkpoints. In addition, Ukraine's first scanners for railway rolling stock inspection are to be purchased and put into operation.

The measure to reconstruct Ukrainian railways to meet European standards raises doubts about its feasibility. Thus, while about 3 km of tracks were reconstructed in 2024, this figure should reach 100 km in two years. Given the high cost and chronic lack of funding, the implementation of this measure may be difficult.

INDICATOR 12.1. Adoption of the Strategy for the Development of Agriculture and Rural Areas until 2030

The Government approved [the final version of](#) the Strategy on November 15, 2024.

The strategy is aimed at achieving food security, ensuring the sustainability of the agricultural sector, and efficient land use.

Indicator 12.5 Entry into Force of the Law on the State Agrarian Register

The indicator is part of a reform aimed at improving the official public electronic register of farming enterprises.

On 19 September 2024, the Verkhovna Rada adopted the [law](#), which was signed by the President on 17 October.

INDICATOR 13.1. Adoption of the Law of Ukraine "On Amendments to the National Program for the Development of Mineral Resources of Ukraine for the Period up to 2030"

As part of the reform to improve 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 the Mineral Resources Base of Ukraine for the Period up to 2030".

On December 18, the Verkhovna Rada [adopted](#) in the second reading and in general an updated state program for the development of Ukraine's mineral resource base until 2030.



Indicator 1.1 Legislation on civil service remuneration reform enters into force
(Q1 2025)

Sector: public administration reform

Status: in progress



RRR4U

For years, the civil service remuneration system was inefficient. The large share of variable component made the predictability of remuneration low, and its amount depended on the management. Also, a large share of the variable component encouraged keeping vacant positions in order to pay bonuses at the expense of payroll savings. Such a policy of determining the level of remuneration in the civil service is not in line with international best practices.

Indicator 1.1. specifically provides for the entry into force of legislation (including bylaws) that complies with the principles of public administration set out in the OECD, SIGMA program. The reform provides for:

- introducing remuneration based on the classification of positions by functional area;
- a clear division of salary into a fixed or guaranteed part and a variable part;
- reducing the longevity allowance from 50% to 30%.

Partially, the relevant changes for 2024 have already been implemented by [the CMU Resolution "Issues of remuneration of civil servants based on the classification of positions in 2024"](#): accordingly, in 2024, approaches to remuneration based on grades were changed and the variable component of remuneration was reduced. At the same time, these changes should be systematically determined by the Law: the relevant draft law [No. 8222](#) was adopted as a basis on July 28, 2023, and was adopted in general on March 11, 2025, and sent to the President for signature on March 17.

As of March 26, the draft law has not been signed, so we consider the indicator to be not met yet.



Indicator 4.3. Increase the staff of the High Anti-Corruption Court (SLIDE 1/2)
(Q1 2025)

Sector: fight against corruption and money laundering

Status: in progress



RRR4U

Ukraine plan proposed to increase the number of judges of the High Anti-Corruption Court (HACC) by restoring the work of the Public Council of International Experts (PCIE). To implement this measure, it is necessary to increase the number 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 volume of work in a reasonable time frame without being overwhelmed.

Back at the beginning of the court's establishment, in 2018, the High Council of Justice (HCJ) approved the HACC staffing level of 39 judges, including 12 judges in the Appeals Chamber.

In 2023, the HCJ received appeals from the HACC Chairperson requesting to increase the number of HACC judges. According to the procedure, the HCJ, having heard the positions of the SJA and the HACC, [decided to temporarily determine](#) (until the approval of the standards for staffing the courts and the implementation of new calculations based on them) the number of judges in the HACC — 63 positions, of which the Appeals Chamber judges — 21 positions.

As for the increase in the court staff, the HCJ planned to increase the number of staff members [to 414](#) from 326 in 2024, which still falls short of the 40% target.

The competition for 24 positions in the HACC started in November 2023, but it was delayed, in particular due to the expiration of the powers of the PCIE. At the end of April 2024, [a new PCIE](#) was formed. According to the [results of](#) the first stage of the qualification assessment “Exam” for the HACC, **only 7 participants successfully continued to participate in the competition** and were admitted to the next stage — “Dossier research and interview”.

[On February 17, 2024](#), the [HQCJ and PCIE found](#) that **2 out of 7 candidates** met the criteria and continued to participate in the competition to the High Anti-Corruption Court. **On March 19, 2025, the HQCJ approved 2 winners of the competition** for vacant positions of judges in the High Anti-Corruption Court.



Indicator 4.3. Increase the staff of the High Anti-Corruption Court (SLIDE 2/2)
(Q1 2025)

Sector: fight against corruption and money laundering

Status: in progress



RRR4U

In addition to the competition for the selection of judges to the High Anti-Corruption Court as a court of first instance, the HQCJ, by its decision of January 23, 2025, also [launched a competition](#) for vacant positions of judges in the Court of Appeal.

For the purposes of this competition, 10 positions are vacant. The deadline for submitting documents and applications for participation in the Competition and for qualification assessment is from April 01 to April 30, 2025 (inclusive), which also means that judges will not be able to be selected in time in the context of this indicator.

According [to](#) the HQCJ, as of March 17, 2025, 25 positions (almost 40% of the established maximum number of judges) remain vacant in the High Anti-Corruption Court, including 10 positions in the Court of Appeal (not including 2 judges to be approved by the HQCJ by decision of March 19, 2025).

However, in the end, **the implementation of the indicator within the timeframe set out in the Plan of Ukraine is unrealistic, as we have repeatedly highlighted in previous issues of the monitoring.**

The indicator can only be assessed as fulfilled if the EU takes a flexible approach to the assessment, when a formal decision to increase the number of judges and HACC staff is evaluated, without actually filling the vacancies.

The Accounting Chamber's [report](#) on the HACC activities approved on December 19, 2024, once again highlighted the problem of lack of staffing. According to the report, from September 2019 to November 2024, the backlog of unfinished criminal proceedings increased by 2 times, while the rate of case consideration increased by 2.2 times.

The Accounting Chamber report also explicitly points out the [risk of failure to implement the indicator](#) on increasing the HACC staff due to the long-lasting competition for judges.



Indicator 4.7. Law on ARMA reform enters into force (Q1 2025)

Sector: fight against corruption and money laundering

Status: in progress



RRR4U

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

- a transparent and merit-based procedure for selecting the head of the agency, including integrity and professionalism checks that are credible;
- independent external performance evaluation system;
- a transparent procedure for managing and selling seized assets under the agency's control.

Back in 2023, draft law No. [10069](#) on amendments to certain legislative acts of Ukraine to improve the efficiency of activities in the field of asset tracing, search and management was registered, which was criticized by [members of the public](#) due to the excessive powers granted and the risk of duplication of functions of the State Property Fund of Ukraine.

On January 2, 2025, the CMU submitted to the VRU Draft Law No. [12374](#), which proposes to reform the ARMA. This draft law was also accompanied by alternative draft laws - [12374-1](#) and [12374-2](#). The advantages of the submitted draft laws include the regulation of control over ARMA's activities and competitive selection of its management, but some of these draft laws lack synchronization with the vision of reform set out in the Plan of Ukraine, which was also pointed [out by the public](#).

In addition, the Verkhovna Rada registered draft law No. [12389](#) of January 08, 2025, which proposes to define the peculiarities of the ARMA's title to seized assets under its management.

On 12.02.2025, the Parliament adopted draft law No. [12374-d](#) in the first reading. After the draft law was reviewed by the relevant committee of the Verkhovna Rada, most of the proposals paved the way for the implementation of the ARMA reform in accordance with the agreements within the Plan of Ukraine.

Currently, there are reservations about the adoption of the draft law due to the supported [amendment No. 886](#), which goes beyond the scope of this draft law and concerns the process and timeframe for monitoring the lives of the NACP's declaration subjects. The VRU should reject this amendment and adopt the draft law so that it can enter into force.



Indicator 6.6 Adoption of a Roadmap for the Separation of Public Service Obligations (PSO) from Other Activities
(Q1 2025)



Sector: management of public assets

Status: In progress

The government must adopt and publish a roadmap for the mandatory structural separation of activities related to public service obligations (PSO) from those unrelated to PSO for all state-owned enterprises (SOEs) assigned such obligations.

The roadmap should be based on the current level of required accounting practices and include operational steps to separate company accounts at various stages of implementing the necessary changes. It will outline how account separation will be carried out for PSO-related and non-PSO activities across all priority SOEs, as listed in a Cabinet of Ministers' protocol decision.

As of 26 March, there is no publicly available information indicating that this indicator has been met.



Indicator 7.2. The law on preschool education enters into force
(Q1 2025)

Sector: human capital

Status: completed

Today, one of the obstacles to business is the lack of labour. At the same time, research shows that the level of women's participation in the workforce remains lower than in many developed countries. One of the reasons is the lack of access to quality pre-school education.

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

The reform is a one-step process - the entry into force of the Law on Preschool Education, which should comply with the EU Council Recommendation of 22 May 2019 on high quality early childhood education and regulate the following issues:

- guarantees of access to preschool education for children of early and preschool age;
- fair rules for the functioning of educational institutions in the market of educational services in the field of preschool education;
- decent working conditions for employees in the field of preschool education;
- rules for the functioning of a flexible and efficient network of preschool education providers.

The relevant [law](#) was already adopted by the Parliament in June 2024. It regulates the issues identified in the Plan for Ukraine, which can be considered as fulfilment of this indicator. The law came into force on 1 January 2025.



Indicator 7.11: Adoption of the Strategy for the Development of Culture of Ukraine

(Q1 2025)

Sector: human capital

Status: in progress

Ukraine lacks a coherent policy for the development of Ukrainian culture, while the relevant issues can now be attributed to security issues. These issues were raised several times during public consultations on the preparation of the Plan of Ukraine.

For example, according to the Plan, the government has committed itself to adopting a Strategy for the Development of Culture in Ukraine. The Ministry of Culture and Information Policy (MCIP) has already [started working on](#) the project.

As defined by the ICIP: The strategy will be a medium-term policy planning document, containing a thorough analysis of the current state of affairs, and will define strategic goals, priorities, areas of action and tasks of the state in the field of cultural policy for the period up to 2030.

In the summer, MCIP invited experts and scholars to provide recommendations for the future draft Strategy. In December, the first [discussions](#) of the draft Strategy took place.

In February 2025, the MCIP held several public discussions of the Strategy. In March, the text of the Strategy was finalized: it is to be adopted at a government meeting on March 28, 2025.



Indicator 9.1. Enactment of legislation on reforming the territorial organization of executive power

(Q1 2025)

RRR4U



Sector: decentralization and regional policy

Status: in progress

Legislation to implement this indicator should focus on reformatting local state administrations (LSAs) into prefectural-type bodies in order to organize a reasonable system of ensuring the rule of law in the activities of local self-government bodies, and to ensure coordination of territorial bodies of central executive authorities in the implementation of state policy at the local level.

The corresponding draft law No. [4298](#) was registered on 10/30/2020, but a year later, after three versions of the draft, the consideration of the bill was postponed to the second reading.

In February 2024, the Committee on the Organization of State Power, Local Self-Government, Regional Development and Urban Planning [recommended an updated draft law for the second reading](#), including the return of the status of civil servants to the heads of local state administrations and their deputies, an update of the procedure for appointing and dismissing heads of local state administrations, and the introduction of a system for overseeing the legality of local government decisions.

At a [meeting of the](#) Committee on the Organization of State Power, Local Self-Government, Regional Development and Urban Planning **on March 21, 2025, a decision was made to finalize the draft** Law of Ukraine No. [4298](#). This decision was also supported by [the Association of Ukrainian Cities](#) and the [All-Ukrainian Association of Communities](#).

Instead, **on March 20, 2025**, a group of MPs submitted draft law No. [13124](#) "Draft Law on Amendments to the Law of Ukraine 'On Local State Administrations' and Some Other Legislative Acts of Ukraine on Reforming the Territorial Organization of Executive Power in Ukraine", which has already received support from the [AUC](#).

The above actions are taking place rapidly, a few days before the deadline for adopting the indicator, which may result in the failure to meet it or in a poorly made decision to reform the territorial organization of executive power in Ukraine.



Indicator 9.4. Enactment of legislation on public consultations on public policy issues

(Q1 2025)

Sector: decentralization and regional policy

Status: completed

The indicator provides for the entry into force of the Law of Ukraine "On Public Consultations" with its application within 12 months from the date of termination or cancellation of martial law in Ukraine. The law will launch a legal mechanism for public consultations in the formulation and implementation of state policy and the resolution of local issues, which will create preconditions for coordinated, effective and efficient political decision-making.

The relevant [draft law](#) was adopted in June 2024. In October, [the law](#) was finally signed by the President.

The adopted draft law provides for the obligation of executive authorities, local governments, and public authorities to conduct public consultations when developing regulatory acts.

Such consultations may take the form of electronic consultations, as well as roundtables and discussions.

As envisaged in the Plan, it is envisaged that this draft law will enter into force 12 months after the date of termination or cancellation of martial law. Therefore, for the law to become effective in the Q1 2025, there is a need to approve amendments.



Indicator 12.3 The automated system of public monitoring of land relations was put into operation. Mass land valuation was carried out (Q1 2025)

Sector: agri-food sector

Status: in progress

The indicator envisages the introduction of an automated system for monitoring land relations and conducting a mass land valuation.

The necessary regulatory framework for both components of the indicator was adopted in 2023. The public [monitoring of](#) land transactions has been in place on a limited scale since 2021 and should be fully operational by the end of March, but as of March 24, it has not been made public.

According to the NACP monitoring, the provision on mass land valuation was duplicated in the State Anti-Corruption Program, but it was later amended. In accordance with the updated task, the StateGeoCadastre reported on [the approval of the terms of reference for the mass land valuation by the Ministry of Agrarian Policy in October 2024](#). At the end of 2024, [the mass assessment was carried out](#) and further improvements are planned for this year. [The results of the assessment](#) are now publicly available.

The monitoring report is expected to be submitted by the end of March 2025.



Indicator 12.7. Long-term plan for the development of the irrigation system of Ukraine adopted
(Q1 2025)

Sector: agri-food sector

Status: in progress

The irrigation system development plan with the plan sets an ambitious goal: the plan will use the full economic benefits method, aligned with water resources management on a basin-wide approach, based on environmental impact assessment and strategic environmental reform.

The plan was approved at a government meeting on March 25, 2025. The text has not yet been made public.



Indicator No.13.5 Update of the subsoil user's electronic cabinet (Q1 2025)

Sector: management of critical raw materials

Status: in progress

To implement the reform, the State Service of Geology and Subsoil should update the subsoil user's electronic cabinet, digitise secondary geological information, and ensure the issuance of digital special permits for subsoil use.

On March 28, 2023 the Ministry of Environmental Protection and Natural Resources has [issued an order](#) approving the Regulation on the Subsoil User's Electronic Cabinet, which defines the general principles of its functioning. On 19 May 2023, the Cabinet of Ministers [approved the](#) Procedure for the maintenance, operation and access to information of the unified state electronic geographic information system for subsoil use, developed pursuant to Law No. 2805-IX of 01.12.2022. As of the end of October 2024, [according to](#) the State Service of Geology and Subsoil of Ukraine, the GIS service, online registration of the form for geological works and research, reporting forms for accounting of mineral reserves are in operation, and the service for generating an e-extract from the register of special permits is at the stage of implementation. However, [according](#) to experts, the e-cabinet has its drawbacks and, as long as martial law is in place in Ukraine, will not allow the use of all the announced functionality.

As of the beginning of 2025, work [continued](#) on updating the subsoil user's e-cabinet with additional functionality (access to the state register of special permits and the possibility of obtaining an electronic special permit, as well as access to digitised geological information). On January 20, the functionality [was presented](#) to representatives of the European Commission.

In terms of digitalisation, the first phase of the project with the EBRD [was implemented](#) - the necessary technical equipment and software were purchased and the first 6,000 books of geological reports were scanned and published on an interactive map. In total, it is planned to digitise 60,000 books of geological reports and graphic annexes and translate metadata into English. According to the State Service of Geology and Subsoil's [report as](#) of the end of October 2024, the expected implementation of the second stage with the support of the EBRD, USAID and Microsoft will allow to see the spatial location of deposits and their quantitative and qualitative characteristics. The work [plan](#) for 2025 envisages, among other things, finalizing the creation of the Unified State Electronic Geographic Information System for Subsoil Use, expanding the functionality of the State Geoportal, and improving the e-cabinet.

On March 21, [it was announced](#) that as part of the implementation of the Roadmap to the Memorandum of Strategic Partnership with the EU in the field of raw materials, the State Service of Geology and Subsoil of Ukraine and the EBRD are working on the second stage of digitizing secondary geoinformation and posting it on the State Geoportal. The materials will become part of the "data room" and can be used by Ukrainian and international investors for analysis with a view to further nominating those subsoil use objects for open tenders and auctions.



Indicator 14.1 Approval of a New Radio Frequency Allocation and Usage Plan in Ukraine

(Q1 2025)

Sector: Digital transformation

Status: Completed

The Cabinet of Ministers' resolution amending the existing regulation "On Approval of the Radio Frequency Allocation and Usage Plan in Ukraine" must enter into force. The resolution should define the radio technologies permitted for use in Ukraine, including the corresponding frequency bands and radio services, as well as timelines for phasing out existing technologies. It should also include a list of prospective radio technologies to be introduced in Ukraine, with relevant frequency bands, radio services, and conditions for deployment in line with the acquis.

The government fulfilled this requirement by adopting Resolution No. 1253, "On Amendments to the Radio Frequency Allocation and Usage Plan in Ukraine," on 1 November 2024. Therefore, the indicator is considered completed.



Indicator 14.2 **Entry into Force of Legislation to Strengthen Cybersecurity Capabilities for State Information Resources and Critical Information Infrastructure**
(Q1 2025)

Sector: Digital transformation

Status: In progress



Regulations must enter into force to align Ukraine's legal framework with the NIS and NIS2 Directives. These acts should focus on the following key areas:

- Establishing mandatory measures to create an adequate legal basis for preventing, detecting, and responding to acts of cyber aggression in the context of Russia's war against Ukraine;
- Strengthening the protection of state information resources and critical information infrastructure from cyberattacks;
- Comprehensively improving the regulatory framework on cybersecurity and information protection to enhance the national cybersecurity system's capacity to counter cyber threats.

Draft law No. 11290, dated 27 May 2024, was adopted by the Verkhovna Rada in the first reading at its session on 9 January 2025. On 12 March, the draft was sent for a repeated second reading.



Indicator 14.3. Approval of the action plan for the transfer of public services to electronic form by 2026

(Q1 2025)

Sector: digital transformation

Status: completed

To this end, a Cabinet of Ministers Order approving an action plan for the transfer of public services to electronic form by 2026 should be developed and adopted with further entry into force.

The action plan should focus on the following key areas:

- recovery;
- education;
- healthcare;
- services for veterans;
- services for the military;
- customs;
- social Sector.

Currently, the Ministry of Digital Transformation has asked government agencies to collect proposals and develop recommendations that will form the basis for the development of measures and initiatives of the plan.

On February 24, 2025, the Ministry of Digital Transformation sent a draft order of the Cabinet of Ministers of Ukraine "On Approval of the Action Plan for the Transformation of Public Services into Electronic Form by 2026" for approval by the interested authorities.

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 the State Climate Policy"

(Q1 2025)

Sector: green transition and environmental protection

Status: completed on time

The adoption of the framework climate law is important in view of the need to bring legislation in line with EU law, in particular Regulation (EU) 2021/1119 establishing a framework for achieving climate neutrality and Regulation (EU) 2018/1999 on the governance of the Energy Union and mitigation of the effects of climate change, as well as to implement the action plan for the implementation of the recommendations of the European Commission presented in the Report on Ukraine's progress under the EU Enlargement Package 2023, approved by the Cabinet of Ministers of 09.02.2024.

On 8 October 2024, the Verkhovna Rada of Ukraine adopted the Law "On the Basic Principles of the State Climate Policy" (Reg. [No. 11310](#)), which was introduced by the Cabinet of Ministers at the end of May 2024, and on 25 October the Law was signed by the President.

The Law [entered into force on](#) the day following the day of its publication (30 October 2024), except for Article 14 on planning of the state climate policy at the regional and local levels, which enters into force in another 1 year, and Article 21 on financing of measures aimed at achieving the goals of the state climate policy, which enters into force 1 year after the date of cancellation or termination of martial law.

Thus, the indicator is considered to be met.



Indicator No.15.5 Approval of the Action Plan for the establishment of a national greenhouse gas emissions trading system

(Q1 2025)

Sector: green transition and environmental protection

Status: completed on time

The development and submission by the Ministry of Environmental Protection and Natural Resources in June 2024 of a draft order approving an action plan for the establishment of a national greenhouse gas emissions trading system [\(ETS\) is envisaged](#) in the Government's 2024 Priority Action Plan.

On June 5, the Ministry of Environmental Protection and Natural Resources [published a](#) draft order of the Cabinet of Ministers "On Approval of the Strategy for Implementation of the Greenhouse Gas Emissions Trading System in Ukraine for the Period up to 2033", and proposals and comments were collected until 5 July. At the same time, the process of interagency approval was made transparent: the National Securities and Stock Market Commission provided [comments on](#) the draft order.

In addition, on May 30, 2024, the Cabinet of Ministers [approved](#) the Strategy for the Formation and Implementation of the State Policy on Climate Change until 2035 and approved an operational plan for its implementation in 2024-2026. One of the tasks under Goal 2 to mitigate climate change and ensure a socially just and economically efficient transition to low-carbon development of the state is to develop and submit to the Cabinet of Ministers a draft law on the principles of the national greenhouse gas emissions trading system (scheduled for 2025) and implement a national greenhouse gas emissions trading system (pilot project) (scheduled for 2026).

On January 8, the Verkhovna Rada [passed](#) a law restoring the mandatory system of monitoring, reporting and verification of greenhouse gas emissions. This is an important step towards the establishment of the ETS.

In November, the Ministry of Environmental Protection and Natural Resources [published](#) a draft action plan for the creation of the ETS on its website. On December 30, the Ministry of Environmental Protection and Natural Resources announced the completion of the public discussion procedure and reported that no suggestions or comments on the draft regulation had been received from the public.

On February 21, 2025, the Government [approved the](#) ETS implementation plan. Thus, the indicator is considered to be met on time.



Indicator 3.5. Enactment of legislation on review of judicial integrity declarations and procedures for their verification

(Q2 2025)

Sector: judicial system

Status: in progress

In order to fulfill the indicator, the law and HQCJ acts should come into force, according to which the declarations of integrity of judges and the procedure for their verification should be revised.

These legal acts should focus on:

- clarifying the content of the integrity declarations and the grounds for initiating an audit;
- extending the time period covered by the audit;
- Improving the inspection procedure by detailing the mechanisms and terms of inspection, defining the rights and obligations of individuals and legal entities involved in the inspection process, and clarifying the legal consequences of the inspection.



Indicator 3.8. Improved enforcement of court decisions. The law on digitalization of enforcement proceedings came into force
(Q2 2025)

Sector: judicial system

Status: in progress

The indicator is considered to be met if the law on the enforcement of court decisions on property and non-property obligations comes into force and further digitalization of enforcement proceedings is implemented.

In the context of the enforcement of court decisions in Ukraine, a Roadmap for reforming the enforcement of court decisions and improving the activities of public and private enforcement officers will be developed, taking into account the current situation, and a package of draft laws will be adopted to improve the enforcement of court decisions on property and non-property obligations and further digitalize enforcement proceedings. In particular, this will allow:

- to expand the functionality of the automated system of enforcement proceedings;
- to introduce interaction between the Unified Register of Debtors and other registers to prevent alienation of property by the debtor;
- improve the automated seizure of debtors' funds, etc.

Currently, 2 draft laws aimed at changing the regulation of enforcement of court decisions and digitalization of enforcement proceedings are pending in the Parliament - No. [5660](#) of 14.06.2021 and No. [9363](#) of 07.06.2023.

On November 20, 2024, Draft Law No. [9363](#) dated June 07, 2023 was adopted by the Verkhovna Rada in the first reading. The draft law provides for the expansion of the capabilities of the automated enforcement system, the establishment of interaction between the Unified Register of Debtors and other registers, and the introduction of automated seizure of funds.

As of the end of March, preparatory work was underway on the draft law to adopt it as a whole.

**Indicator 5.4 Improvements in the resolution of non-performing loans (NPLs)**

(Q2 2025)

Sector: Financial markets

Status: In progress

A Strategy for the resolution of non-performing loans (NPLs) must be adopted in line with existing EU legislation. The Strategy should focus on the following key areas:

- Strengthening prudential requirements for the recognition and resolution of NPLs;
- Facilitating data sharing on NPLs and other relevant market information between financial institutions and public authorities to improve NPL resolution;
- Reviewing potential barriers and developing measures to enhance the framework for NPL restructuring and resolution.

According to the government's Reform Matrix, this indicator is reported as completed; however, the Strategy has not yet been officially approved.



Indicator 7.1. The law on vocational education enters into force
(Q2 2025)

Field: human capital

Status: in progress

Today, the labor market lacks skilled labor. At the same time, reconstruction will require professionals who can work in construction. The return of the military and their integration into the labor market will also require modern vocational education programs. That is why one of the indicators of the Ukraine Plan is the adoption and entry into force of a law on vocational education. People who have acquired new skills will also return from abroad, and it will be important to continue to implement a system for recognizing such skills.

That is why it is determined that the law on vocational education should define fair rules for the functioning of educational entities in the market of educational services in the field of vocational education. It should also expand the institutional capacity of educational entities to provide formal and non-formal vocational education. It is also important to regulate the relations between vocational education institutions, national/local and international stakeholders for 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 these provisions. Therefore, work on the draft law is ongoing.



Indicator 7.10: Adoption of the CMU resolution on procurement of social services

(Q2 2025)

Field: human capital

Status: in progress

There is a growing need for various social services in Ukraine, and the system for providing such services remains largely outdated and inefficient. In 2023, the Ministry of Social Policy launched an experiment to procure social care services, but this is only a small part of the changes needed. At the same time, budget funding is limited and must be spent efficiently.

That is why the government is planning changes in the procurement of social services to increase their accessibility and efficiency.

It is important that the adopted resolution is fiscally neutral and does not require additional funding, and should provide for this:

- transition from funding institutions to a result-oriented model of social services procurement;
- introducing a mechanism for procuring certain social services from registered public and private social service providers based on established social service standards and criteria for providers.



Indicator 8.4. Adoption of SME strategy and action plan for its implementation
(Q2 2025)

Sector: business environment

Status: completed

The government approved [the Strategy for the Recovery, Sustainable Development and Digital Transformation of Small and Medium-Sized Enterprises until 2027](#) and its Operational Plan on August 30. The Strategy has four strategic goals to restore and facilitate business, promote innovation and green transition, develop education and entrepreneurship culture, and strengthen competitiveness in the domestic and foreign markets.

The program's implementation indicators, among other things, propose an increase in exports of goods to EUR 60 billion by 2027, of which EUR 35 billion will go to the EU by increasing the number of SME exporters to 35 thousand. It is also expected to reduce unemployment to 11% and increase the share of sales through e-commerce to 20%. In the field of science and education, it is planned to increase the knowledge intensity of GDP to 0.7% due to an increase in research spending to €470 million and 1.7 million entrepreneurs who have upgraded their skills in whole or in part at public expense.



Indicator 9.2. Research on the necessary measures to grant territorial communities the status of a legal entity

(Q2 2025)

Sector: decentralization and regional policy

Status: in progress

This indicator does not include the adoption of certain legislative acts. It refers to the approval and publication on the web portal of the Ministry of Reconstruction of a study on the necessary measures to grant territorial communities the status of a legal entity.

In particular, the research should focus on the impact of granting legal entity status to communities on the efficiency of internal organization and management, strengthening their accountability and transparency in legal relations.



Indicator No.10.4 Implementation of the Roadmap for the process of unbundling the renewable energy surcharge from the transmission tariff
(Q2 2025)

Sector: energy

Status: in progress

According to the [Plan of Ukraine](#), the NEURC (by agreement) is responsible for developing a Roadmap for the process of unbundling the renewable energy surcharge from the transmission tariff, including the necessary legislative acts and implementation timeframes.

In essence, it is a matter of separating the costs of the transmission system operator for performing special duties to ensure an increase in the share of electricity generation from renewable energy sources into a separate component of tariff revenue, a special surcharge to the electricity price or another form.

On October 31, the USAID Energy Security Project (USAID ESP) presented a Green Paper on restructuring the RES support financing scheme, which offers three alternative models for separating the RES surcharge, but market participants opposed the separation of the transmission costs from the feed-in tariff, pointing to even greater risks of the state's default even compared to the current payment crisis. In addition, [according](#) to Energoreforma, at the end of January 2024, this issue was also discussed at a working group under the NEURC. According to the participants, it was decided to maintain the current conditions for producers under the feed-in tariff until 2030, but to separate the premium for the winners of the green auctions held in 2024 without significant results. No specific decisions were made, but the discussion was decided to continue.

On February 18, the Government [approved the](#) Priority Action Plan for 2025, according to which the NEURC, if agreed, should submit a draft order in June 2025 to approve a roadmap for the separation of the renewable energy surcharge from the transmission tariff. This roadmap should define the necessary legislation and timelines for the implementation of such unbundling.



Indicator No.13.3 Publication of a package of investment projects for the extraction of critical raw materials
(Q2 2025)

Sector: management of critical raw materials

Status: in progress

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

Resolution of the Cabinet of Ministers of Ukraine No. 132 of 14 February 2023 [approved the](#) list of subsoil areas (fields) of strategic importance for the sustainable development of the economy and defence capability of the state, which will be provided for use through tenders for production sharing agreements. Obviously, the Plan of Ukraine presupposes the need to update and update this list so that other fields can be offered through e-auctions.

On June 11, at the Ukraine Recovery Conference in Berlin, the Ministry of Economy of Ukraine presented [an Investment Guide](#) containing 95 investment projects worth about \$27 billion in financing. Among them are 10 projects in the field of critical raw materials (lithium, titanium, uranium, graphite, cobalt, nickel, tantalum and other rare earth elements), which require \$2.7 billion in financing. The URC2024 also features [presentations](#) on Ukraine's investment opportunities.

On August 15, 2024, the State Service of Geology and Subsoil of Ukraine [published](#) for discussion a draft resolution of the Cabinet of Ministers of Ukraine "On Approval of the List of Subsoil Areas (Mineral Deposits) of Strategic Importance for the Sustainable Development of the Economy and the State's Defence Capability to be Provided for Use through Auctions for the Sale of Special Permits for Subsoil Use". In addition, in 2024, the Ukrainian Critical Raw Materials Portfolio was [published](#) with a list of investment opportunities in this sector.

On March 4, 2025, the State Service of Geology and Subsoil of Ukraine [published a](#) new draft resolution "On the Approval of Lists of Minerals and Components of Strategic and Critical Importance, and of Subsoil Areas (Mineral Deposits) of Strategic and/or Critical Importance." The annexes include two lists of subsoil areas: one to be granted through electronic auctions for special subsoil use permits, and another through PSA tenders. The PSA list largely mirrors the existing Resolution No. 132 of February 14, 2023, with one exception - one potassium salt site is proposed to be replaced by another.



Indicator No.13.4 Launching international tenders for production sharing agreements (PSAs) and ensuring their transparency
(Q2 2025)

Sector: management of critical raw

Status: in progress

International tenders for production sharing agreements (PSAs) should be launched using standard terms and conditions of these agreements approved by the Government and made public. Transparency of the tenders and the PSAs themselves should be ensured through open access to the terms and content of the agreements.

Resolution of the Cabinet of Ministers of Ukraine No. 132 dated 14 February 2023 [approved the](#) list of subsoil plots (deposits) of strategic importance for the sustainable development of the economy and defence capability of the state, which will be provided for use through tenders for production sharing agreements. At the same time, there is no information on the resumption of the Government's work on the model PSA. The publication of copies of subsoil use contracts (agreements), including PSAs, concluded after 15 January 2022 is already required by the Law on Ensuring Transparency in Extractive Industries.

At the end of 2024, representatives of the State Service of Geology and Subsoil [reported](#) that in spring 2025, the Cabinet of Ministers plans to announce tenders for production sharing agreements for sites with critical mineral deposits. On February 25, the Head of the State Service of Geology and Subsoil [named](#) the preparation of subsoil sites for electronic bidding and tenders for production sharing agreements for subsoil sites with deposits of critical and strategic minerals as a priority for 2025. The 2025 work [plan](#) includes general activities related to preparing the necessary documentation for launching PSA tenders.

On March 4, 2025, the State Service of Geology and Subsoil [published a](#) draft resolution “On the Approval of Lists of Minerals and Components of Strategic and Critical Importance and of Subsoil Areas (Mineral Deposits) of Strategic and/or Critical Importance.” The list of areas to be offered through PSA tenders largely replicates the existing Resolution No. 132 of February 14, 2023, with one proposed change: the replacement of one potassium salt site with another.

**Indicator No.15.6 Re-establishment of the mandatory MRV system**

(Q2 2025)

Sector: green transition and environmental protection**Status:** completed

The indicator is aimed at implementing the reform to introduce market-based emissions pricing mechanisms.

To improve the MRV system, as well as to take into account the peculiarities of wartime, the Cabinet of Ministers [adopted](#) Resolution No. 1203 on 14 November 2023, which improves the requirements for monitoring, reporting and verification of greenhouse gas emissions in Ukraine. This Resolution amends Resolution No. 880 "List of Activities, Greenhouse Gas Emissions from Which Are Subject to Monitoring, Reporting and Verification", Resolution No. 959 "Procedure for Verification of the Operator's Report on Greenhouse Gas Emissions", Resolution No. 960 "Procedure for Monitoring and Reporting on Greenhouse Gas Emissions". As [noted](#), the amendments improve the MRV processes and simplify the requirements for operators for the duration of martial law. In particular, the deadlines for submitting monitoring plans in case of changes are doubled; the "transition period" is extended; and the requirements for the laboratory are adjusted.

On June 5, the Ministry of Environmental Protection and Natural Resources [published a](#) draft order of the Cabinet of Ministers "On Approval of the Strategy for Implementation of the Greenhouse Gas Emissions Trading System in Ukraine for the Period up to 2033". Until 5 July, the Ministry of Environmental Protection and Natural Resources collected suggestions and comments. In addition, in November, the Ministry of Environmental Protection and Natural Resources [published](#) a draft action plan for the creation of a national greenhouse gas emissions trading system (ETS) on its website.

On October 1, the Ministry of Environmental Protection and Natural Resources, together with GIZ, [launched](#) training sessions on MRV for facility operators, consultants, verifiers and other stakeholders. It is noted that the training sessions were initiated due to changes in the legislation on MWM that took place in 2023, as well as the lack of mandatory reporting in the relevant area during the war, which led to limited experience of facility operators. Therefore, the Ministry of Ecology decided to organise relevant events to ensure that all stakeholders understand the processes and fulfil their tasks.

On November 21, the Verkhovna Rada approved in the first reading Draft Law [No. 12131](#), which provides for the restoration of the mandatory MRV system. On January 8, 2025, the Law [was adopted](#) in the second reading and as a whole, ensuring that the indicator is completed.



Indicator 1.2 Amendments to the legislation on improving the procedure for entering, completing and dismissing civil service enter into force
(Q3 2025)

Sector: public administration reform

Status: in progress

Public administration reform has been underway in Ukraine for years, which is designed to promote a professional and efficient civil service in Ukraine. Indicator 1.1. aims to improve the approach to remuneration in the civil service, while indicator 1.2. is designed to improve the procedures for selection, recruitment and dismissal from the civil service.

At the same time, it is noted that the new legislation (this and bylaws) should come into force by the end of the Q3 2025. It should be in line with the OECD principles of public administration (SIGMA) regarding selection procedures based on professional competencies.



Indicator 2.8 Implementation of the Roadmap for reforming the public investment management system

(Q3 2025)

Sector: public financial management

Status: in progress

The reform of the public investment management (PIM) system is the subject of several IMF structural beacons, which Ukraine is successfully and timely implementing. The roadmap was adopted in December 2023, while the plan for its implementation is in the summer of 2024.

Indicator 2.8 refers to the development and implementation of a digital recovery management tool for Ukraine that provides public access to data on recovery projects at all stages, including planning, financing, procurement, construction, and commissioning, to ensure public and transparent monitoring of project implementation and better coordination of recovery efforts across sectors.

Today, we are actually talking about DREAM (Digital Recovery Ecosystem for Accountable Management), a platform originally created to ensure transparency and coordination of recovery and reconstruction efforts.

The DREAM portal has already created a [section on public investment projects](#). However, so far, it is more about informing about such projects rather than having complete and detailed information about the stages of their implementation. The next steps are currently being developed.



Indicator 3.1 At least 20% of judicial vacancies are filled
(Q3 2025)

Sector: judicial reform

Status: in progress

The indicator will be considered met if at least 20% of the judicial vacancies available as of October 16, 2023 (total number of vacant positions 2205) are filled on the basis of the amended legislation, which will include the following elements:

- simplified selection stages and shortened periods of mandatory training for judges;
- consistent application of clear and duly published evaluation criteria and methodology for assessing the professional competence and integrity of judicial candidates;
- Involvement of the Public Integrity Council in assessing the integrity of judicial candidates in cases where it is required by law.

According to the records of the High Qualification Commission of Judges of Ukraine, the situation with filling vacancies is as follows:

- the number of vacant judicial positions in courts as of 10/16/2023 amounted to 2,205 (20% - 441 vacancies);
- the number of positions that were filled in the period from 10/16/2023 to 03/24/2025 - 367.

Thus, according to the HQCJ, 74 more vacancies need to be filled to meet indicator 3.1.



Indicator 3.2 Establishment of a new court for administrative cases (Q3 2025)

Sector: judicial reform

Status: in progress

The indicator will be considered met if a new court for administrative cases involving state bodies is established, consisting of first instance and appellate courts, with judges selected after integrity and professionalism checks involving independent experts.

To implement this indicator, the VRU received draft laws No. [12206](#) on the activities of the High Court for Public Law Disputes, No. [12206-1](#) on the activities of the High Specialized Administrative Court, and [No. 12206-2](#) on the activities of the High Administrative Court.

On 03.12.2024, the Verkhovna Rada of Ukraine did not support any of the three draft laws. The proposals to send these draft laws for a second first reading or to the subjects of the legislative initiative for revision were also not supported.

On 30.12.2024, the Government submitted to the VRU another draft law No. [12368](#), which addresses the issue of regulating the activities and establishing a new court to hear administrative cases. In addition, an alternative draft law [12368-1](#) was also submitted.

On January 09, 2025, the Parliament rejected Draft Law No. [12368](#) and supported Draft Law No. [12368-1](#) as a basis. In addition, on February 18, 2025, a comparative table of changes to the second reading was submitted.

The draft law proposes to establish the Kyiv City District Administrative Court, and to review its decisions on appeal - the Kyiv City Administrative Court of Appeal. Currently, the draft law does not meet the conditions for fulfillment of the indicator, in particular, because it proposes to establish two separate courts, and there are no provisions for the election of judges to this court after verification of integrity and professionalism with the involvement of independent experts.

On February 26, 2025, the Parliament approved the draft law No. [12368-1](#) as a whole. Thus, the Kyiv City District Administrative Court will be established in Ukraine as a court of first instance for disputes concerning the NACP, the NBU, the BES, etc. and the Kyiv City Administrative Court of Appeal, which will act as a court of appeal for these disputes.



Indicator 6.7 Assessment and, if necessary, amendment and entry into force of legislation on the separation of PSO and non-PSO activities in SOEs
(Q3 2025)

Sector: management of public assets

Status: in progress

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

Yes, it is planned to separate accounts between PSO and non-PSO activities in SOEs to avoid cross-subsidization. Thus, at the first stage (indicator 6.6 is to be fulfilled in the Q1 2025), it is envisaged to adopt a relevant Roadmap that defines the steps for mandatory structural separation of PSO and non-SO activities for all state-owned companies engaged in PSO.

Indicator 6.7 refers to the assessment of the legislation identified in the Roadmap and, if necessary, amendments will be made. This will be done to ensure that the appropriate segregation of accounts between PSOs and non-PSOs is effectively implemented in all state-owned companies.

By the Q3 2027, the government should ensure that SOEs involved in PSOs conduct an independent audit of the effectiveness of their compliance with the law.



Indicator 6.9 Revocation of the suspension of the law on state aid and restoration of state aid control and harmonization of the law on state aid with the EU acquis (Q3 2025)

Sector: management of public assets

Status: in progress

In November 2024, the Government submitted draft laws [No. 12179](#) and [No. 12181](#) to the Verkhovna Rada, which establish liability for violations of state aid legislation. In February, they were included in the Parliament's agenda, but the relevant committee has not yet provided its opinion on the draft laws.

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

In March 2025, the Antimonopoly Committee published for public discussion [a draft law on the restoring effect of the provisions of the State Aid Law](#). The draft law proposes to renew the Law before the end of martial law in the territories where no hostilities are taking place and to make a number of changes to the substantive provisions of the Law.

**Indicator 8.2 Deregulation in Selected Sectors**

(Q3 2025)

Sector: Business environment

Status: In progress

Legislation must be adopted and enter into force to advance deregulation and simplify business conditions, focusing on the following areas:

- Digitalisation of permitting and licensing procedures through the implementation of a pilot project to introduce a Unified State Electronic Permitting System;
- Reduction of business inspections by introducing voluntary insurance and audits as alternatives;
- Regulation of succession of permits and licences in cases where a business changes its legal form.

This legislative package is intended to ease the regulatory burden, promote business activity, and modernise administrative procedures.



Indicator 8.8 Adoption of harmonized standards for three groups of industrial products
(Q3 2025)

Sector: business environment

Status: in progress

It is necessary to adopt European standards as national standards for 3 groups of industrial goods (machinery, electromagnetic compatibility of equipment, low-voltage electrical equipment) by translation. The Ministry of Economy and the State Enterprise "Ukrainian Research and Training Center for Standardization, Certification and Quality" (by agreement) are responsible for implementation.

It is worth noting that in 2018, the Ministry of Economic Development and Trade (now the Ministry of Economy) [approved](#) an order that defines a list of national standards that are identical to harmonized European standards as part of the implementation of Directive 2014/30/EU on the harmonization of the laws of the Member States concerning electromagnetic compatibility.

In addition, the Government's Priority Action Plan for December 2024 [envisages](#) the adoption of national standards in three priority sectors of industrial products (machinery, electromagnetic compatibility of equipment, low-voltage electrical equipment) by means of translation to prepare for the conclusion of the Agreement on Conformity Assessment and Acceptance of Industrial Products (ACCA) (the so-called "industrial visa-free regime").



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

(Q3 2025)

Sector: energy

Status: in progress

The indicator is aimed at improving the efficiency of the district heating sector. In order to achieve this indicator, the Law of Ukraine "On Amendments to Certain Laws of Ukraine on Supporting the Development of Efficient and Sustainable District Heating" needs to be adopted and come into force.

As of the end of February 2025, the relevant draft law was not registered in the Verkhovna Rada. In turn, it is worth noting [the approval](#) in November 2023 of the Concept of the State Targeted Economic Programme for Energy Modernisation of State-owned or Communally Owned Heat Producers for the Period up to 2030, which provides for an increase in the efficiency of district heating systems.

In addition, on February 9, 2025, the Law "On Amendments to Certain Laws of Ukraine in the Fields of Energy and Heat Supply to Improve Certain Provisions Related to Business Activities and the Effect of Martial Law in Ukraine", [adopted](#) on January 14, 2025, came into force, aimed at settling debts, improving payment discipline, developing the renewable energy market and bringing Ukrainian legislation closer to EU standards.

In late February, the Ministry of Development [mentioned in](#) a news article that steps to reform the district heating sector include further deepening cooperation with international partners, developing a roadmap, and implementing modern mechanisms for financing modernization.



Indicator 12.4 Legislation on state support for agriculture in
Ukraine enters into force
(Q3 2025)

Sector: agri-food sector

Status: in progress

The indicator envisages the adoption of amendments to the Law on State Support of Agriculture. According to the indicator, the law will define:

- New measures to support agriculture and its industries based on SWOT analysis
- New approaches to supporting small farmers' investments
- Financial support instruments with the participation of IFIs
- Using the State Agrarian Register to provide support

The law on the State Agrarian Register (Indicator 12.5) has now entered into force, which is a prerequisite for changes to the rules of state support for agriculture. A number of support programs for farmers are already being implemented through the State Agrarian Register. However, no draft laws on amendments to the Law on State Support of Agriculture have been submitted to the Verkhovna Rada after November 2023.



Indicator No.13.2 Publication of a report on the results of verification of Critical Raw Materials' reserves of Ukraine
(Q3 2025)

Sector: management of critical raw materials

Status: in progress

The indicator is aimed at improving planning and ensuring optimal conditions for attracting strategic investors. To meet the indicator, the State Service of Geology and Subsoil should publish a report on the verification/reassessment of critical mineral reserves in Ukraine, taking into account international classification systems, and the results should be made publicly available to investors.

[Following the results of](#) the pilot phase of the project supported by the EBRD and the European Commission in 2023, geological reports will be made available through an interactive map called Geoinform of Ukraine, which represents 125 of the most important deposits. These materials can be used by investors for analysis with a view to further nominating such fields for e-auctions. Currently, free access to the State Geological Portal is closed due to martial law. However, according to the State Service of Geology and Subsoil of Ukraine's report on the results of 2024, a pilot project with the EBRD Roadmap (2023-2024) was completed and 6,000 books of geological reports for 125 deposits and subsoil areas of strategic and critical mineral resources were scanned. However, another 113,000 geological report storage units are to be digitised. It is also known that the geological services of Ukraine and France, with the support of the Association of European Geological Surveys (EuroGeoSurveys), have prepared [a monograph](#) entitled Strategic Minerals of Ukraine and their Investment Attractiveness, which contains cartographic materials, a description of EU and Ukrainian legislation, positive international examples of mining projects, etc.

It is worth noting that before the war, the State Service of Geology and Mineral Resources [published](#) a report "Strategic Minerals: Development Roadmap for Ukraine", but the information obviously needs to be updated.

On December 18, 2024, the Verkhovna Rada [approved in](#) the second reading an updated state programme for the development of Ukraine's mineral resources until 2030, which, among other things, defines the conditions for classifying minerals as critical or strategic, establishes a mechanism for compiling their lists and regular risk assessment of the security of their supply.

At the end of January 2025, the State Service of Geology and Subsoil of Ukraine [published](#) a draft resolution of the Cabinet of Ministers "On Amendments to the Classification of Mineral Reserves and Resources of the State Subsoil Fund". The draft was developed to adapt (harmonize) the national Classification of Mineral Reserves and Resources of the State Subsoil Fund to the provisions of the United Nations Framework Classification for Fossil Energy and Mineral Reserves and Resources 2019 (UNFC 2019). The 2025 Action Plan of the State Service of Geology and Subsoil of Ukraine provides for the implementation of an action plan to assess reserves and maintain balance sheets in accordance with international standards.



Indicator No.15.4 Adoption of the second Nationally Determined Contribution of Ukraine to the Paris Agreement
(Q3 2025)

Sector: green transition and environmental protection

Status: in progress

The implementation of the indicator requires the entry into force of the order of the Cabinet of Ministers "On approval of the second Nationally Determined Contribution of Ukraine to the Paris Agreement". In addition, according to the conditions of the indicator, the second NDC of Ukraine to the Paris Agreement should be more ambitious compared to the current Updated NDC of Ukraine. This obligation is also [recorded](#) in the final and transitional provisions of the Law "On the Basic Principles of State Climate Policy".

The updated NDC of Ukraine to the Paris Agreement was adopted by Cabinet of Ministers Decree No. [868-r](#) on July 30, 2021, and the preparation process [has been ongoing](#) since 2018. The document was published [on the UN website](#). In addition, in July 2021, the Ministry of the Environment published an analytical review of the Updated NDC [in Ukrainian](#) and [English](#). In July 2023, the draft of the plan of measures for the implementation of NDC [was made public](#) with identified key measures that will contribute to the reduction of greenhouse gas emissions.

As Minister of Environmental Protection and Natural Resources Svitlana Hrynychuk announced in March 2025, the NDC 3.0 should set a medium-term goal of reducing greenhouse gas emissions by 2035. At the same time, the new NDC should take into account the goal of achieving climate neutrality by 2050, as well as the impact of the war and future reconstruction (which will lead to an increase in emissions for some time).



Indicator 2.6 Adoption of a medium-term public debt management strategy
(Q4 2025)

Sector: public financial management

Status: in progress

Several IMF Program structural benchmarks are dedicated to the public debt management strategy: No. 10 and No. 15 (due in 2023).

Effective public debt management allowed Ukraine to reduce state and guaranteed by state debt from 80% of GDP at the end of 2016 to 50% of GDP at the end of 2019, and to keep debt unchanged in relation to GDP two years after Covid. As a result, at the beginning of the full-scale war, Ukraine had a sustainable fiscal situation.

At the same time, as a result of Russia's full-scale war against Ukraine, state and guaranteed by state debt is rapidly approaching 100% of GDP. In 2024, Ukraine restructured its Eurobonds, which was envisaged in the current Public Debt Management [Strategy](#). The Strategy states that the government will prepare a new State Debt Management Strategy after the restructuring.

Therefore, the issue of approving the new Strategy is urgent. The Strategy adds predictability and transparency to state debt management and thus contributes to fiscal sustainability.



Indicator 2.9 Adoption and entry into force of amendments to the resolutions of the Cabinet of Ministers on state financial control
(Q4 2025)

Sector: public financial management

Status: in progress

To meet the indicator, amendments to the resolutions of the Cabinet of Ministers or other legislative acts on state financial control should be adopted and come into force, which will address, in particular, the following areas:

- Enabling the State Audit Service to ensure that the agency has the means to protect the EU's financial interests, in particular with regard to funds used under Component I of the Ukraine Plan, using international audit standards;
- strengthening measures to monitor procurement procedures.

The reform is expected to increase the efficiency and quality of the State Audit Service's work in line with the EU practices and SIGMA principles of financial inspection.

Based on the analysis of the legal framework regulating the functions of the State Audit Service and taking into account the SIGMA principles of public administration, legislative changes will be introduced to ensure a clearer definition of the mandate of the State Audit Service.

The institutional independence of the State Audit Service will be preserved.



Indicator 3.3 20% of old disciplinary proceedings (cases) pending as of the end of 2023 are resolved
(Q4 2025)

Sector: judicial reform

Status: in progress

In order to count this indicator as fulfilled, 20% of old disciplinary proceedings (complaints) pending as of December 31, 2023, must be resolved with the involvement of the Service of Disciplinary Inspectors and based on the criteria for prioritizing the consideration of disciplinary complaints set out in clause 13.7 of the Rules of Procedure of the High Council of Justice (as amended on November 21, 2023, No. 1068/0/15-23), which are published on the official website of the High Council of Justice.

The indicator is necessary to address the backlog of complaints that have expired. This will ensure that judges are held accountable for committed and proven disciplinary offenses. Determining the list of priority cases for consideration and involving the Service of Disciplinary Inspectors in the review will help to increase the level of transparency of disciplinary cases, ensure predictability and sustainability of disciplinary practice against judges.

Following the restoration of the disciplinary function in the HCJ (from November 01, 2023), as of the end of 2023, more than 14,000 complaints were distributed among the HCJ members. As of the end of 2023, 2,125 complaints (15%) were fully reviewed, while 12,106 complaints (85%) remained pending.

On December 23, 2024, the Service of Disciplinary Inspectors began its work. They are supposed to review disciplinary proceedings in which the Disciplinary Chamber has not made a decision to open a disciplinary case as of the day the Service started working. According to the latest [HCJ](#) data, there are currently about 11,000 such complaints.



Indicator 3.4 Qualification assessment (vetting) is conducted with predictability, consistency and transparency of disciplinary practice against judges

(Q4 2025)

Sector: judicial reform

Status: in progress

50% of judges who had to undergo qualification assessment (verification) as of September 30, 2016, in accordance with the established procedure and with the involvement of the Public Integrity Council, must undergo qualification assessment (verification).

Fulfillment of the indicator will make it possible to check the qualifications of judges for their positions.

It is worth recalling that for a long time, the HQCJ did not hold meetings on the procedure for qualification assessment of judges for their suitability for the position. They were resumed for a short time (less than a week) at the end of 2019 and were suspended because the powers of the Commission's second-term members had expired.

[The new composition of the HQCJ](#) was elected in June 2023. The Public Integrity Council is involved in the interview stage, which is supposed to assist the Commission in determining whether a judge or a candidate for the position of judge meets the criteria of professional ethics and integrity.

According to the HQCJ, the number of persons appointed (elected) to the positions of judges as of September 30, 2016 was 6,958, including as of March 24, 2025:

- 3,062 judges (44.01%) confirmed their suitability for the position (successfully passed the initial qualification assessment, assessment for suitability for the position, qualification assessment within the competition to the Supreme Court or the High Anti-Corruption Court);
- 140 judges (2.01%) do not correspond to their positions.

Thus, the qualification assessment of 3,202 judges (46.02%) has been completed, and the qualification assessment of 277 judges (3.98%) needs to be completed to meet indicator 3.4.



Indicator 3.9 The system for collecting data on the enforcement of court decisions is in place
(Q4 2025)

Sector: judicial reform

Status: in progress

In order to fulfill this indicator, a system for collecting data on the enforcement of court decisions should be launched.

The system of collecting data on the enforcement of court decisions is an important tool that should be used for monitoring and control. Poor efficiency and traceability of the enforcement of court decisions [lead to](#) a leveling of the importance of the judicial process and negatively affect the investment climate, as investors are not confident in protecting their rights and interests.

Instead, the introduction of a system for collecting data on the enforcement of court decisions will allow tracking the progress towards enforcement, analyzing the reasons for non-enforcement, identifying systemic problems, and will ensure greater transparency and control over the activities of the State Enforcement Service and other entities responsible for the enforcement of court decisions.

**Indicator 4.8 Conduct the next National Risk Assessment****(Q4 2025)****Sector:** fight against corruption and money laundering**Status:** in progress

To meet this indicator, the next National Risk Assessment should be prepared and conducted in accordance with the updated Methodology for Conducting the National Risk Assessment of Money Laundering and Terrorist Financing in Ukraine.

Previously, Ukraine had another commitment related to this indicator under the Ukraine Transition Funding Plan, which was fulfilled in a timely manner. This refers to the approval and entry into force of the Government's order approving the action plan aimed at preventing and/or minimizing the negative consequences of the risks identified by the third round of the National Risk Assessment in the field of preventing and counteracting the legalization (laundering) of proceeds of crime, terrorist financing and financing the proliferation of weapons of mass destruction for the period up to 2026.

This indicator follows logically from the previous one, and the risk assessment is aimed at developing solutions for transparency and legality of financial transactions.

Thus, the use of the results of the National Risk Assessment [should be aimed](#) at:

- Identification of those risks that should be accepted, prevented, reduced or transferred to the supranational level of their solution;
- identifying priority areas for change;
- specifying the necessary management decisions aimed at mitigating the consequences of the identified risks, leveling the factors that cause the existence of these risks, as well as strengthening the institutional capacity and increasing the level of sustainability of the national AML/CFT system.



Indicator 5.6. Enactment of the Law on Improving State Regulation of Capital Markets and Organized Commodity Markets
(Q4 2025)

Sector: Financial markets

Status: Completed

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

It is aimed at increasing the capacity and independence of the NSSMC as a market regulator and strengthening opportunities for international cooperation. [The law](#) aimed at improving the regulation of the state capital market came into force on April 27, 2024, although some provisions will be enacted on January 1, 2026 and January 1, 2028.

According to the Verkhovna Rada Committee on European Integration, the provisions of the Law generally comply with the IOSCO principles, despite comments on certain provisions. In the reform matrix, the indicator is marked as completed



Indicator 7.4 **Entry into Force of Legislation on the Transition System from Military Service to Civilian Life**
(Q4 2025)

Sector: Human capital

Status: In progress

The Law of Ukraine on amendments to certain legislative acts to implement a system for transitioning from military service to civilian life must enter into force, along with Cabinet of Ministers resolutions approving procedures and conditions for providing services to participants in the transition system.

The legislative and regulatory acts should focus on establishing:

- Rehabilitation and medical support, including psychological assistance;
- Programmes for training, retraining, and upskilling;
- Conditions that facilitate the employment of veterans as a distinct category;
- Support measures for veteran entrepreneurship.



Indicator 7.8 Enactment of the Law of Ukraine "On the Basic Principles of Housing Policy"

(Q4 2025)

Field: human capital

Status: in progress

In order to fulfill this indicator, the Law of Ukraine "On the Basic Principles of Housing Policy" should come into force. The law should focus on the following main areas:

- accessibility of housing for the most vulnerable categories of citizens should become a basic principle in the provision of housing;
- creating a variety of support mechanisms for citizens with different financial capacities and defining the criteria for accessing them;
- regulating the legal basis for the introduction of lease of communal housing and lease of communal housing with the right to buy;
- creating a transparent system for registering the housing needs of citizens to ensure prompt response at the local level;
- creating a transparent framework for monitoring by the public, civil society and the international community.

To fulfill this indicator, the Verkhovna Rada of Ukraine submitted Draft Law No. [12377](#) on January 06, 2025. The draft law provides for:

- Establishment of EU-compliant housing policy principles, including accessibility and barrier-free housing;
- Implementation of the principle of strategic planning of housing policy, including the need to create a State Strategy for Housing Policy;
- Development of public-private partnerships in the sector;
- Definition of housing stocks;
- Implementation of financial and credit mechanisms for citizens to acquire housing in their ownership;
- Setting minimum requirements for the consumer quality of housing;
- Formation of the Unified Information and Analytical Housing System.

The draft law is currently awaiting consideration in the session hall of the Verkhovna Rada of Ukraine.

**Indicator No.10.5 Adoption of legislation for the electricity integration package**

(Q4 2025)

Sector: energy sector**Status:** in progress

To meet the indicator, legislation on the transposition of the Electricity Integration Package should be adopted. The legislation to be enacted should align Ukraine's national legislation with the Electricity Integration Package, which was included in the Energy Community acquis in December 2022.

On October 2, 2024, the Verkhovna Rada registered [Draft Law](#) No. 12087 "On Amendments to the Laws of Ukraine on the Unification of Electricity Markets of Ukraine and the European Union". The draft law is aimed at transposing the European Electricity Integration Package into Ukrainian legislation.

The [Energy Community Secretariat](#) and the [USAID](#) Energy Security Project welcomed the initiative to submit the draft law.

As of the end of March 2025, the draft laws (main and alternative) are being considered by the Verkhovna Rada committees.

At the end of January, the Ministry of Energy [reviewed](#) draft law No. 12087 and supported it with comments. In addition, the Antimonopoly Committee of Ukraine provided comments and suggestions to the draft law, the State Tax Service and the Ministry of Finance issued an opinion on the need for revision.

**Indicator No.10.7 Appointment of the nominated electricity market operator**

(Q4 2025)

Sector: energy sector

Status: in progress

The indicator envisages the appointment of a nominated electricity market operator by the NEURC by the end of 2025, which is one of the prerequisites for 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 meetings, where it was noted that the NEURC had no grounds to independently determine who would be the only nominated participant for the European spot energy market and that it was necessary to enable the NEURC to make appropriate changes to the said Licence Conditions at the legislative level.

Thus, the national legislation currently does not contain adapted rules on market coupling and the appointment of a nominated market operator. However, the draft law registered on October 2, in the Verkhovna Rada on the integration of the electricity markets of Ukraine and the EU provides for the functions, rights and obligations of the nominated market operator as an entity that ensures market coupling, requirements for the appointment of the nominated market operator, as well as additional powers of the Regulator in relation to the nominated market operator.

In its turn, JSC Market Operator [believes](#) that it should be recognised by the NEURC as a nominated market operator, as it already has the status of an observer in the NEMO Committee. In particular, the Owner's Letter of Expectations of JSC Market Operator for 2025 [states](#) that the Company's goal within the framework of market coupling is to obtain the status of a nominated market operator (NEMO) and organise trading on the combined SDAC/SIDC markets.

**Indicator No.10.11 Determining the special status of the NEURC**

(Q4 2025)

Sector: energy sector**Status:** in progress

The indicator envisages the adoption and entry into force of amendments to the legislation that will define a special status to ensure the independence of the Regulator, as provided for by Directive 2009/72/EC and Directive 2009/73/EC.

On December 27, 2023, the NEURC [approved](#) the draft Law of Ukraine "On Amendments to Certain Laws of Ukraine on Strengthening the Independence of the Regulator in the Energy and Utilities Sectors". With this decision, the NEURC launched [the Action Plan](#) to Ensure the NEURC's Independence, which was developed to fulfil Ukraine's international obligations in the context of European integration, in particular, the recommendations of the Energy Community. The draft law, among other things, clarifies the special status of the NEURC as a central executive body.

The Energy Community has repeatedly [pointed](#) out that the Regulator's independence from private individuals or public authorities is a key pillar of European energy legislation, but the Energy Community also [recognises](#) that to ensure the NEURC's independence, Ukraine may need to amend its Constitution, which cannot be discussed in wartime. Therefore, the Energy Community Secretariat is exploring with the Ukrainian side ways to strengthen the Regulator's independence within the current constitutional framework.

At the end of February 2025, at the RRR4U event, Andriy Gerus, Chairman of the Committee on Energy and Utilities of the Verkhovna Rada of Ukraine, [expressed](#) the opinion that the NEURC's independence is sufficiently ensured at the legislative level, and that it is now worth focusing on the quality of implementation of these norms.



Indicator No. 10.12 Cancellation of the moratorium on raising tariffs for heat and hot water
(Q4 2025)

Sector: energy sector

Status: in progress

The indicator envisages the cancellation of the moratorium introduced by the Law of Ukraine [No. 2479-IX](#) dated July 27, 2023 "On Peculiarities of Regulation of Relations in the Natural Gas Market and in the Field of Heat Supply during Martial Law and Further Restoration of Their Functioning" in order to achieve economically justified tariffs for heat and hot water. According to the Law, the moratorium on tariff increases is valid until the end of martial law and for 6 months after its termination.

On June 4, 2024, the Verkhovna Rada cancelled the moratorium on raising gas distribution tariffs for non-household consumers (enterprises, budgetary institutions, heat supply organisations, and municipal facilities). The corresponding amendment appeared [in draft law No. 10393](#) before it was considered for the second reading. Thus, after the law was passed, the moratorium remained in place only for household consumers.

In turn, according to the NBU's Inflation Report of October 2024, the current tariffs for gas, heating and hot water supply will not be revised in 2024-2025. However, given the challenging situation in the energy sector, it is expected that starting in 2026, these tariffs will be gradually brought back to their economically justified levels.



Indicator No.10.13 Adoption of the State Targeted Economic Programme for Energy Modernisation of Heat Generating Enterprises for the period up to 2030
(Q4 2025)

Sector: energy sector

Status: in progress

The indicator envisages the adoption by the Cabinet of Ministers of the State Targeted Economic Programme for Energy Modernisation of Heat Generating Enterprises until 2030, which aims to:

- Identifying measures to improve the sustainability, quality and affordability of heat supply services;
- Identify measures to support decarbonisation, reduce GHG emissions and expand the use of RES;
- Ensure the implementation of measures to strengthen the governance and management skills of local authorities in the district heating sector.

In turn, the Action Plan for the Implementation of the Energy Strategy of Ukraine for the period up to 2050 [provides for](#) the development of the State Target Economic Program for the Energy Modernization of Heat Producers in State or Communal Ownership for the period up to 2030.

On November 28, 2023, the Cabinet of Ministers [approved](#) the Concept of the State Targeted Economic Programme for the Energy Modernisation of State-owned or Communally Owned Heat Producers for the period up to 2030, and provided for the development and submission of a draft programme.

On July 19, 2024, the Ministry of Infrastructure [published a](#) draft State Targeted Economic Programme for the Energy Modernisation of State-owned or Communally Owned Heat Producers for the period up to 2030. Comments and suggestions were accepted until mid-August 2024.



Indicator 11.3 Adoption of the Law of Ukraine "On Railway Transport of Ukraine", entry into force of the final provisions of the Law
(Q4 2025)

Sector: transportation

Status: in progress

The Verkhovna Rada registered two draft laws [No. 12142](#) "On the System and Peculiarities of the Functioning of the Ukrainian Railway Transport Market" from the Cabinet of Ministers and an alternative draft law [No. 12142-1](#) from members of the Verkhovna Rada's Transport Committee.

Both draft laws provide for the establishment of the National Commission for State Regulation of Transport, the unbundling of Ukrzaliznytsia, and the admission of private traction operators to the tracks. In addition, they envisage the creation of the Railway Transport Service and the National Bureau of Investigation of Transport Accidents, which will be responsible for transport safety and railway interoperability (the ability of railway transport to maintain safe traffic).

However, the draft law No. 12142 does not specify the timeframe for the creation of the National Commission, and private traction operators will be allowed on the tracks at least 7 years later: the law will come into force only 5 years after the end of martial law in Ukraine, and non-state sector entities will be able to operate on the 1520 mm railroad network in two more years.

Draft Law No. 12142-1 focuses on the reform of Ukrzaliznytsia, which should begin with the division into separate segments and spin-off into separate companies (freight transportation, passenger transportation, infrastructure) that will have independent accounting for expenses and income. This is the version of the draft law that was discussed with the business and comments were taken into account.

Both draft laws introduce European directives and regulations into Ukrainian law, such as Directive 2012/34/EU establishing a single European railway area, Directive (EU) 2016/797 on the interoperability of the railway system within the European Union, and Directive (EU) 2016/798 on rail safety.



Indicator No.13.6 Publication of a report on the current legislation in the field of ESG reporting
(Q4 2025)

RRR4U

Sector: management of critical raw materials

Status: in progress

The indicator is aimed at approving and publishing a study on the assessment of the current legislation on the implementation of ESG reporting for the extractive sector and recommendations for closing gaps in the legislation.

On October 24, 2024, the Ministry of Environmental Protection and Natural Resources [approved](#) the Strategic Work Plan for 2024-2028, which, among other things, provides for the development and publication (together with EU partners) of a report on the current legislation on the introduction of mandatory environmental, social and governance (ESG) reporting in Q4 2025 as part of the introduction of ESG reporting for the mining and extractive sectors.



Indicator No.15.3 Approval of the resolution on the Scientific and Expert Council on Climate Change and Preservation of the Ozone Layer
(Q4 2025)

Sector: green transition and environmental protection

Status: in progress

The indicator envisages the adoption of the Cabinet of Ministers Resolution "On Approval of the Regulation on the Scientific and Expert Council on Climate Change and Ozone Layer Preservation".

On October 8, 2024, the Verkhovna Rada [adopted](#) Law of Ukraine 3991-IX "On the Basic Principles of State Climate Policy", which provides for the establishment of the Scientific Expert Council on Climate Change and Ozone Layer Preservation as an independent advisory scientific and expert body to provide scientific support for the development of state climate policy. The law also defines the tasks of the Scientific Expert Council, which, together with its composition, must be approved by the Cabinet of Ministers within a year of the law's entry into force.

On February 18, the Cabinet of Ministers [approved the](#) Government's Priority Action Plan for 2025, which, among other things, requires the Ministry of Ecology to develop and submit to the Cabinet of Ministers a draft resolution approving the Regulation on the Scientific and Expert Council on Climate Change and Ozone Layer Preservation by October 2025. The development and submission of the resolution is also [provided for in](#) the Work Plan of the Ministry of Environmental Protection and Natural Resources of Ukraine for Q4 2025.

RRR4U

SPECIAL TOPIC***Cancellation of Lozovyi's
"amendments"***



What is "Lozovyi's amendments"?

- "Lozovyi's amendments" are a number of amendments to the Commercial Procedure, Civil Procedure, and Criminal Procedure Codes, as well as to the Code of Administrative Justice of Ukraine and other regulatory acts proposed by Member of Parliament Andriy Lozovyi.
- The set of amendments to the Criminal Procedure Code of Ukraine (CPC of Ukraine) came into force on March 16, 2018 and covered a wide range of procedural actions, including calculation of the pre-trial investigation period, admission of a lawyer during a search, appointment of expert examinations and closure of criminal proceedings if the pre-trial investigation period has expired after the person was served with a notice of suspicion.
- **A significant part of "Lozovyi's amendments" have long been cancelled. At the same time, some of them are still in effect.** In December 2023, [the Verkhovna Rada partially repealed the "Lozovyi's amendments"](#), in particular, on January 1, 2024, the rules that completely cancelled the terms of pre-trial investigation before notifying a person of suspicion came into force.
- At present, the term "Lozovyi amendments" is used to refer to the amendments to the CPC of Ukraine **regarding the establishment of pre-trial investigation terms, closure of criminal proceedings due to the expiration of the pre-trial investigation terms, and the procedure for extending the pre-trial investigation term.**



"Lozovyi's amendments" as a structural benchmark of the IMF

Structural benchmark No. 44 (Memorandum with the IMF of June 17, 2024).

Amend the Criminal Procedure Code to allow the SAPO to manage extradition and mutual legal assistance requests, as well as to rationalize the consequences of the expiration of pre-trial investigation terms (including in corruption cases).

The deadline is the end of December 2024 (postponed from the end of October 2024).

The Memorandum with the IMF stipulates that further amendments to the Criminal Procedure Code will be introduced to strengthen effective procedures for investigating corruption crimes, in particular, with regard to:

- enabling the Prosecutor General to delegate to the SAPO the management of extradition and mutual legal assistance requests in connection with the investigation of corruption crimes;
- **abolishing the mandatory closure of pre-trial investigations in connection with the expiration of the pre-trial investigation after the notification of suspicion;**
- **empowering the investigating judge, after the deadline has passed and at the request of the accused or victims, to promptly induce prosecutors to make a decision on the pre-trial investigation (either to close the proceedings or to complete the pre-trial investigation) or to dismiss the request.**



"Lozovyi's amendments" as a structural benchmark of the IMF

At the end of December 2025, the Government registered in the Verkhovna Rada draft law [No. 12367](#) aimed at repealing the "Lozovyi's amendments". In addition, MPs registered three alternative draft laws ([No. 12367-1](#), [No. 12367-2](#), [No. 12367-3](#)). However, on January 16, the parliament did not support the inclusion of any of the above draft laws on the agenda. Therefore, all of the above draft laws are pending consideration.

What is offered?

- to supplement the CPC with a provision on the prosecutor's obligation to perform one of the following actions (close the case, send an indictment or a motion for release from liability to the court) no later than the last day of the pre-trial investigation;
- exclude from the CPC the provision on closing criminal proceedings due to the expiration of the pre-trial investigation;
- introduce a new mechanism whereby the investigating judge will consider motions on whether the prosecutor should terminate the pre-trial investigation;
- to authorize the head of the prosecutor's office (instead of the investigating judge) to extend the pre-trial investigation (up to 6 and up to 12 months).

As of the end of March 2025, none of the above-mentioned draft laws had been adopted. Thus, the authorities failed to fulfill this benchmark on time. We assume that the deadline for its implementation has been postponed.



"Lozovyi's amendments" as a structural benchmark of the IMF

It is worth noting **the different positions taken by stakeholders** on the above draft laws.

- Business associations (the Union of Ukrainian Entrepreneurs, the Federation of Employers of Ukraine, etc.) and the Ukrainian Chamber of Commerce and Industry [called on the](#) VRU not to support all of the above draft laws and proposed to initiate a broad discussion with business representatives, experts and the public to develop balanced changes that will improve access to justice without creating additional risks for business.
- Instead, the NABU and the SAPO [supported](#) an alternative draft law [No. 12367-3](#), which they believe is aimed at improving the effectiveness of pre-trial investigation and ensuring the inevitability of punishment for corruption offenses, and called on MPs to support it in the first reading and in general.

RRR4U



rrr4u.org



**Monitoring the implementation of the
IMF programme and EU assistance**