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RRR4U

Monitoring of the implementation of the IMF program and Ukraine Plan

SPECIAL TOPIC

***Public Administration Reform: a new
approach to solving an old problem***





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Summary.

Implementation of the IMF program and the Ukraine Plan

The eighth review of the IMF's Extended Fund Facility (EFF) for Ukraine is nearing completion. Ukraine and the IMF have already reached staff-level agreement and now the IMF Board of Directors must approve this decision.

Based on the results of the review, Ukraine is to receive \$487 million. In total, the IMF program provides for up to \$2.3 billion for 2025 based on the results of four reviews. The next review will take place in August.

The European Commission is reviewing Ukraine's report on the implementation of indicators for Q1 2025, where 3 indicators have not yet been met and 1 has been met late, which could cost Ukraine about €1.5 billion in EU aid. In addition, **Ukraine is completing the Q2 2025 with even worse performance on the indicators**, half of which remain unfulfilled, which puts Ukraine's receipt of more than €1 billion in aid in doubt.

The lag in the pace of implementation raises the issue of **updating the Ukraine Plan** - revising and updating the indicators while maintaining the ambitious reform agenda.

Successful cooperation with international partners is critical for Ukraine. It is crucial for the financing of priority state budget expenditures (domestic revenues are used for security and defence).

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.

It is not the donors who need to fulfil their obligations under financial support programmes - **Ukraine needs them to achieve economic sustainability** and to move towards growth and improve the welfare of Ukrainians. It is also a way to gain the trust of all international partners and foreign businesses.

The IMF program and the Ukraine Plan are not the only commitments that Ukraine has made to its external partners. But they remain important for **coordinating and securing other international support**.

There are still reforms needed to receive funds from the World Bank, as well as a broader reform agenda that Ukraine needs to achieve EU membership.

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Monitoring of the implementation of structural benchmarks under the IMF program



Completed
on time



Completed,
but not on
time



In
progress



Not completed





Status of the IMF program implementation

The eighth review of the IMF's Extended Fund Facility (EFF) for Ukraine is nearing completion. Ukraine and the IMF have already reached staff-level agreement, and now the IMF Board of Directors has to approve the decision.

The review **assessed our progress** with regard to quantitative performance criteria and structural benchmarks **as of the end of March 2025.**

Ukraine has fulfilled all the benchmarks required for the successful completion of the eighth review of the program, in particular:

- amendments to the Budget Code on the integration of PIM into the budget process, mandatory prioritisation and provision of IT solutions were adopted (benchmark 39, deadline - end of January 2025);
- adoption of the necessary methodological framework underlying the PBI process (benchmark 40, deadline - end of February 2025).

Thus, Ukraine is almost guaranteed to receive the next tranche of about **\$487 million.**



Benchmarks to be assessed during the next, ninth review scheduled for August:



New tax reporting requirements for digital platform operators



Submit the Budget Declaration for 2026-2028 on time.



Independent verification of compliance and integrity of the NSSMC

The benchmark on the appointment of a permanent head of the SCS with a deadline of June has been postponed by six months, according to preliminary information, so it will not be assessed in the next review.

As a reminder, the IMF program provides up to \$2.3 billion for 2025 based on the results of four reviews. The first \$400 million was transferred to the state budget in March this year.



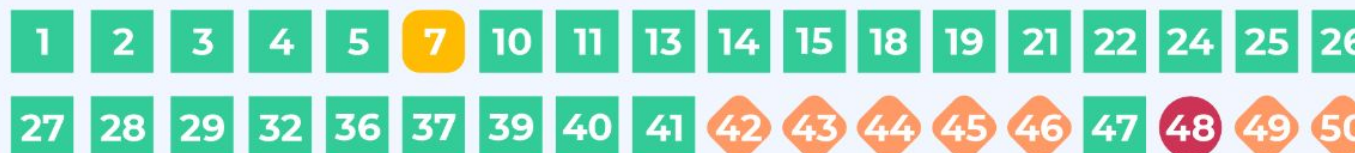
Structural Benchmarks Implementation Map

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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 evaluation of the program (June 2023)

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

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BENCHMARK No.1 Budget amendments for 2023 - defence funding (end of April 2023)

The Parliament approved the government's amendments to the State Budget for 2023 to provide for more and more sustainable funding for defence and security, as well as funds for urgent reconstruction. In particular, the expenditures for the reserve fund were doubled. They also optimised the structure of spending units and merged two ministries into a single Ministry of Communities, Territories and Infrastructure, which was given the Fund for the Elimination of the Consequences of Armed Aggression.

BENCHMARK No.2 Limiting spontaneous amendments to the budget law and restoring medium-term planning (end of May 2023)

To this end, the Parliament registered a draft law that, among other things, allowed the Rada to consider only those amendments to the state budget that had received an expert opinion from the Ministry of Finance, and restored medium-term budget planning. In June, the Budget Committee updated the text, which later became the law (see more in benchmark #10)

BENCHMARK No.3 Prepare a tax change 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 assessment of the IMF program. However, this plan is not publicly available. The document should serve as a basis for the preparation of the National Revenue Strategy (see benchmark 20)

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

These changes are intended to contribute to higher debt sustainability of the state. The provisions for the implementation of this benchmark were included in the draft law No. 9346 together with the provisions for the implementation of benchmark No. 2 (see more on benchmark No. 10)

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

In April 2023, the Parliament passed a law (No. 3035-IX) to increase the transparency and accountability of accounts opened with the NBU by managers of funds for charitable assistance and donations. This primarily concerned accounts on the UNITED24 platform. This finally provided a legal framework for transparent fundraising and spending from public charity accounts.



State of execution of benchmarks No. 6 - 9

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

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

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

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.

On 9 November, the Parliament passed in the second reading [a draft law](#) expanding the range of taxpayers who may be subject to documentary tax audits starting from December 1, 2023. At the same time, the President of Ukraine signed [Law No. 3453-IX](#) in early December, but it did not enter into force until 08 January, 2023.

BENCHMARK No.8 Corporate governance reform of the GTS Operator: transfer of the stake to the Ministry of Energy and update of the charter

(end of July 2023)

The first part of the benchmark was completed on 22 September, when the CMU [transferred](#) the corporate rights of the Ukrainian GTS Operator 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 GTSOU charter agreed with the Energy Community Secretariat. The document [appeared](#) on the company's website on 31 October.

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

In September 2023, the parliament passed [a bill](#) that stipulated 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 asset declaration register immediately.

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



State of execution of benchmarks No. 10 - 13

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

In July, the Parliament adopted the necessary [amendments to the Budget Code](#) to make fiscal policy more predictable and predictable in the medium term.

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

On 15 September 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 included the following documents: planned KPIs for budget programmes in 2022-2026; forecasts of budget and macroeconomic indicators for 2025-2026; priority fiscal policy objectives; and spending limits for 2022-2026.

BENCHMARK No.12 Strengthening financial monitoring of politically exposed persons (PEPs) (end of September 2023)

On October 17, 2023, the Verkhovna Rada adopted [a draft law](#) 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 banking supervision (end of September 2023)

The implementation of the benchmark will bring Ukraine's banking supervision in line with EU directives.

Point I: On 21 April 2023, the National Bank of Ukraine [separated](#) the Department for Monitoring of Related Parties and the Department for Integrated Banking Supervision.

Point II: The NBU has introduced supervisory panels without publicly communicating this. The panels are supposed to advise the Supervisory Committee on issues and additionally independently analyse its decisions, facilitate horizontal communication between stakeholders, and highlight particularly important issues.

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



State of execution of benchmarks No. 14 - 17

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BENCHMARK No.14 Tax and Customs to prepare reform plan (end of October 2023)

The STS and the SMS had to prepare action plans by the end of October, which will be further integrated into the overall National Revenue Strategy. On 23-27 October, representatives of the STS and the SMS met with the IMF to discuss progress. The second review of the IMF program revealed that this milestone was met on time and in full.

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

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

BENCHMARK No.16 Simplifying the system of declaration of public officials (end of October 2023)

[The draft law](#) on the restoration 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.

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

On 31 October, the Government [approved](#) the composition of the company's Supervisory Board: three independent members and one state representative, meeting this milestone in a timely manner. At the same time, the issue of appointing another state representative to form a full 5-member board remains to be resolved.

In accordance with the [Charter](#), the Supervisory Board of GTSOU should consist of five members, three of whom should be independent. As of the end of April 2024, 5 members have not been appointed and there are no statements from the Government in this regard.



State of execution of benchmarks No. 18 - 21

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

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BENCHMARK No.18 Better Public Investment Management

(end of December 2023)

Accordingly, to change approaches to PIM, in December, the CMU adopted a draft [Roadmap for Public Investment Management Reform](#) by a protocol decision, which aims to "create a context, vision of the basic principles and directions for building a holistic, sustainable and effective public investment management system that ensures the planning of investment projects based on strategic priorities and a medium-term budgetary framework, their selection in accordance with unified and transparent procedures and clear criteria, and the implementation of

BENCHMARK No.19 Approval of the National Revenue

Strategy by the end of 2023 (end of December 2023)

The National Revenue Strategy is intended to create conditions for increasing domestic budget revenues. To do this, Ukraine needs to strengthen its tax and customs revenue collection capacity. On 27 December 2023, [the government approved](#) the National Revenue Strategy, meeting the conditions for the IMF program's benchmark to be activated.

BENCHMARK No.20 Strengthening the institutional independence of the SAPO

(end of December 2023)

On December 08, 2023, the Verkhovna Rada adopted the relevant draft law. [Law No. 3509-IX](#) entered into force on January 1, 2024. It aims to: improve the procedure for competitive selection of heads and prosecutors of the SAPO; strengthen the SAPO's ability to regulate its own organisational structure and activities; clarify the powers of the Head of the SAPO; establish a Specialised Disciplinary Commission of SAPO prosecutors; and conduct regular audits of the SAPO's activities with the participation of external experts with international experience.

BENCHMARK No.21 Budget amendments to create new revenue sources (end of February 2024)

Based on the conclusions of the Revenue Working Group established in December 2023, the government was to prepare short-term measures to increase revenues by at least 0.5 percent of GDP, with the aim of amending the 2024 budget accordingly, if necessary.

The measures proposed by the Ministry of Finance to mobilise additional revenues are expected to increase budget revenues by UAH 44.2 billion. The measures include an increase in revenues from military and excise duties, and the introduction of monthly advance payments of corporate income tax by companies engaged in fuel retailing.



State of execution of benchmarks No. 22 - 25

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

In December 2023, [the government adopted amendments](#) to the decree on the provision of support under this programme, 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 can still receive support). In March 2024, the government submitted a concept for the 5-7-9 programme to the IMF, but it has not been made public or officially approved.

BENCHMARK No.23 Optimise and improve the efficiency of the HACC (end of April 2024 (postponed from end of March 2024))

On 24 April 2024, the Verkhovna Rada adopted [Draft Law No. 11130](#), which provides that cases in the court of first instance shall be heard by a single judge. It also stipulates that cases may be heard by a three-judge panel only at the request of the accused in certain categories of crimes.

The law came into force on 16 May 2024.

BENCHMARK No.24 ESBU reset (end of June 2014)

On 20 June 2024, the Verkhovna Rada passed Bill No. 10439, the text of which was agreed with the requirements of international partners. On 28 June, it is signed by the President.

Next, a professional, independent head of the ESBU should be elected and the process of reforming the institution should begin. The law provides for a change of leadership and re-certification of all ESBU employees. The head will be selected by a six-member commission, three of whom will be appointed by international experts and three by the Cabinet of Ministers.

BENCHMARK No.25 Preparation of a methodology for the assessment of tax benefits (end of September 2024, postponed from end of July)

The review of tax privileges should be a step towards broadening the domestic revenue base without raising tax rates.

The Ministry of Finance of Ukraine approved the required methodology by its Order No. 474 dated 27.09.2024 "On Approval of the Methodology for Evaluation of Tax Policy Instruments that Lead to Tax Expenditures".



State of execution of benchmarks No. 26 - 29

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

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BENCHMARK No.26 Estimation of fiscal and quasi-fiscal losses from SOEs (end of September 2024)

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

BENCHMARK No.27 Adoption of amendments to the Customs Code of Ukraine in line with the best international practices (end of October 2024)

As stated in the Memorandum, amendments to the TCU should be aligned with EU norms. The SMS should continue to be subordinated to the Ministry of Finance. Since businesses often complain about corruption in the SMS, one of the areas of change should be to strengthen the integrity of staff and introduce a process of selecting management based on a transparent competition with the participation of international experts. Other reforms in 2024 include (i) modernising the framework for bringing to administrative responsibility for violations of customs rules and (ii) developing criteria for assessing the impact of the SCS Anti-Corruption Programme.

The Parliament adopted two draft laws that together comply with the above provisions: [No. 10411](#) and [No. 6490-d](#).

BENCHMARK No.28 Medium-term budget planning: analysis and update (end of October 2024)

According to the Ministry of Finance, a report has been prepared with technical assistance from the IMF, which provides a diagnostic review of pre-war policies and practices on medium-term budget planning in comparison with best practices. As of 30 October, the text of the report was not made public, but we record this milestone as "completed".

BENCHMARK No.29 The NBU's assessment of risks to financial stability under adverse scenarios and preparation of contingency plans (end of October 2024)

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.



State of execution of benchmarks No. 30 - 33

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

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BENCHMARK No.30 Audit of the financial position of DH companies before and after February 2022 (initially end of June 2024, postponed to end of October 2024)

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 20 December 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 condition of the DH companies.

BENCHMARK No.31 Improving the governance of state-owned enterprises (originally end of August 2024, postponed to end of October 2024)

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. Thus, the law on corporate governance of SOEs was adopted ([adopted](#) in February 2024), the financial condition and fiscal risks of state-owned enterprises were assessed in the state ownership policy, and [the Ministry of Economy presented a draft State Ownership Policy in](#) early October 2024.

BENCHMARK No.32 Action plan and timetable for the implementation of the IPO reform roadmap (end of December 2024)

This benchmark is actually a continuation of the steps to improve the efficiency of public investment management, the roadmap for reforming which was adopted to implement structural benchmark 18. It is envisaged that the relevant documents should define the link between PIM management and medium-term budget planning.

To fulfil this benchmark, the government has adopted an [action plan and a timetable for the implementation of a roadmap](#) for the development of public investment management procedures, as well as [criteria for prioritising public investment projects](#) for 2025.

BENCHMARK No.33 Adoption of amendments to the law to reform the Accounting Chamber of Ukraine (end of December 2024)

The respective [draft law](#) was adopted in the first reading on 19 September 2024 and in the general reading on 30 October 2024. The adopted draft law meets the requirements set out in the IMF's Letter of Intent.



State of execution of benchmarks No. 34 - 37

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

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BENCHMARK No.34 Strengthening the functional independence of the NEURC (end of December 2024)

On 27 December 2023, [the](#) NEURC [approved](#) the draft Law "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 implementation of [the Action Plan](#) to ensure the NEURC's independence. Law [No. 3915-IX](#) dated 21.08.2024 amended Law [No. 3354-IX](#) "On Lawmaking", which exempted the NEURC from proofreading decisions. Thus, the conflict with the provision of part 6 of Article 14 of the Law on the NEURC ("The Regulator's decisions are not subject to state registration by the Ministry of Justice of Ukraine") 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.

BENCHMARK No.35 Complete the formation of the Supervisory Board of Ukrenergo, with the majority of 7 members being independent (end of December 2024)

On 26 November, [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 11 December, the Cabinet of Ministers approved a new 7-member Supervisory Board of Ukrenergo, with Yuriy Boyko, Anatoliy Hulei and Oleksiy Nikitin as state representatives.

BENCHMARK No.36 Preparing the framework for bank resolution (end of December 2024)

According to our information, the NBU has submitted to the IMF draft changes to be approved for the new methodology, and this was considered as fulfilling the structural benchmark.

BENCHMARK No.37 New methodology for supervisory risk assessment (initially end of June 2024, postponed to end of December 2024)

In the government's Reform Matrix, the NBU reports on the implementation of this structural pillar. According to our information, the new methodology was approved on time, without any public reporting on it.



State of execution of benchmarks No. 38 - 40

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

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BENCHMARK No.38 Establish a new administrative court to replace the liquidated KDAC (initially end of July 2024, postponed to end of December 2024)

On 26 February 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 Specialised District Administrative Court as a court of first instance to consider administrative cases involving state bodies such as the NAPC, the NBU, the ESBU and the Specialised Administrative Court of Appeal, which will act as a court of appeal for these disputes.

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

BENCHMARK No.39 Amendments to the Budget Code on the integration of PIM into the budget process, mandatory prioritisation and provision of IT solutions (end of January 2025)

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

BENCHMARK No.40 Adoption of the methodological framework underpinning the OGP process (end of February 2025)

On 16 January, the relevant amendments to the Budget Code were adopted by the Parliament ([Draft Law No. 12245](#)) - benchmark 39, and on 28 February (the last day of the benchmark 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 programmes based on the new methodology - starting in May 2025
- Assessment and prioritisation
- Formation of sectoral and unified portfolios at local, regional and national levels: September-November 2025, with approval in November-December



BENCHMARK No.41 New tax reporting requirements for digital platform operators
(end of April 2025)

Sector: fiscal sector

Status: completed

The authorities have reiterated to the IMF their commitment to streamlining the simplified taxation system in the medium term, which currently provides ample opportunities for tax evasion.

As early as August 2024, the Ministry of Finance discussed with digital platform operators the concept of introducing income reporting for their users. The Ministry of Finance wants to establish an obligation for operators of digital platforms, such as online services offering taxi services, real estate rental, marketplaces and applications for the sale of goods and services, to collect certain information about users of such digital resources and to submit an annual report to the State Tax Service of Ukraine on the income they receive from certain activities.

These measures are aimed at improving tax administration and broadening the tax base, thereby increasing the amount of taxes collected.

The Cabinet of Ministers approved the new requirements in the form of a draft law on 29 April. Draft Law No. 13232 was registered in the Verkhovna Rada on 30.04.2025.

**BENCHMARK No.42** Appoint a permanent head of the SCS

(end of June 2025)

Sector: fiscal sector

Status: in progress



In line with Structural benchmark 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 amendments were signed by the President on 17 October 2024.

As of 30 April 2025, the competition had not been announced.

It will not be possible to meet this benchmark on time, and therefore, we can probably hope for a postponement of its implementation.

During the 8th review of the IMF Program, this benchmark was refined by several steps and postponed.



BENCHMARK No.43 Submit the Budget Declaration for 2026-2028 on time.

(end of June 2025)

Sector: fiscal sector

Status: completed

Restoring medium-term budgetary planning is among the important focuses of the IMF Program. That is why quite a few benchmarks are dedicated to its restoration and effective implementation.

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

This is because the restoration 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.

In March and April, the Ministry of Finance moved towards the preparation of the Declaration, received the first forecast estimates, and is forecasting the main budget indicators in accordance with the preparation [calendar](#). Accordingly, the assumptions of the main parameters on which the Declaration indicators are based were agreed upon, the Ministry of Energy provided some forecasts of economic development, and the Ministry of Finance held coordination meetings with the main spending units.

The Government approved the Budget Declaration for 2026-2028 at its meeting on 27 June. Thus, the structural benchmark is now complete. The next step will be for the Government to submit the Budget Declaration for 2026-2028 to the Parliament.



BENCHMARK No.44 **Appoint a new head of the BES**
(end of July 2025 (postponed from end of February 2025))

Sector: fiscal sector

Status: in progress (not implemented as of end of February 2025)

This benchmark is a follow-up to the previous benchmark on the reboot of the Bureau of Economic Security. Whereas the previous benchmark only required the entry into force of the relevant law, the new benchmark aims to implement the reform of the BES. The BES should focus on major economic and financial crimes, and its analytical capacity should be strengthened. The law should also establish robust mechanisms to ensure transparency, accountability and integrity.

The new head of the BES will approve the procedure for the appraisal of BES employees and form an appraisal commission within three months of his appointment. Anti-money laundering and counter-terrorist financing measures and cooperation with the State Financial Monitoring Service should also be used to further facilitate the detection of tax crimes and smuggling. This requires strengthening the analytical capacities of the authorities and information exchange.

The new head of the BES was to be elected by the end of February 2025. Ukraine failed to meet this benchmark on time, as the competition process was only in its initial stages at the time. In the seventh review, the IMF moved the deadline to July 2025. At the end of June, Oleksandr Tsyvinsky won the competition, and now the Cabinet of Ministers has to approve him as BES director.



BENCHMARK No.45 The Ministry of Finance, the State Tax Service and the State Customs Service will develop an operational plan to update the IT strategy

(end of September 2025)

Sector: fiscal sector

Status: in progress

This structural benchmark requires the Ministry of Finance, together with the State Tax Service and the SCS, to develop an operational plan for the implementation of the updated IT strategy. The strategy should include important digitalisation steps necessary for the implementation of the National Revenue Strategy, which was adopted in late 2023.

Thus, the plan will define steps for the digital transformation of the STS and the SCS with a focus on the modernisation and consolidation of IT systems.

Currently, certain measures to prevent tax evasion and minimise the tax burden are of limited effectiveness, as the STS and the SCS use different IT systems that do not allow for the exchange of information between the various registers and databases of the two services. In 2019, the CMU adopted a resolution to create a unified IT system for the STS and the SCS, but this has never been implemented.

At the same time, the need for consolidation remains high.

**BENCHMARK No.46** Adoption of sectoral strategies in line with the reformed PIM**system**

(end of December 2025)

Sector: fiscal sector**Status:** in progress

The seventh review of the Program added another structural benchmark for the implementation of the public investment management system reform.

According to the decisions already taken by the government, by the end of 2025, ministries must ensure the adoption of sectoral strategies that will identify priorities for public investment projects.

This is important because sectoral priorities need to be clearly defined and agreed upon to ensure that limited funds for public investment projects are spent efficiently. In line with the principles of the new PIM system, a link between strategies and budgeting is necessary.

The government has already made important decisions to implement sectoral strategies. According to available information, the process of developing the respective strategies has already begun. At the same time, DREAM is expected to be updated for the needs of public investment management.



BENCHMARK No.47 Systemic state-owned banks fall under the jurisdiction of the Ministry of Finance. Non-systemic state-owned banks are not recapitalised 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 with the CMU (Oschadbank, Ukreximbank, and Privatbank). Ukrgasbank and Sens Bank are state-owned, 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 nationalised. 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 a decision of the HACC.

The benchmark has now been fulfilled: all state-owned banks except PINbank and Motor Bank are systemic banks and the Ministry of Finance is responsible for the management of systemic banks either directly or through government decisions developed by the Ministry of Finance. As of 1 June 2025, PinBank and Motor Bank had capital below UAH 200 million and, accordingly, violated the prudential norm H1 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 fulfil the benchmark requirement. On 4 February, the state-owned shares of PinBank were transferred to the management of the Ministry of Economic Development for possible transfer to Ukrposhta to form a financial inclusion bank. This may remove the issue of the bank's profitability, but for this to happen, the President must sign the relevant draft law 13018-d. Motor-Bank showed a small profit in January-April 2025.



BENCHMARK No. 48 Preparation of a strategy for the NSSMC
(end of January 2025)

Sector: financial sector

Status: not completed

According to the IMF Memorandum, the NSSMC will develop a reorganisation strategy and conduct a performance assessment agreed with international financial institutions. This step is important for improving the NSSMC's efficiency as a regulator.

The NSSMC will also update and implement the Code of Ethics for its employees in line with international standards, and will conduct an independent review of the qualification requirements of the Chairman and members of the Commission, including compliance with the Code of Ethics.

At the same time, together with the NBU, the NSSMC was to work by the end of December 2024 to improve capital flows management, including harmonising regulations and aligning restrictions on securities transactions with those applicable to banking operations.

This is important to ensure transparency, investor confidence, and the stability of Ukraine's financial system and its integration into global markets.

The seventh review of the IMF program stated that Ukraine has fulfilled all components of the benchmark, except for the assessment of the NSSMC. As a result, Structural benchmark No. 48 is considered unfulfilled. Its deadline was not postponed, but instead the assessment of the NSSMC's work was separated into a new individual benchmark No. 49.



BENCHMARK No.49 Independent verification of compliance and integrity of the NSSMC

(end of June 2025)

Sector: financial sector

Status: in progress



To strengthen the institutional framework and efficiency, as well as to address the delay in the start of the compliance and business integrity review (unfulfilled Structural benchmark 48), the NSSMC will conduct an independent compliance and business integrity review of the NSSMC Chairman and members.

On 21 May, the NSSMC met with the IMF mission. The parties discussed several important issues, including an independent verification of compliance of certain employees of the Commission with legal requirements, measures to regulate capital flows (CFM), and priority areas for the development of financial market infrastructure. The work on the implementation of the relevant benchmark is ongoing, **but there is no publicly available information on whether the NSSMC is on track to meet it on time.**



BENCHMARK No.50 Preparation and submission to the Parliament of
a draft law on the risk of critical third parties in the financial sector
(end of September 2025)

Sector: financial sector

Status: in progress

The benchmark is aimed at extending the NBU's rules to companies that provide services critical to the bank's functioning. Among other things, this includes a model of a bank in a smartphone, where the work of a bank (like Monobank) is closely linked to non-bank companies that are currently not subject to regulation. It is proposed that the banks can do business with third parties that fulfill NBU's business reputation and professional suitability requirements,

According to the latest Memorandum on Economic and Financial Policies, the NBU was supposed to prepare a concept for requirements to critical third parties in March, and the deadline for the benchmark was postponed from May to September. However, communication about the NBU's efforts in this area remains limited.



BENCHMARK No.51 **Repeal the Lozovyi amendments and allow the SAPO to manage extradition and mutual legal assistance requests** **(Slide 1/2)**
(postponed to the end of July 2025 (not implemented at the end of December 2024))

Sector: governance/anti-corruption

Status: in progress

The Structural benchmark envisages amendments to the CPC, in particular 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 offences;
- cancellation of the mandatory closure of pre-trial investigations in connection with the expiration of the pre-trial investigation after the notification of suspicion (the so-called "Lozovyi amendments");
- empowering the investigating judge, after the deadline has expired 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.

The issue of repealing the Lozovyi 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 amendments. It is not surprising that [the Memorandum with the IMF dated 17.06.2024](#) was supplemented by a benchmark on the cancellation of the Lozovyi amendments

**The Lozovyi Amendments refer 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 Procedure of Ukraine and other legal acts proposed by MP Andriy Lozovyi.*



BENCHMARK No.51 **Repeal the Lozovyi amendments and allow the SAPO to manage extradition and mutual legal assistance requests** **(Slide 2/2)**
(postponed to the end of July 2025 (not implemented at the end of December 2024))

Sector: governance/anti-corruption

Status: in progress

At the end of December 2025, the Government registered a new draft law [No. 12367](#) in the VRU aimed at cancelling the Lozovyi amendments. In addition, 3 more alternative draft laws were registered ([No. 12367-1](#), [No. 12367-2](#), [No. 12367-3](#)). At the same time, on 16 January, the Parliament did not support the inclusion of any 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 (the Union of Ukrainian Entrepreneurs, the Federation of Employers of Ukraine, etc.) and the Ukrainian Chamber of Commerce and Industry [urged](#) 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 would 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 offences, and called on MPs to support it in the first reading and in general.

The Ukrainian side was unable to fulfil this benchmark by the seventh revision of the program, so the deadline was postponed for the second time. Now the Parliament has to adopt the relevant amendments to the CPC by 1 August 2025.



BENCHMARK No.52 Publish the report on the results of the external audit of the NABU (postponed to end July 2025 (not completed by end February 2025))

Sector: governance/anti-corruption

Status: completed

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 5 December 2018](#), the Ukrainian side promised to complete the external audit of the NABU by the end of July 2019. However, the benchmark was never met.

Under the current program, Ukraine also had problems with the NABU audit. It was originally 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 audit of the NABU could not be completed by the seventh revision of the program, so the deadline for its implementation was postponed to the end of July 2025.

At the same time, on 2 May 2025, the report on the results of the external independent assessment (audit) of the NABU for the period from March 2023 to November 2024 was published on the CMU website.

Robert Westbrook, Chairman of the Commission, [commented on](#) the results of the audit as follows: *"We have assessed the NABU's work as sufficiently effective in its investigations and international cooperation. Overall, we assessed the NABU's performance as moderately effective and made recommendations to further improve its effectiveness."*

More details on the findings of the external audit of the NABU can be found [here](#).



BENCHMARK No.53 Review the process of selection and appointment of members of supervisory boards of SOEs and adopt relevant amendments to the CMU bylaws (end of August 2025)

Sector: SOE corporate governance

Status: in progress

The corporate governance reform at state-owned enterprises (SOEs) continues. In March 2024, the President signed the [Law of Ukraine "On Amendments to Certain Legislative Acts of Ukraine on Improving Corporate Governance" \(No. 3587-IX\)](#), which launched a new stage of the reform. The next step is its full implementation. In particular, the government has adopted a [procedure for assessing](#) whether SOEs achieve the goals set out in the owner's expectations, a [procedure for reporting](#) by supervisory boards, and a [procedure for evaluating](#) their performance.

In [the Memorandum of Economic and Financial Policy of 21 March 2025](#), the Ukrainian side committed to review the procedures for selecting and appointing members of SOE supervisory boards in consultation with IMF experts and international partners and to amend the relevant bylaws of the Cabinet of Ministers (Resolutions No. 142 and No. 143 of 10 March 2017).

The first stage of the revision is aimed at improving the efficiency of the Nomination Committee (NC), in particular by standardising the recruitment documentation and increasing the transparency of NC decisions. At the same time, a roadmap for more substantial medium-term reforms in the selection of members of SOE supervisory boards will be adopted in line with international best practices, taking into account the status of the SOE and the results of the selection. In particular, the roadmap will be aimed at: a) streamlining and centralising the selection process for supervisory board candidates, including through a monitoring process agreed with the IFIs; b) clearly defining and delineating the roles and responsibilities of key decision makers; c) improving the efficiency of each stage of the process and thus reducing the time to complete the selection; d) ensuring that supervisory boards have the right composition, taking into account the profile of the SOE and the required competencies; e) improving the onboarding process for new board members.

The text of the updated Memorandum states: "modernisation of such procedures for the appointment of SOE managers will be especially important after the end of martial law to facilitate the attraction of private foreign investment in strategic and systemically important state-owned enterprises".



BENCHMARK No.54 Complete and publish the external assessment of the NEURC with the involvement of the Energy Community Secretariat

(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 develop an accountability framework for the NEURC, which includes regular external assessments of the Regulator's governance and independence.

Thus, the Government of Ukraine, in accordance with this structural benchmark, should ensure support for regular external assessments of the NEURC's independence and governance systems every 2-3 years. The first external assessment is expected to be carried out by the Energy Community Secretariat, completed and published by October 2025. It will also be important to take into account and implement the recommendations received.

At the end of February 2025, at the RRR4U event, Andrejs Juris, Head of the ECRB Unit of 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.

On 26 March, the NEURC representatives [met](#) with the delegation of the Energy Community Secretariat to discuss further steps of the Regulator in creating a favourable regulatory environment for the liberalisation of energy markets and fulfilment of Ukraine's international obligations.

Monitoring of implementation of the Ukraine Plan indicators



Completed
on time



Completed,
but not on
time



In
progress



Not
completed



→ Ukraine's plan: highlights as of the end of June 2025

- The European Commission has announced that it has started reviewing Ukraine's report for **Q1 2025**: 3 indicators still unmet, 3 indicators are completed, but not on time, which may cost the budget more than €1.5 billion.
- In Q2 2025, Ukraine was supposed to complete 11 indicators. So far, only 6 have been met.
- Aware of the threat of missed deadlines, the government [initiated](#) disciplinary action against those responsible.
- The CMU's protocol decision also stipulates that the **Q1-Q2 indicators** should be met **by July 15**.

Q1 2025

Not completed



3

Q2 2025

Not completed



5

Time for correction and implementation:

12 months from the date of the EU's negative opinion



Map of the implementation of the indicators of the Ukraine Plan

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	I 2025	II 2025	III 2025	IV 2025	I 2026
Public Administration Reform	1.1		1.2	1.2	1.4 1.5 9.3
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	3.12 3.7
Business Environment / Human Capital	7.2 7.11	7.1 7.10 8.4	8.2 8.8	7.4 7.8	8.5
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	15.8 15.9
Agri-food Sector / Transport	12.3 12.7		12.4	11.3	12.6
Decentralisation and Regional Policy	9.1 9.4	9.2			
Digital Transformation	14.1 14.2 14.3				
Financial Markets		5.4		5.6	5.1 5.2 5.5



Completed



Completed,
but not on time



In progress



Not completed



Status of implementation of the Ukraine Plan indicators set for the second quarter of 2024

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

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

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 2024 in accordance with the provisions of the NDS.

INDICATOR 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 expectation of a positive decision by the IMF Executive Board on the fourth review of the program. 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 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 adopted [in June 2024](#).

INDICATOR 4.2 New Head of the National Agency for the Prevention of Corruption appointed

On 13 November 2023, the official website of 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).

Based on the results of the competitive selection, Pavlushchyk Viktor Volodymyrovych was appointed as the Head of the National Agency for the Prevention of Corruption by the Order of the Cabinet of Ministers of Ukraine No. 162-r dated 27.02.2024.



Status of implementation of the Ukraine Plan indicators set for the second quarter of 2024

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

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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. It also introduced a compliance, risk management and internal audit mechanism.

INDICATOR 8.3 Legislation on revision of the legal framework for the BES enters into force

On 20 June, the Verkhovna Rada adopted draft law No. 10439, the text of which is in line 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 give a chance to turn the Bureau into an effective body that will prevent economic crimes and schemes that cause damage to the budget.

INDICATOR 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. The English version of the NECP [was published](#) in October.

INDICATOR No. 10.15 Adoption of the Strategy for Thermal Modernisation of Buildings until 2050 and the Action Plan for its implementation

In accordance with the Cabinet of Ministers' [Resolution](#) No. 1228-r of 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 12.8 Adoption of the 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 the Ukraine Plan indicators set for the third quarter of 2024

The full implementation 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. In pursuance of this indicator, the Verkhovna Rada of Ukraine adopted the draft law No. 10060 of 08.12.2023, which determined 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 completed on time. On 29.10.2024, the VRU adopted the 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 the 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 7.6 Adoption of a comprehensive Strategy for Demographic Development 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 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 the Ukraine Plan indicators set for the third quarter of 2024

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

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

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

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

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

The NEURC approved the following procedures and requirements:

- [The Procedure](#) for Acquiring, Suspending and Terminating the Status of Data Transmission Administrator (Resolution No. 2613 dated 27.12.2023);
- [The Procedure for](#) the Operation of Insider Information Platforms (Resolution No. 137 of 16 January 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 Economic and Commercial Transactions with Wholesale Energy Products (Resolution No. 618 of 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 Adoption and entry into force of the Law of Ukraine on Prevention, Reduction and Control of Industrial Pollution

In late 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.

INDICATOR 13.1. Adoption of the Law of Ukraine "On Amendments to the National Programme for the Development of Mineral Resources of Ukraine until 2030"

As part of the reform aimed at improving planning and ensuring optimal conditions for attracting strategic investors, one of the steps is the adoption of the Law of Ukraine "On Amendments to the National Programme for the Development of the Mineral Resources Base of Ukraine for the Period up to 2030".

On 18 December, the Verkhovna Rada [adopted](#) in the second reading and in general the updated state programme for the development of Ukraine's mineral resource base until 2030. Thus, the indicator is considered to be met.



Status of implementation of the Ukraine Plan indicators set for the fourth quarter of 2024

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

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

This indicator envisages the adoption of the Strategic Plan for the Digitalisation of the State Tax Service, taking into account the recommendations set out in the National Revenue Strategy until 2030.

At the end of 2024, the Ministry of Finance published the [Plan](#), which contains the measures previously mentioned in the NDS. Integration with the international information exchange system DAC7 should also be ensured.

Stakeholders should pay attention to monitoring the implementation of the initiatives outlined in the document by the STS, as the STS is currently responsible for assessing the effectiveness of [the Plan](#)'s implementation, together with the Ministry of Finance and the Ministry of Digital Transformation.

INDICATOR 3.6. Legislation to improve the bankruptcy regime came into force

The indicator is part of the reforms of insolvency and enforcement of court decisions.

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

On 19 September 2024, the Verkhovna Rada adopted the relevant law (draft law No. 10143 of 12.10.2023). On 22 September, the law was signed by the President. The law came into force on 23 January 2025.

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

In March 2024, a law updated the rules for the management of state-owned enterprises came into force (Indicator 6.2). The Government approved [the State Ownership Policy](#) on 29 November 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 objectives of state policy, and those that will be privatised, liquidated or reorganised for partial privatisation. It also defines the category of enterprises that will remain in state ownership during martial law.

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

INDICATOR 7.5. Adoption of two strategies: The Strategy for Reforming Psychoneurological and Other Residential Institutions and Deinstitutionalisation of Care for Persons with Disabilities and the Elderly and the Strategy for Ensuring the Right of Every Child in Ukraine to Grow Up in a Family Environment for 2024-2028

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

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

The Strategy for Reforming Residential and Neuropsychiatric Institutions for Adults was approved by the Cabinet of Ministers of Ukraine by its Resolution No. 1315-p of 24 December 2024.



Status of implementation of the Ukraine Plan indicators set for the fourth quarter of 2024

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

INDICATOR 8.7. Enactment of legislation to restore market surveillance and control of non-food products, including product safety inspections

In order to restore market surveillance and control of non-food products, including product safety inspections, the Cabinet of Ministers adopted and entered into force [Resolution No. 261 of 08.03.2024](#) "On Amendments to the Resolutions of the Cabinet of Ministers of Ukraine 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

To implement 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.

[Resolution of the Cabinet of Ministers of Ukraine 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 digitalisation of urban planning services, in particular the project to introduce a digital Urban Planning Cadastre at the state level, is important because it actually unites previously dispersed urban planning documentation that existed on paper in different local governments.

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

On 1 March, 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 13 August, the Cabinet of Ministers [issued](#) a resolution setting an additional annual support quota of 110 MW for 2024.

On 29 November, the Cabinet of Ministers [approved](#) the schedule for auctions for the distribution of renewable energy support quotas for 2025, 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 27 December 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](#) dated 21.08.2024 amended Law [No. 3354-IX](#) "On Lawmaking", which exempted 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, including those on the NEURC's functional independence, will come into force a year after the end of martial law.



Status of implementation of the Ukraine Plan indicators set for the fourth quarter of 2024

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

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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

- restoration and development of a competitive and efficient transport 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 decarbonised;
- institutional capacity, human capital and effective governance.

The National Transport Strategy of Ukraine for the period up to 2030 and the operational action plan for its implementation in 2025-2027 were approved by the Cabinet of Ministers on 27 December 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 CMU 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 modernise 29 border crossing points with the EU and Moldova. Ukraine also aims to conclude a joint control agreement with each EU neighbouring country. The eCheck project is to be extended to all road border crossing points. In addition, Ukraine's first scanners for inspecting railway rolling stock are to be purchased and put into operation.

The measure to reconstruct Ukrainian railway tracks to meet the European standard 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 15 November 2024.

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

INDICATOR 12.5. The law on the State Agrarian Registry entered into force

The indicator is part of the reform aimed at improving the official public electronic register of farms.

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

INDICATOR 13.1. Adoption of the Law of Ukraine "On Amendments to the National Programme for the Development of the Mineral Resource Base of Ukraine until 2030"

As part of the reform aimed at improving the investment attractiveness of Ukraine, one of the steps is the adoption of the Law of Ukraine "On Amendments to the National Programme for the Development of the Mineral Resources Base of Ukraine for the Period up to 2030".

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



Indicator 1.1. Enactment of legislation on civil service remuneration reform
(Q1 2025)

Sector: public administration reform

Status: completed, but not on time

For years, the civil service remuneration system has been inefficient. The large share of variable pay made the predictability of remuneration low, and its amount depended on the management. Also, the 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 is in line with the principles of public administration set out in the Organisation for Economic Co-operation and Development (OECD, SIGMA) program. The reform includes:

- introduction of remuneration based on the classification of positions by functional area;
- a clear division of salaries into a fixed or guaranteed part and a variable part;
- reduction of the longevity bonus from 50% to 30%.

The relevant changes for 2024 have already been partially implemented by [the CMU Resolution "Issues of Remuneration of Civil Servants Based on Job Classification 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 28 July 2023, and was adopted in its entirety on 11 March 2025, and sent to the President for signature on 17 March.

The President [signed the bill](#) only on 3 June. The entry into force of the law allowed the government to adopt two resolutions on 6 June:

- [On approval of the Procedure for the formation of the salary fund of civil servants in a state body](#)
- [On Amendments to the Resolution of the Cabinet of Ministers of Ukraine of 29 December 2023 No. 1409](#)

Therefore, the indicator is met, but with a delay.



Indicator 4.3. Increase the number of staff members of the High Anti-Corruption Court (SLIDE 1/3)
(Q1 2025)

Sector: fight against corruption and money laundering

Status: not completed

Ukraine's 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 number of 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 without overload.

Back in 2018, at the beginning of the court's establishment, 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 Head 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, including 21 positions of judges of the Appeals Chamber.

With regard to the increase in the court staff, the HCJ planned to increase the number of staff members [to 414](#) from 326 in 2024, which still does not meet the target of 40%.

In November 2023, the competition for 24 positions at the HACC was launched, 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 review and interview".

Following the assessment of dossiers and interviews [by the HQCJ and PCIE on 17.02.2024, it was established](#) that **2 out of 7 candidates** met the criteria and continued to participate in the competition to the High Anti-Corruption Court. **On 19 March 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 number of judges in the High Anti-Corruption Court (SLIDE 2/3)
(Q1 2025)

Sector: fight against corruption and money laundering

Status: not completed

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 23 January 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 [was postponed](#) by the HQCJ from April to June.

According [to](#) the HQCJ, as of 17.03.2025, 25 positions (almost 40% of the established maximum number of judges) remain vacant in the High Anti-Corruption Court, including 10 positions in the Appeals Chamber (not including 2 judges to be approved by the HQCJ by its decision of 19.03.2025).

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

The indicator can only be considered 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 assessed, without actually filling the vacancies.

The Accounting Chamber's [report](#) on the HACC activities approved on 19 December 2024 once again highlighted the problem of staffing shortages. 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.

In the report, the Chamber also directly pointed to [the risk of failure to achieve the indicator](#) on increasing the HACC staff due to the long-lasting competition for judges.



Indicator 4.3. Increase the number of staff members of the High Anti-Corruption Court (SLIDE 3/3)

(Q1 2025)

Sector: fight against corruption and money laundering

Status: not completed

In order to correct the problems with the previous waves of HACC selections, in March 2025, MPs of Ukraine introduced Draft Law No. [13114](#).

It proposed to ease the conditions for the competition for candidates for the position of a judge through the following steps

- The list of potential participants in the competition was expanded;
- the HCCJ was proposed to independently determine the passing score of the exam on the history of Ukrainian statehood (compared to the existing requirement at the level of the law to score at least 75% of the maximum score);
- the requirement to conduct an interview with the competition commission should apply only to candidates for a position in a local court; as for other courts, the commission should make a recommendation on appointment or refusal to appoint based on the results of its own meeting;
- it is proposed to cancel the requirement to prevent a candidate from repeatedly participating in the competition. Currently, the relevant law establishes a one-year period for such candidates to refrain from participating in the competition. This provision should have been in force for the period of martial law in Ukraine and a year afterwards.

At the same time, the draft law contains some **controversial provisions**. In particular, the eligibility requirement for applying for the competition was not reduced for persons who previously worked for the NABU and the SAPO. Their work experience in these agencies should have exceeded 10 years, not 5, as for other agencies proposed in the amendments. In addition, questions arise as to the complete restriction of access to information about persons performing military service or those who are in the occupied territories or where hostilities are taking place. Such a restriction can only be applied to information that is sensitive during martial law.

The relevant committee supported the draft law in [its conclusion](#) and **proposed to include it in the agenda of the Verkhovna Rada**. In addition, the Committee granted the HCCJ's request to reduce the deadline for submitting amendments and proposals to the draft law by half. The HCCJ's motivation was to start selecting candidates to the HACC, and the provisions of the draft law contain opportunities to expand the list of potential participants, which may increase the chances of a successful selection.

However, **the Verkhovna Rada has failed three times to include** this draft law on its agenda, so there **is no** chance that it will be adopted before the start of the new competition to the HACC.

As of the end of June, the indicator remains **not completed**.



Indicator 4.7. The law on reforming the ARMA enters into force (Q1 2025)

Sector: fight against corruption and money laundering

Status: not completed

To achieve 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 selection procedure for the head of the agency, including integrity and credibility checks
- an independent external performance evaluation system;
- a transparent procedure for the management and sale of 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, finding and management was registered, which was criticised [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 02.01.2025, 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 synchronisation with the vision of reform set out in the Plan of Ukraine, which was also pointed out [by the public](#).

In addition, Draft Law No. [12389](#) of 08.01.2025 was registered in the VRU, which proposes to define the peculiarities of the ARMA's title in rem (property) 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 under the Ukraine Plan.

After discussions between the authorities and civil society, the parties reached a compromise on the most pressing issues, which allowed the Verkhovna Rada to prepare the draft law for the second reading and adopt it as a whole on 18 June 2025.

However, as of now, **the indicator remains not completed**: the adopted law has not entered into force, as it is awaiting the signature of the President of Ukraine.



Indicator 6.6. Adopt a roadmap for the unbundling of public service obligations (PSO) and other activities
(Q1 2025)

Sector: management of public assets

Status: completed, but not on time

A roadmap for mandatory structural separation of PSO (public service obligations) and non-PSO activities for all state-owned companies with PSO obligations should be adopted by the Government and published. Such a roadmap should be based on the identified current level of accounting practices required and include operational measures to separate the accounts of the companies at different stages of implementation of the necessary changes. The roadmap will include a description of how the unbundling of accounts for activities related to and not related to the performance of special duties will be implemented in all priority state-owned companies from the list approved by a protocol decision of the Cabinet of Ministers.

[The action plan to separate the activities of public sector entities entrusted with special duties from those not related to the performance of such duties](#) was approved by the Cabinet of Ministers on 4 April 2025.



Indicator 7.2. Enactment of the law on preschool education (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 preschool 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 consists of a single step - the enactment 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: completed

Ukraine lacks a coherent policy on 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.

Thus, in accordance with the Plan, the government pledged to adopt the Strategy for the Development of Culture of Ukraine. The Ministry of Culture and Strategic Communications (MCSC) has already [started working](#) on the project.

As defined by the Ministry: "The Strategy will be a medium-term policy planning document, contain a thorough analysis of the current state of affairs, and 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, the ICCC invited experts and scholars to provide recommendations for the future draft Strategy. In December, the first [discussions](#) on the draft Strategy took place.

In February 2025, the ICCS held several public discussions of the Strategy. In March, the text of the Strategy was finalised. The CMU adopted [the Culture Development Strategy](#) on 28 March 2025, which was on time.



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

Slide 1/2

(Q1 2025)

Sector: decentralisation and regional policy

Status: not completed

Legislation to meet this indicator should focus on reformatting local state administrations (LSAs) into prefectural-type bodies in order to organise 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 on the ground.

The relevant draft law No. [4298](#) was registered on 30.10.2020, but a year later, after three versions of the draft, the consideration of the draft law for the second reading was postponed.

In February 2024, the Committee on the Organisation 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 to 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 Organisation of State Power, Local Self-Government, Regional Development and Urban Planning **on 21 March 2025, a decision was made to revise Draft Law No. [4298](#)**. This decision was also supported by [the Association of Ukrainian Cities](#) and [the All-Ukrainian Association of Communities](#).

Instead, **on 20 March 2025**, a group of MPs submitted Draft Law No. [13124](#) "Draft Law on Amendments to the Law of Ukraine 'On Local State Administrations' and Certain Other Legislative Acts of Ukraine on Reforming the Territorial Organisation of Executive Power in Ukraine", which was supported by the [AUC](#).



Indicator 9.1. Enactment of legislation on reforming the territorial organisation of the executive branch

Slide 2/2

(Q1 2025)

Sector: decentralisation and regional policy

Status: not completed

As a second de facto alternative to draft law No. [4298](#), MPs registered draft law No. [13150](#) of 03.04.2025 on amendments to certain legislative acts of Ukraine on ensuring the legality of the activities of local self-government bodies and officials.

On 14 April 2025, a group of Ukrainian MPs registered an alternative draft law No. [13150-1](#) on amendments to certain laws of Ukraine to ensure the legality of acts of local self-government bodies and coordination of the activities of territorial bodies of central executive authorities.

On 29 April 2025, the VRU Committee on the Organisation of State Power, Local Self-Government, Regional Development and Urban Planning recommended that the VRU adopt Draft Law [13150](#) as a basis and reject the rest.

On 13 May 2025, the VRU included Draft Law 13150 in its agenda and adopted it in the first reading, with the provisions of the future law being finalised in the Committee for the second reading. [According to NGOs](#), the draft law is currently far from the desired result and should be significantly revised before being considered for the second reading.

To date, no action has been taken to adopt the above draft laws, so the indicator remains not completed.



Indicator 9.4. Enactment of legislation on public consultations on public policy issues
(Q1 2025)

Sector: decentralisation 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 in addressing local issues, which will create the 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 place in the form of electronic consultations, as well as roundtables and discussions.

As envisaged in the Action Plan, it is proposed that this draft law will enter into force 12 months after the termination or cancellation of martial law.



Indicator No. 12.3: The automated system for public monitoring of land relations was put into operation. Massive land valuation was carried out (Q1 2025)

Sector: agri-food sector

Status: completed

The indicator envisages the introduction of an automated system for monitoring land relations and 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 to a limited extent since 2021, and should be fully operational by the end of March, but as of 24 March, it has not been made public.

According to the NACP's monitoring, the provision on mass land valuation was duplicated in the State Anti-Corruption Program, but it was subsequently 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 portal of the automated system for public monitoring of](#) land relations was launched at the end of March and as of 28 April is operating in test mode with incomplete functionality.



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

Sector: agri-food sector

Status: completed

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 basis, based on environmental impact assessment and strategic environmental reform.

[The Long-Term Plan for the Development of the Irrigation Complex of Ukraine until 2050 and the Action Plan for its implementation until 2030](#) were approved at a government meeting on 25 March 2025.



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

Sector: management of critical raw materials

Status: completed on time

As part of 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 approved the Regulation on the Subsoil User's Electronic Cabinet, which defines the general principles of its functioning. On May 19, 2023, the CMU [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, the GIS service, online registration of the form for geological work and research, reporting forms for accounting for mineral reserves are in operation, and the service for generating an e-extract from the register of special permits is at the implementation stage. 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.

In terms of digitalisation, the first phase of the project with the EBRD [has been implemented](#) - the necessary technical equipment and software have been purchased and the first 6,000 books of geological reports have been 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. 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 digitising secondary geoinformation and posting it on the State Geoportal. The materials will become a 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.

The work [plan](#) for 2025 envisages, among other things, the finalisation of the Unified State Electronic Geographic Information System for Subsoil Use, expansion of the State Geoportal functionality, and improvement of the e-cabinet. 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.

On April 1, the State Register of Special Permits for Subsoil Use was put into commercial operation ([Order of the State Geological Survey](#)). The special permit is granted in the form of an extract from the [Register](#) in electronic form, which is generated by means of the electronic cabinet of the Unified Geoinformation System, the electronic cabinet of the subsoil user, and the electronic cabinets of the Unified Environmental Platform EcoSystem. Thus, the indicator is considered to be met, despite the fact that access to the resource is temporarily restricted during the martial law, except for law enforcement agencies, state authorities and local governments.



Indicator 14.1: Approval of a new plan for the allocation and use of radio frequencies in Ukraine
(Q1 2025)

Sector: digital transformation

Status: completed

The Resolution of the Cabinet of Ministers on Amendments to the Resolution of the Cabinet of Ministers "On Approval of the Plan for the Allocation and Use of Radio Frequency Spectrum in Ukraine" is to enter into force. The resolution should define the radio technologies permitted for use in Ukraine, including the radio frequency bands and radio services to which they correspond, as well as the terms of termination of their development and use, and a list of promising radio technologies for implementation in Ukraine, including the radio frequency bands and radio services to which they correspond, as well as the conditions for their implementation in accordance with the acquis.

The government adopted the necessary Resolution No. 1253 "On Amendments to the Plan for the Allocation and Use of Radio Frequency Spectrum in Ukraine" on 1 November 2024, so the indicator can be considered met.



Indicator 14.2. Enactment of legislation to strengthen cyber defence capabilities of state information resources and critical information infrastructure

(Q1 2025)

Sector: digital transformation

Status: completed, but not on time

Regulations should come into force to align with the NIS and NIS2 Directives.

The acts should focus on the following main areas:

- regulating the mandatory implementation of measures aimed at creating an appropriate legal framework for the implementation of measures to prevent, detect and suppress acts of aggression in cyberspace in the context of the war of the Russian Federation against Ukraine;
- strengthening the level of protection of state information resources and critical information infrastructure from cyber attacks;
- comprehensive improvement of the regulatory framework in the field of cybersecurity and information protection to enhance the capabilities of the national cybersecurity system to counter cyber threats.

The relevant law No. 4336-IX entered into force on 20 April 2025, three weeks after the deadline.



Indicator 14.3. Approval of an action plan for the transfer of public services to electronic form by 2026 (Q1 2025)

Sector: digital transformation

Status: completed

To achieve this, the Cabinet of Ministers should develop and adopt a Resolution on approval of the action plan for the transfer of public services to electronic form by 2026 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 sphere.

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 24 February 2025, the Ministry of Digital Transformation sent a letter to 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 21 March 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 October 8, 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 October 25, the Law was signed by the President.

The Law [entered into force on](#) the day following the day of its publication (October 30, 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 judges' integrity declarations and procedures for their verification (Q2 2025)

Sector: judicial system

Status: not completed

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

To this end, the Ministry of Justice prepared and the CMU submitted to the VRU the relevant draft law No. [13165](#) of 09.04.2025.

The draft law stipulates that within 24 months, the High Qualification Commission of Judges, with the participation of the Public Integrity Council (PIC), must verify the declarations of integrity and family ties of judges of the Supreme Court and higher specialised courts - the High Anti-Corruption Court of Ukraine, the Specialised District Administrative Court and the Specialised Administrative Court of Appeal.

The opinion of the PIC should be taken into account by the HQCJ when determining the results of the vetting and career-related procedures of a judge, and should be included in the judge's dossier.

The draft law also stipulates that until 1 May 2025, the submission of the judge's declaration of family ties and the declaration of integrity shall be carried out in accordance with the rules in force before the entry into force of this draft law.

In its conclusion, the Committee on European Integration points out that the draft law does not take into account the requirements of the provisions of the Plan of Ukraine, in particular, that the updated integrity check should provide for an extension of the time period covered by the check, which is not currently observed in the draft law.

The draft law has been submitted to the MPs for review, but there is little time left for its consideration, revision and adoption, so the indicator will not be completed on time.



Indicator 3.8. Improved enforcement of court decisions. The law on digitalisation of enforcement proceedings comes into force

(Q2 2025)

Sector: judicial system

Status: not completed

The indicator is considered to be achieved if the law on the enforcement of court decisions on property and non-property obligations comes into force and further digitalisation of enforcement proceedings takes place.

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 first, 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 digitalise enforcement proceedings. This will, in particular, make it possible to

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

On 20.11.2024, Draft Law No. [9363](#) dated 07.06.2023 was adopted by the VRU 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.

On 13.05.2025, the draft law No. [9363](#) was considered for adoption in the second reading, which was eventually sent by MPs for a repeated second reading. There are still significant comments to the text of the draft law, for example, the Main Legal Department of the VRU states that there is a need to consider another draft law, [5660](#), which was introduced earlier and also deals with the issue of digitalisation of enforcement proceedings.

On 02.06.2025, the MPs of Ukraine were provided with a comparative table of changes to Draft Law [9363](#) for the second reading.

As of the end of June, preparatory work was underway on the draft law for its adoption as a whole. There are significant risks that its adoption will not be timely and its content will not be in line with the Action Plan of Ukraine.



Indicator 5.4. Improvements in the resolution of non-performing loans (NPLs)
(Q2 2025)

Sector: financial markets

Status: completed

A NPL resolution strategy developed in accordance with current EU legislation should be approved. The strategy should focus on the following key areas:

- strengthening prudential requirements for the recognition and resolution of NPLs;
- exchange of data on NPLs and other relevant market data between financial institutions and public authorities to improve NPL resolution;
- reviewing potential obstacles and developing measures to improve the framework for NPL restructuring and resolution.

The NPL resolution strategy was approved as a separate section of the Lending Development Strategy.



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

Sector: human capital

Status: not completed



Today, the labour market lacks skilled labour. At the same time, reconstruction will require professionals who can work in construction. The return of the military and their integration into the labour market will also require modern vocational training programmes. That is why one of the indicators of the Plan is the adoption and entry into force of a law on vocational education. People who have acquired new skills will also be returning from abroad, and it will be important to continue to implement a system for recognising 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, an updated version of the draft law was prepared. The Verkhovna Rada adopted the draft Law of Ukraine "On Vocational Education" ([No. 13107-d](#)) as a basis on 16 April 2025. The draft law provides for the introduction of financial and personnel autonomy, the introduction of supervisory boards in institutions, support for dual education, the development of curricula with the participation of business, and simplification of licensing procedures for vocational education institutions. According to the VRU, consultations with representatives of the European Commission on the draft law's compliance with EU law were completed on time.

At the same time, as of 26 June, the draft law was not adopted as a whole. Consequently, MPs will vote on it only in July when they return to the session hall. Therefore, the indicator is not completed.



Indicator 7.10: Adoption of the CMU Resolution on procurement of social services
(Q2 2025)

Sector: human capital

Status: completed

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 Affairs 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

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

The CMU adopted the relevant Resolution on 25 June 2025. The text of the Resolution is not yet available.



Indicator 8.4. Adoption of an 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 Enterprises until 2027](#) and its Operational Plan on 30 August. 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 programme'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 35,000. It also envisages a reduction in unemployment to 11% and an increase in the share of sales through e-commerce to 20%. In the field of science and education, the goal is 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. Study on the necessary measures to grant territorial communities the status of a legal entity

(Q2 2025)

Sector: decentralisation and regional policy

Status: completed

This indicator does not include the adoption of specific 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 study should focus on the impact of granting legal entity status to hromadas on the efficiency of internal organisation and management, strengthening their accountability and transparency in legal relations.

On 13 June, the Ministry of Communities and Territories Development of Ukraine hosted [a presentation of the study "Community as a Legal Entity of Public Law"](#). The study reveals the grounds and consequences of granting this status to communities, as well as proposals for legislative changes to implement such a decision.



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

Sector: energy sector

Status: completed on time

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.

Following consideration at a meeting of the Government Committee on May 28, 2025, the revised [draft order](#) approving the Roadmap for the Separation of the Renewable Energy Surcharge from the Electricity Transmission Tariff and the corresponding action plan, taking into account the comments provided, was sent by the NEURC for approval to the Antimonopoly Committee, the Ministry of Finance, the National Bank, the State Service for Special Communications and Information Protection, and the State Regulatory Service.

On June 25, the Cabinet of Ministers [approved](#) the Roadmap for the Separation of the Renewable Energy Surcharge from the Tariff for Electricity Transmission Services and the Action Plan for the Implementation of the Roadmap for the Separation of the Renewable Energy Surcharge from the Tariff for Electricity Transmission Services for 2025 and 2026. Thus, the indicator is considered to be met.



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 USD 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. On April 9, a revised regulatory impact analysis was [published](#).



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

Sector: management of critical raw materials

Status: in progress

International tenders for the conclusion of production sharing agreements (PSAs) should be launched using standard terms and conditions of these agreements approved by the CMU and made public. The 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 February 14, 2023 [approved the](#) list of subsoil areas (deposits) of strategic importance for the sustainable development of the economy and defense 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 contracts (agreements) for subsoil use, including PSAs concluded after January 15, 2022, is already provided for by the requirements of the Law "On Ensuring Transparency in Extractive Industries".

At the end of the year, representatives of the State Service of Geology and Subsoil [reported](#) that in the spring of 2025, the Cabinet of Ministers plans to announce tenders for PSAs 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 PSAs for subsoil sites with deposits of critical and strategic minerals as a priority for 2025. The work [plan](#) for 2025 envisages general functions for processing materials for launching tenders.

On March 4, 2025, the State Service of Geology and Subsoil of Ukraine [published a](#) draft resolution of the Cabinet of Ministers "On Approval of Lists of Minerals and Components of Strategic and Critical Importance and Lists of Subsoil Areas (Mineral Deposits) of Strategic and (or) Critical Importance". The list of sites to be provided for use through a PSA tender almost completely duplicates the current CMU Resolution No. 132 of February 14, 2023, except for one site (potash), which is proposed to be replaced by another. On April 9, a revised regulatory impact analysis was [published](#).

On April 8, the Cabinet of Ministers approved the proposals of the Interagency Commission for Organizing the Conclusion and Implementation of PSAs to hold a tender for a production sharing agreement for hydrocarbons to be produced at [Mezhyhirska](#) and [Svichanska](#) *oil and gas fields*. The tender for both blocks [will last](#) up to six months. Within two months, the announcement of the tender will be published on the website of the Ministry of Energy, and applications will be accepted within three months from the date of publication. Another month after the submission of applications will be allocated for evaluation and selection of winners. Thus, these two competitions are not considered activities aimed at fulfilling the indicator.

In turn, on June 17, the First Vice Prime Minister and Minister of Economy of Ukraine, Yulia Svyrydenko, [said](#) that the Interagency Commission for the Organisation of Conclusion and Implementation of Production Sharing Agreements (IC PSA) was preparing to announce a tender for the conclusion of a PSA for Dobra lithium ore deposit. Thus, there is visible progress in the implementation of this indicator.



Indicator No.15.6 Re-establishment of the mandatory MRV system (Q2 2025)

Sector: green transition and environmental protection

Status: completed on time

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, passing and dismissal from the 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 the existence of a professional and effective civil service in Ukraine. Indicator 1.1. envisages improvement of the approach to remuneration in the civil service, while indicator 1.2. is intended to improve the procedures for selection, recruitment and dismissal from the civil service.

At the same time, it is noted that the new legislation (including bylaws) should come into force by the end of the third quarter of 2025. It should be in line with the OECD principles of public administration (SIGMA), which relate to 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 benchmarks, which Ukraine is successfully and timely implementing. The roadmap was adopted in December 2023, while the implementation plan is scheduled for summer 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, it is actually said that DREAM (Digital Recovery Ecosystem for Accountable Management) will become such a tool, a platform initially created for transparency and coordination of recovery and reconstruction efforts. The DREAM portal already has a [section on public investment projects](#). However, so far, it is more about informing about such projects rather than having complete and detailed information on 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 system

Status: in progress

The indicator will be considered fulfilled if at least 20% of judicial vacancies available as of 16 October 2023 (total number of vacant positions is 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 of 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 the assessment of 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 16.10.2023 was 2,205 (20% - 441 vacancies);
- the number of positions that were filled in the period from 16.10.2023 to 23.06.2025 was 378.

Thus, according to the HQCJ, 63 more vacancies need to be filled to meet indicator 3.1.



Indicator 3.2. Establishment of a new court to hear administrative cases (Q3 2025)

Sector: judicial system

Status: in progress

The indicator will be considered achieved 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 with the involvement of independent experts.

In line with this indicator, the VRU submitted draft laws No. [12206](#) on the operation of the High Court for Public Disputes, No. [12206-1](#) on the operation of the High Specialised Administrative Court, and No. [12206-2](#) on the operation of the High Administrative Court.

On 03.12.2024, the Verkhovna Rada of Ukraine did not support any of the three draft laws. Proposals to send these draft laws for a repeated first reading or to the subjects of 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 No. [12368-1](#) was also submitted.

On 09.01.2025, the Parliament rejected Draft Law No. [12368](#) and supported Draft Law No. [12368-1](#) as a basis. In addition, on 18.02.2025, a comparative table of changes to the second reading was submitted.

The draft law proposes to establish the Kyiv City District Administrative Court, and the Kyiv City Administrative Court of Appeal to review its decisions on appeal. Currently, the draft law does not meet the conditions for fulfilling the indicator, in particular, as 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.

Subsequently, on 26 February 2025, the Parliament approved the draft law No. [12368-1](#) in its entirety. Thus, the Kyiv City District Administrative Court will be established in Ukraine as a court of first instance for disputes concerning the NAPC, the NBU, the BES, etc. and the Kyiv City Administrative Court of Appeal, which will act as a court of appeal for the said 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 the Roadmap for the separation of PSO (public service obligations) and non-PSO activities of state-owned enterprises.

Thus, it is planned to separate the accounts between PSO and non-PSO activities in SOEs to avoid cross-subsidisation. Thus, at the first stage (indicator 6.6 is to be achieved in the first quarter of 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 to it. This will be done to ensure that the appropriate segregation of accounts between PSO and non-PSO is effectively implemented in all state-owned companies.

By the third quarter of 2027, the government should ensure that SOEs involved in PSOs are independently audited on the effectiveness of their implementation of the legislation.



Indicator 6.9. Cancellation of the suspension of the law on state aid and restoration of control over state aid and harmonisation 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 renewed the Law on State Aid to Business Entities in relation to aid 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 the martial law.

In March 2025, the Antimonopoly Committee published [a draft law on the renewal of the State Aid Law](#) for public discussion, which ended without comment. The draft law proposes to renew the Law until 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.

At the same time, a dialogue is currently underway with the European Commission on the compliance of the draft law with EU law. We expect that the restoration of the rules will be a complicated process in the parliament. The draft law has not yet been submitted to the Verkhovna Rada. According to available information, discussions have already begun with the European Commission on postponing this indicator.



Indicator 8.2. Deregulation in selected sectors
(Q3 2025)

Sector: business environment

Status: in progress

Legislation is to be adopted (to enter into force) to deregulate and simplify the business environment, focusing on the following areas

- digitalisation of permitting and licensing procedures through the implementation of a pilot project to introduce a Unified State Electronic System of Permits;
- reducing business inspections by introducing voluntary insurance and audits;
- regulating the succession of permits and licences in the event of a change in the legal form of a business entity.



Indicator 8.8. Adoption of harmonised 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 products (machinery, electromagnetic compatibility of equipment, low-voltage electrical equipment) by translation. The Ministry of Economy and the State Enterprise "Ukrainian Research and Training Centre for Standardisation, Certification and Quality" (upon 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 defined a list of national standards that are identical to harmonised European standards as part of the implementation of Directive 2014/30/EU on the harmonisation of the laws of the Member States relating to 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 sector

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.

It is worth noting [the approval](#) in November 2023 of the Concept of the State Target 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 14 January, 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 introducing modern mechanisms for financing modernisation.

On May 5, the Ministry of Communities and Territories Development of Ukraine [published](#) the draft Law "On Amendments to Certain Laws of Ukraine on Supporting the Development of Efficient and Sustainable District Heating". It is reported that comments and suggestions are accepted within one month from the date of publication.



Indicator No.12.4 **Enactment of legislation on state support for agriculture in Ukraine**
(Q3 2025)

Sector: agri-food sector

Status: in progress

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

- New measures to support agriculture and its sectors based on SWOT analysis
- New approaches to supporting investments of small farms
- Financial support instruments with the participation of IFIs
- Use of the State Agrarian Register to provide support

On 21 April, the Government submitted to the Verkhovna Rada a draft law on amendments to certain laws of Ukraine on the organisational principles of support in the agricultural sector. The draft law envisages the implementation of a number of provisions of the EU Common Agricultural Policy (CAP) regulations, the establishment of an independent payment agency, the formation of a farm sustainability data system (FSDN), and the introduction of an Integrated Administration and Control System (IASC) for agricultural aid. On 17 June, the Verkhovna Rada adopted the alternative [draft law 13202-1](#) in the first reading. According to the responsible committee, this draft law contains additional provisions compared to the government's draft law, including additional control over the spending of funds and increased responsibility for their misuse



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

On June 17, Geoinform of Ukraine and the EBRD [signed](#) an Agreement on the launch of the second stage of the implementation of the Memorandum of Technical Assistance for the digitisation of secondary geological information, development of IT architecture and functionality of the State Geological Portal. The 30-month project envisages the purchase of equipment and software, scanning and digitisation of 60,000 units of geological information for placement on the State Geological Portal. It is planned to create an English-language interface, translate geological report abstracts and develop interactive maps.

It is worth noting that before the war, the State Service of Geology and Mineral Resources [published](#) a report entitled Strategic Minerals: A Development Roadmap for Ukraine, but the information obviously needs to be updated. 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 (harmonise) 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 2nd Nationally Determined Contribution of Ukraine to the Paris Agreement
(Q3 2025)

Sector: green transition and environmental protection

Status: in progress

The indicator requires the entry into force of the Cabinet of Ministers' resolution approving Ukraine's 2nd Nationally Determined Contribution to the Paris Agreement. In addition, according to the indicator, the second NDC of Ukraine to the Paris Agreement should be more ambitious than the current Updated NDC of Ukraine. This obligation is also [enshrined](#) in the final and transitional provisions of the Law "On the Basic Principles of the State Climate Policy".

Ukraine's updated Nationally Determined Contribution to the Paris Agreement was adopted by the Cabinet of Ministers of Ukraine by Resolution [No. 868-r](#) on 30 July 2021, and the preparation process [had been underway](#) since 2018. The document is published [on the website of the UNFCCC](#). In addition, in July 2021, the Ministry of Ecology published an analytical review of the Updated IED [in Ukrainian](#) and [English](#). In July 2023, a draft action plan for the implementation of the INDC [was published](#), identifying key measures that will help reduce 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 target for 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 the upcoming reconstruction (which will lead to an increase in emissions for some time). On 27 May, the Ministry of Environmental Protection and Natural Resources [held](#) a discussion of the draft Nationally Determined Contribution of Ukraine until 2035, where model NDC scenarios were presented.

On June 11, the Ministry of Environmental Protection and Natural Resources [published a](#) draft order of the Cabinet of Ministers "On Approval of the Second Nationally Determined Contribution of Ukraine to the Paris Agreement". Comments and suggestions will be collected for a month.



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

Sector: public financial management

Status: in progress

Several IMF structural guidelines are devoted to the public debt management strategy: No. 10 and No. 15 (implemented in 2023,

Effective public debt management allowed Ukraine to reduce public and publicly guaranteed 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 in two years of the Compact. As a result, at the beginning of the full-scale war, Ukraine had a stable fiscal situation

At the same time, as a result of Russia's full-scale war against Ukraine, public and publicly guaranteed 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 Public Debt Management Strategy after the restructuring.

Therefore, the issue of approving the new Strategy is relevant. The Strategy adds predictability and transparency to public 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 achieve this indicator, amendments to the resolutions of the Cabinet of Ministers or other legislative acts on public financial control should be adopted and enter into force, in particular, in the following areas

- Enabling the State Audit Service to ensure that the agency has the means to protect the financial interests of the EU, in particular with regard to funds used under Component I of the Ukraine Plan, using international auditing 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 EU practices and the 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 provide a clearer definition of the mandate of the State Audit Service.

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



Indicator No. 3.3: 20% of old disciplinary proceedings (cases) pending as of the end of 2023 are resolved (Q4 2025)

Sector: judicial system

Status: completed

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

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

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

On 23.12.2024, the Service of Disciplinary Inspectors started 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.

According to the High Council of Justice's automated workflow system, as of **the end of June 2025**, the disciplinary inspectors of the High Council of Justice, in accordance with the requirements of paragraph 13.7 of the Rules of Procedure of the High Council of Justice, identified 77 complaints as priority (out of those received by 31 December 2023) and **have already considered 18 complaints (23%)**, which meets the target.



Indicator 3.4. Qualification assessment (verification) is conducted to ensure predictability, sustainability and transparency of disciplinary practice against judges (Q4 2025)

Sector: judicial system

Status: in progress

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

Fulfilment of the indicator will make it possible to verify the compliance of judges' qualifications with their positions.

It is worth recalling that for a long time the HQCJ did not hold meetings on the procedure of 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 due to the termination of the powers of the Commission's second-term members.

[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 a 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 30.09.2016 was 6,958, of which as of 23.06.2025:

- 3,149 judges (45.25%) 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%) are not suitable for their positions.

Thus, **the qualification assessment of 3,289 judges (47.26%) has been completed to meet indicator 3.4.**



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

Sector: judicial system

Status: in progress

To meet this indicator, the 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. The low efficiency and traceability of the enforcement of court decisions [lead](#) to a levelling of the value 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, analysing 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 obligation related to this indicator under the Ukraine Transitional Funding Plan, which was fulfilled on time. This refers to the approval and entry into force of the Government's order approving the action plan aimed at preventing and/or minimising the negative consequences of the risks identified in the third round of the National Risk Assessment in the field of preventing and combating money laundering, terrorist financing and financing of 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

- identifying those risks that should be accepted, prevented, mitigated or transferred to the supranational level of their resolution;
- identifying priority areas for change;
- specification of the necessary management decisions aimed at mitigating the consequences of the identified risks, levelling 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 Organised Commodity Markets
(Q4 2025)

Sector: financial markets

Status: completed

According to the indicator, the new law should bring the regulation of capital markets in line with the 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 27 April 2024, although some provisions will come into force on 1 January 2026 and 1 January 2028.

According to the Verkhovna Rada's European Integration Committee, the Law's provisions are generally in line with IOSCO principles, despite comments on certain provisions. The indicator is marked as completed in the reform matrix



Indicator 7.4. Enactment of legislation on the system of changes to implement the system of transition from military service to civilian life (Q4 2025)

Sector: human capital

Status: in progress

The Law of Ukraine on Amendments to Certain Legislative Acts of Ukraine on the Implementation of the System of Transition from Military Service to Civilian Life should enter into force, and the Cabinet of Ministers should adopt resolutions on the approval of procedures and conditions for receiving services by participants of the transition system. The acts should focus on ensuring the creation of

- rehabilitation and medical, including psychological, assistance;
- training, retraining and professional development programmes;
- necessary conditions for employment of veterans as a separate category;
- measures to support veteran businesses.



Indicator 7.8. Enactment of the Law of Ukraine "On the Basic Principles of Housing Policy"
(Q4 2025)

Sector: human capital

Status: in progress

For this indicator to be met, the Law of Ukraine "On the Basic Principles of Housing Policy" should enter into force. The law should focus on the following main areas:

- making housing affordable for the most vulnerable categories of citizens a basic principle in the provision of housing;
- creating various support mechanisms for citizens with different financial capacities and defining criteria for access to them;
- regulating the legal basis for the introduction of lease of communal housing, 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;
- establishing a transparent framework for monitoring by the public, civil society and the international community.

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

- Establishment of housing policy principles in line with the EU, 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;
- Identification of housing stocks;
- Implementation of financial and credit mechanisms for the acquisition of housing by citizens;
- 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, the legislation on transposition of the provisions 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. On 18 October 2024, [an alternative](#) draft law No. 12087-1 was submitted. The initiative to submit the draft law was welcomed by the Energy Community [Secretariat](#) and the [USAID](#) Energy Security Project.

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.

On June 25, the Committee on Energy, Housing and Utilities [approved](#) a consolidated revised version of draft law No. 12087-d on the implementation of European energy law, improving security of supply and competitiveness. It is recommended to include it in the agenda of the Verkhovna Rada and adopt it in the first reading.

On March 28, the Cabinet of Ministers [approved](#) the Action Plan for the implementation of the European Commission's recommendations presented in the Ukraine Progress Report under the 2024 EU Enlargement Package. Thus, according to the plan, by August 2025, it is planned to adopt and implement an integration package of EU legal acts in the electricity sector.



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

RRR4U

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 2 October 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 a 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.

On March 28, the Cabinet of Ministers [approved the](#) Action Plan for the implementation of the European Commission's recommendations presented in the Ukraine Progress Report under the 2024 EU Enlargement Package. Thus, according to the plan, by August 2025, it is planned to intensify the reform of the electricity market by adopting and implementing the EU integration package of acts in the electricity sector, including by appointing NEMO.



Indicator No.10.11 Determination of 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.

In early May, the NEURC management [met](#) with the ACER Director to discuss the independence of the national regulator, including its financial independence.



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

Sector: energy sector

Status: in progress

The indicator envisages the lifting 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 lifted the moratorium on raising gas distribution tariffs for non-household consumers (enterprises, budgetary institutions, heat supply organizations, and municipal facilities). The corresponding amendment appeared [in the draft law No. 10393](#) before the second reading. Thus, after the adoption of the law, the moratorium remained in place only for household consumers.

In turn, [according to](#) the NBU's Inflation Report of April 2025, gas, heating, and hot water tariffs are not likely to change this year. At the same time, starting in 2026, they are expected to gradually approach economically reasonable levels. Uncertainty about the timing and extent of tariff increases poses risks to the inflation forecast: postponing decisions will reduce inflation but worsen the financial condition of energy companies. On the other hand, a rapid increase in tariffs could increase inflation and the need for subsidies.



Indicator No.10.13 Adoption of the State Target Economic Program 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 Target Economic Program for Energy Modernisation of Heat Generating Enterprises until 2030, which aims to

- identify measures to improve the sustainability, quality and affordability of heat supply services;
- identify measures to support decarbonisation, reduce greenhouse gas emissions and expand the use of renewable energy sources;
- Ensure the implementation of measures to strengthen the governance and management skills of local authorities in the district heating sector.

In turn, the development of the State Targeted Economic Program for Energy Modernisation of State-owned or Communally Owned Heat Producers for the period up to 2030 [is envisaged](#) by the Action Plan for the Implementation of the Energy Strategy of Ukraine for the period up to 2050 by 2027.

On November 28, 2023, the Cabinet of Ministers [approved](#) the Concept of the State Targeted Economic Program 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 program.

On July 19, 2024, the Ministry of Infrastructure [published a](#) draft State Targeted Economic Program 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: transport

Status: in progress

Two draft laws No. [12142](#) "On the system and peculiarities of the functioning of the railway transport market of Ukraine" from the Cabinet of Ministers and an alternative draft law No. [12142-1](#) from the members of the Verkhovna Rada Transport Committee have been registered in the Verkhovna Rada.

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 railway. In addition, the draft laws 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 only come into force 5 years after the end of martial law in Ukraine, and non-state sector entities will be able to operate on the 1520 mm railway 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, passenger, infrastructure) that will have independent accounting for costs and revenues. This version of the draft law was discussed with the business community and comments were taken into account.

Both draft laws implement 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.

In turn, in early March 2025, a public discussion of the National Sustainability Reporting Strategy, a document that defines the future of Ukrainian business in the context of global environmental and social challenges, [took place](#). Summarizing the discussion, the participants agreed that one of the key areas of work is the synchronization of Ukrainian legislation with European requirements. It was also noted that in the near future the Ministry of Finance plans to establish an interagency working group on the implementation of ESG reporting, as well as to develop an operational plan for the implementation of the national Sustainability Reporting Strategy.

At the end of March, the Green Transition Office (an independent advisory body under the Ministry of Economy implemented by DiXi Group) [presented](#) the first comprehensive study of the readiness of Ukrainian businesses to implement ESG practices.



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.

According to our information, as of May 2025, the Ministry of Environmental Protection and Natural Resources has already developed a draft decision.



Indicator 1.4. Restore and modernise the Unified Civil Service Vacancies Portal (career.gov.ua)
(Q1 2026)

Sector: public administration reform

Status: in progress

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

Such a portal will promote transparency in civil service employment and increase efficiency. The NAUCS is responsible for the implementation of the indicator.



Indicator 1.5. Full launch and use of the human resources management information system (HRMIS)

(Q1 2026)

Sector: public administration reform

Status: in progress

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

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



Indicator 3.7 Entry into force of legislation on simplified insolvency procedures for MSMEs

(Q1 2026)

Sector: judicial system

Status: in progress

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



Indicator 3.12: Legislation ensuring transparent and merit-based selection of prosecutors to senior positions in the prosecution service enters into force
(Q1 2026)

Sector: judicial system

Status: in progress

According to the Ukraine Plan, "increasing the accountability and integrity of the prosecution is key to combating abuse of power and pressure on business and investors by law enforcement agencies, which is widespread in Ukraine".

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

- clear assessment criteria, including professional competence and integrity/ethics;
- a transparent, competitive and meritocratic selection procedure, including verification of professional competence and integrity;
- Strengthening the institutional capacity and powers of the Office of the Prosecutor General and the prosecutorial self-government, in particular the Council of Prosecutors, in terms of selection of prosecutors for senior positions.

On 24 June, the newly appointed Prosecutor General of Ukraine Ruslan Kravchenko [supported](#) a publicly transparent, merit-based selection of prosecutors for senior positions, as envisaged by the EU's Ukraine Facility initiative and planned legislative changes that would require the adoption of a special law based on the best European standards.

This process will be conducted in an open manner, with the involvement of international experts and in consultation with the Venice Commission.



**Indicator 5.1. Publication of the banking system
resilience assessment**
(Q1 2026)

Sector: financial markets

Status: in progress

The indicator provides for the publication of a resilience assessment of the 20 largest banks by assets. If the necessary conditions are met, the assessment should include a stress test that assesses the bank's condition under a negative economic scenario and an independent assessment of asset quality (AQR).

In December 2024, the NBU approved the [terms of reference](#) for the 2025 bank [assessment](#) and defined the specifics of its conduct. In May 2025, [the](#) NBU [approved a methodology for stress testing banks](#). The assessment procedure is in line with the indicator.



Indicator 5.2. Enactment of legislation on the sale of public sector banks
(Q1 2026)

Sector: financial markets

Status: in progress

The indicator provides for the entry into force of amendments to the rules for the sale of state-owned banks. In particular, it is proposed to update the Law No. 4524-VI, which defines the peculiarities of the sale of stakes in state-owned banks. The updated legislation should allow for the sale of minority and majority stakes in banks and banks as a whole in accordance with the priorities set by international partners.

The central component of the indicator has already been fulfilled: in October 2024, [Law 3983-IX](#) On the Peculiarities of the Sale of Stakes Owned by the State in the Authorised Capital of Banks came into force. However, this indicator is not marked as met in the Ministry of Economy's monitoring, which indicates plans to adopt additional legislation in this area.



Indicator 5.5. Legislative amendments to improve the resolution of non-performing loans enter into force (Q1 2026)

Sector: financial markets

Status: in progress

The indicator envisages the entry into force of legislative acts that will implement the recommendations of the strategy for resolving non-performing loans (Indicator 5.4)

This prerequisite was fulfilled in summer 2024



Indicator 8.5. Ensuring that issues of connection to utility networks are resolved
(Q1 2026)

Sector: business environment

Status: in progress

The indicator envisages the entry into force of the Law on Amendments to Legislative Acts to Simplify the Connection of Real Estate to External Utility Networks and Improve Legal Regulation in the Field of Pipeline Transport. The law will provide for

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



Indicator 9.3. Better distribution of powers between local governments and executive authorities
(Q1 2026)

Sector: public administration reform

Status: in progress

Legislation to ensure a better division of powers between local self-government and executive authorities is to come into force.



Indicator 12.6: Implementation of support through the State Agrarian Register (SAR)
(Q1 2026)

Sector: agri-food sector

Status: in progress

RRR4U

Previously, in Q4 2024, Ukraine fulfilled indicator 12.3, which provided for the entry into force of the law on the State Agrarian Register. In particular, the Law of Ukraine "On the Information and Communication System "State Agrarian Register" was adopted, which defines the legal, organisational and financial principles for the creation and functioning of the information and communication system "State Agrarian Register" in order to protect the rights and interests of individuals and legal entities during the creation, storage, processing and use of register information in public electronic registers.

The next step in improving the official public electronic register of agricultural enterprises is the implementation of indicator 12.6, which stipulates that a report will be submitted stating that by the end of 2025, 80% of state support will have been received through the SAR



Indicator No.15.8 Development of a Strategy for implementing circular economy principles and an Action Plan for its implementation
(Q1 2026)

Sector: green transition and environmental protection

Status: in progress

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

At the end of May 2024, the Ministry of Economy [hosted](#) a meeting of the interdepartmental working group on the development of the circular economy, where the results and further work plan for the development of the strategy were presented.



Indicator No.15.9 Adoption of the National Waste Management Plan until 2033
(Q1 2026)

Sector: green transition and environmental protection

Status: completed

The indicator envisages the adoption of the Cabinet of Ministers' Resolution "On Approval of the National Waste Management Plan of Ukraine until 2033". The document should focus on the following main areas:

- household waste management;
- hazardous waste management;
- infrastructure needs;
- analysis of the economic and financial sustainability of the action plan for the implementation of economic instruments to improve waste management;
- monitoring and control of waste management;
- strategic planning of waste management in Ukraine;
- introducing waste management at the regional level.

At the same time, such a plan has already been [approved](#) by the Cabinet of Ministers of Ukraine in its Resolution No. 1353-r dated December 27, 2024. Thus, the indicator is considered to be already met. The National Waste Management Plan is subject to review every 4 years from the date of entry into force.

RRR4U

SPECIAL TOPIC

"Public Administration Reform: a new approach to solving an old problem"





Public administration reform has been urgent for many years

Public administration reform (PAR) has been ongoing for many years

Why is public administration reform needed?

- Ukraine has an extensive reform agenda for economic growth, European integration and recovery
- Reforms are developed, adopted and implemented primarily by civil servants
- Effective change is impossible without a professional, honest and motivated civil service
- Today, there is a shortage of civil service personnel who can effectively respond to these challenges

The goal of the reform is to build a modern, digital and service-oriented state

The reform envisages the formation of an effective public administration system capable of developing and implementing a comprehensive public policy aimed at the needs of citizens, sustainable social development and adequate response to internal and external challenges

The public administration reform is covered by Section 1 of the Plan of Ukraine



Brief history of the implementation of the BDS (main)

- **2016 - 2022** - adoption of [the Strategy of](#) the [Public Administration](#) by 2020, which was agreed with the EU, and its implementation
- **2018 - 2021** - establishment of directorates, launch of a new competitive system
- **2020** - [Concept of remuneration](#) reform
- **2021 - 2025** - Adoption of [the Strategy](#) for 2022-2025 and its implementation: according to the Association Agreement, the Strategy is based on "adherence to democratic principles, the rule of law, and good governance"
- **2024 - 2025** - development and publication of [the roadmap for](#) the RDA
- **2024 - 2025** - an experiment on civil service remuneration, which introduces a new system based on job classification
- **2025** - the [Law](#) "On Amendments to Certain Laws of Ukraine on the Implementation of Unified Approaches to Remuneration of Civil Servants Based on Position Classification" is adopted



Implementation of the Public Service Commission in Ukraine: SIGMA's assessment

Figure 1. The overall indicator averages by area in 2018, 2021 and 2023

	2018	2021	2023
Strategic framework of PAR	1.5	1.5	3
Policy development and co-ordination	2.5	2.6	2.6
Public service and HRM	2.8	2.4	2.1
Accountability	2.8	3.4	3.2
Service delivery	1.5	4.3	4.5
Public financial management	NA	2.9	2.8
Budget management and internal audit and control	NA	2.9	2.8
Public procurement	NA	3.2	3.0
External audit	NA	2.5	2.5

Note: The figure presents area averages for each area. The arithmetic mean of the sub-indicators is used to calculate the area average.

Source: [SIGMA](#) report



Comprehensive, complex and ambitious reform

Key reforms from the Roadmap

- **Strengthening policy and legislative capacity:** improving planning, coordination and management, introducing evidence-based practices and institutionalising capacity to manage the EU accession process
- **Building a capable, professional and motivated civil service:** establishing a robust recruitment and selection system based on professional competencies that ensures integrity; improving staff retention and motivation through comprehensive civil service remuneration reform; expanding training and development opportunities; and digitalising HR management to increase efficiency and transparency.
- **Optimising organisational structures and strengthening accountability:** implementing the provisions of the Law on Administrative Procedure and adopting critical laws, such as the new Code of Administrative Offences and regulations on citizen participation; developing a multi-level governance system in line with the European model; reforming ministries and restructuring ministerial relations with subordinate agencies, services and inspectorates to ensure transparency and efficiency.
- **Promoting digitalisation:** expanding and improving the availability of digital services for all citizens, while maintaining access to offline services; promoting electronic identification and trust services, ensuring mutual recognition of qualified electronic trust services with the EU.
- **Improving public finance management:** optimising expenditures and medium-term budget planning; improving the fiscal risk management system; creating a sustainable public investment management system; increasing transparency and accountability in public finance management; bringing internal and external control in line with international standards



Indicator 1.1. Enactment of legislation on civil service remuneration reform (Q1 2025)

Sector: public administration reform

Status: completed, but not on time

For years, the civil service remuneration system has been inefficient. The large share of variable pay made the predictability of remuneration low, and its amount depended on the management. Also, the 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 is in line with the principles of public administration set out in the Organisation for Economic Co-operation and Development (OECD, SIGMA) program. The reform includes:

- introduction of remuneration based on the classification of positions by functional area;
- a clear division of salaries into a fixed or guaranteed part and a variable part;
- reduction of the longevity bonus from 50% to 30%.

The relevant changes for 2024 have already been partially implemented by [the CMU Resolution "Issues of Remuneration of Civil Servants Based on Position Classification 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 28 July 2023, and was adopted in its entirety on 11 March 2025, and sent to the President for signature on 17 March.

The President [signed the bill](#) only on 3 June. The entry into force of the law allowed the government to adopt two resolutions on 6 June:

- [On approval of the Procedure for the formation of the salary fund of civil servants in a state body](#)
- [On Amendments to the Resolution of the Cabinet of Ministers of Ukraine of 29 December 2023 No. 1409](#)

Therefore, the indicator is met, but with a delay.



Changes in remuneration: the idea of greater transparency and stability

Article 50 of Law No. 4282-IX:

- The state shall ensure a sufficient level of remuneration of civil servants for the professional performance of their duties, and shall encourage them to work efficiently, effectively, with integrity and initiative.
- The salary of a civil servant consists of:
 - 1) fixed salary - official salary, long service allowance, allowance for the rank of civil servant - fixed basic and guaranteed payment
 - 2) variable salary - bonuses based on the results of annual performance appraisal, monthly or quarterly bonuses - may not exceed 30% of the amount of his/her official salary

Article 51 of Law No. 4282-IX:

- The catalogue of typical civil service positions and criteria for classification of such positions shall include a list and descriptions of
 - 1) families of positions - civil service positions united by common functional areas of activity
 - 2) levels of positions - features that reflect qualitative differences in the characteristics of complexity and responsibility of work at a certain level of service in civil service positions
 - 3) jurisdictions and types of state bodies
- The minimum official salary is not less than 2.5 times the subsistence minimum for able-bodied persons



Further obligations: Civil service selection procedure

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

Indicator 1.3. Restoration of selection for vacant positions based on professional competences for all civil servants (Q3 2026)

- During the full-scale war, competitions for most positions were suspended, which is not in line with the principles of effective public administration

According to the Plan of Ukraine, the reform consists of the following steps

- Adoption and amendment of the necessary legislation to improve the procedures for entering, passing and leaving the civil service on the basis of meritocratic principles
- gradual restoration of competitive selection procedures based on professional competences and abilities of candidates for all categories of civil servants (starting with category A and gradually covering categories B and C), in the territory controlled by Ukraine where there are no hostilities
- appropriate methodological support for this process



Further commitments: Digitalising civil service and human resource management

Indicator 1.4. Restoration of the work and modernisation of the Unified Civil Service Vacancies Portal (career.gov.ua) (Q1 2026)

Indicator 1.5. Full launch and use of the human resources management information system (HRMIS) (Q1 2026)

According to Ukraine's Plan, the reform consists of the following steps:

- The main components of the reform are the continued implementation of the HRMIS and the resumption of the operation of the Unified Civil Service Vacancies Portal (career.gov.ua or its modified versions), and further expansion of its functionality for local self-government bodies.

As a result of this reform:

- The use of HRMIS, including the payroll function, in all ministries and in all existing other central executive authorities and their territorial bodies will ensure the gradual upgrade of all outdated HR IT systems.
- The updated Unified Civil Service Vacancies Portal (career.gov.ua) will be able to generate transparent data and statistics on all types of competitive procedures and vacancies in the civil service and local self-government.



Challenges

Challenges facing Ukraine

- To develop and adopt all the changes envisaged in the Plan of Ukraine, as well as on the path to European integration, and to implement the relevant changes in a quality manner
- Accordingly, the need for a motivated professional civil service

Objectives.

- Effective recruitment of specialists to the civil service (against the background of open declarations, lifetime PEP statuses, and unsatisfactory attitudes towards civil servants in society)
- Rapid training and retraining to meet new challenges and tasks (English is becoming mandatory for many)
- Increase in remuneration for specialists
- Review of the functions of ministries and other central executive bodies to eliminate duplication and unnecessary functions

Political will of all authorities to implement changes and clear communication of the reform is needed

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