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NOTE

From:	General Secretariat of the Council
To:	Delegations
Subject:	ANNEX to the COUNCIL IMPLEMENTING DECISION amending Implementing Decision (EU) 2024/1447 on the approval of the assessment of the Ukraine Plan

Please note that Step “8.3” on pages 3 and 100 in document ST 10767/26 ADD 1 has been corrected to read “8.13”.

ANNEX

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FINANCIAL SUPPORT UNDER THE UKRAINE PLAN

The instalments referred to in Article 19(.2), point (c) of Regulation (EU) 2024/792 shall be organised in the following manner, considering also the indicative maximum annual amounts as provided by the Regulation:

First instalment (Q2-2024)

Total amount: EUR 4 365 691 244

Non-repayable support: EUR 1 500 000 000

Loans: EUR 2 865 691 244

Total number of steps: 9

Sequential number	Reform/Investment	Name of the step
2.2	C2.R1 Improved revenue management	Adoption of the strategic plan for the digitalisation of the State Customs Service
2.3	C2.R2 Improved public financial management	Approval of the Budget Declaration for 2025-2027
2.7	C2.R4 Improved public investment management	Adoption of the Action plan for the implementation of the Roadmap for reforming public investment management
4.2	C4.R1 Developing the institutional capacity of the anti-corruption infrastructure	Appointment of a new head of the National Agency on Corruption Prevention
6.2	C6.R2 Improved governance and management of state-owned enterprises	Entry into force of the legislation on corporate governance of state-owned enterprises

8.13	C8.R2 Reform of the Economic Security Bureau of Ukraine	Entry into force of the law on revising the legal basis of the Economic Security Bureau of Ukraine.
10.1	C10.R1 Integrated National Energy and Climate Plan	Adoption of the Integrated National Energy and Climate Plan
10.15	C10.R7 Improved energy efficiency in public buildings and improvement of public procurement procedures	Adoption of the Strategy for thermal modernisation of buildings until 2050 and the Action Plan
12.8	C12.R6 Demining of land and water areas	Adoption of the strategic document on Mine Action for the period up to 2033

Second instalment (Q3 2024)

Total amount: EUR 4 248 847 926

Non-repayable support: EUR 1 500 000 000

Loans: EUR 2 748 847 926

Total number of steps: 9

Sequential number	Reform/Investment	Name of the step
4.1	C4.R1 Developing the institutional capacity of the anti-corruption infrastructure	Increased manpower for the Specialised Anti-Corruption Prosecutor's Office
4.4	C4.R2 Improving the legal framework for a more effective fight against corruption	Entry into force of the amended Criminal Code and of the Criminal Procedure Code
4.6	C4.R2 Improving the legal framework for a more effective fight against corruption	Adoption of an Action Plan for the implementation of the Asset Recovery Strategy for 2023-2025
7.6	C7.R6 Improved functioning of the labour market	Adoption of the Demographic Development Strategy for the period up to 2040
8.1	C8.R1 Improved regulatory environment	Adoption of the Action Plan on deregulation
9.5	C9.R3 Development and implementation of regional policy	Adoption of resolutions to amend the State Strategy for Regional Development for 2021-2027
10.8	C10.R3 Electricity market reform	Entry into force of the secondary legislation on the Regulation on Wholesale Energy Market Integrity and Transparency (REMIT) law
15.1	C15. R1 Prevention, reduction and control of industrial pollution	Entry into force of the legislation on prevention, reduction, and control of industrial pollution with partial application of provisions
15.10	C15.R6 Environmental Impact Assessment (EIA) and Strategic	Development of a concept note defining the scope of deviations from the Environmental

	Environmental Assessment (SEA)	Impact Assessment (EIA) and Strategic Environmental Assessment (SEA) rules

Third instalment (Q4 2024)

Total amount: EUR 3 717 741 935

Non-repayable support: EUR 400 000 000

Loans: EUR 3 317 741 935

Total number of steps: 13

Sequential number	Reform/Investment	Name of the step
2.1	C2.R1 Improved revenue management	Adoption of the strategic plan for digitalisation of the State Tax Service
3.6	C3.R2 Reforms of insolvency and enforcement of court decisions	Entry into force of the legislation on the improvement of insolvency regime
6.1	C6.R1 Adopting a state ownership policy	Adoption of the state ownership policy and of the triage of state-owned enterprises
7.5	C7.R5 Improved social infrastructure and de-institutionalisation	Adoption of the Strategy for reforming Psychoneurological, Other residential Institutions and De-institutionalisation of Care for Persons with Disabilities, and Older Persons and of the Strategy for Ensuring the Right of Every Child in Ukraine to Grow Up in a Family Environment for 2024-2028
8.7	C8.R5 Harmonisation of legislation and standards with the EU	Adoption of the resolution for the resumption of market surveillance measures and control of non-food products, including product safety inspection
9.6	C9.R3 Development and implementation of regional policy	Adoption of resolutions for development of urban planning at the local level
10.2	C10.R2 Improved regulatory framework for increasing renewable energy and ensuring	Introduction of a market-based framework for renewable energy

	stable operation of the energy system	
10.10	C10.R5 Ensuring independence of National Energy and Utilities Regulatory Commission	Entry into force of the legislation to ensure the independence of the National Energy Utilities Regulatory Commission
11.1	C11.R1 Comprehensive planning of transport sector	Adoption of the revised National Transport Strategy of Ukraine until 2030
11.2	C11.R2 Development of Ukraine's export logistics potential	Adoption of the Strategy for developing and expanding the border infrastructure with EU Member States and the Republic of Moldova until 2030
12.1	C12.R1 Aligning the institutional framework on agriculture and rural development with the EU policy	Adoption of the Strategy for Agriculture and Rural Development until 2030
12.5	C12.R4 Improvement of the official public electronic farm register	Entry into force of the legislation on the State Agrarian Register
13.1	C13.R1 Strengthening strategic planning and ensuring optimum framework for strategic investors	Entry into force of the legislation on revising the National Programme for the Development of the Mineral Resource Base of Ukraine to 2030

Fourth instalment (Q1 2025)

Total amount: EUR 4 779 953 917

Non-repayable support: EUR 500 000 000

Loans: EUR 4 279 953 917

Total number of steps: 16

Sequential number	Reform/Investment	Name of the step
1.1	C1.R1 Civil service remuneration reform	Entry into force of the legislative changes to the civil service remuneration reform
4.3	C4. R1 Developing the institutional capacity of the anti-corruption infrastructure	Increased manpower for the High Anti-Corruption Court
4.7	C4.R2 Improving the legal framework for a more effective fight against corruption.	Entry into force of the law reforming the Asset Recovery and Management Agency
6.6	C6.R3 Separation of accounts between public service obligations (PSO) and non-PSO activities in state-owned enterprises	Adoption of Roadmap on the separation of public service obligations (PSO) and non-PSO activities
7.2	C7.R2 Improved preschool education	Entry into force of the legislation on preschool education
7.11	C7.R9 Improved cultural development	Adoption of the Strategy for the Development of Ukrainian Culture
9.1	C9.R1 Advancing decentralisation	Entry into force of the legislation on reforming of territorial organisation of the executive authorities in Ukraine with delayed application
9.4	C9.R2 Increased involvement of citizens to decision making process at the local level	Entry into force of the legislation for public consultations on public policy with delayed application

12.3	C12.R2 Ensuring a functional land market	Set up of an automated system for public monitoring of land relations
12.7	C12.R5 Long-term development of the irrigation system to increase climate resilience of the sector	Adoption of the long-term plan on the irrigation system
13.5	C13.R2 Improved administrative procedures	Set up of an upgraded e-cabinet of subsoil users
14.1	C14.R1 Secure and efficient digital infrastructure	Adoption of a revised Plan for allocation and use of the radio spectrum in Ukraine
14.2	C14.R1 Secure and efficient digital infrastructure	Entry into force of the legislation on strengthening the cyber security capabilities of state information resources and critical information infrastructure
14.3	C14.R2 Digitalisation of public services	Adoption of the Action Plan for digitalisation of public services until 2026
15.2	C15.R2 Climate policy	Entry into force of the legislation on the State Climate Policy
15.5	C15.R3 Market mechanisms of carbon pricing	Adoption of the Action Plan for the Establishment of a National Greenhouse Gas Emissions Trading System

Fifth instalment (Q2 2025)

Total amount: EUR 2 124 423 963

Non-repayable support: EUR 300 000 000

Loans: EUR 1 824 423 963

Total number of steps: 11

Sequential number	Reform/Investment	Name of the step
3.5	C3.R1 Enhancing the accountability, integrity and professionalism of the judiciary	Entry into force of the legislation revising the declarations of integrity of judges and their verification process
3.8	C3.R2 Reforms of insolvency and enforcement of court decisions	Entry into force of the law on the enforcement of court decisions related to monetary and non-monetary obligations and further digitalizing the enforcement proceedings.
5.4	C5.R3 Improved resolution of non-performing loans	Adoption of the strategy for resolution of non-performing loans
7.1	C7.R1 Improved vocational education	Entry into force of the legislation on vocational education
7.10	C7.R8 Improved social security	Adoption of the resolution on the procurement of social services
8.4	C8.R3 Access to finance and markets	Adoption of the Small and Medium Enterprises (SME) Strategy and Action Plan for its implementation
9.2	C9.R1 Advancing decentralisation	Endorsement and publication on the website of the Ministry of Communities, Territories and Infrastructure Development of Ukraine of a study on the necessary measures to grant legal personality to municipalities

10.4	C10.R2 Improved regulatory framework for increasing renewable energy and ensuring stable operation of the energy system	Adoption of the Roadmap of the process of separation of the Renewable Energy Surcharge from the Transmission Tariff
13.3	C13.R2 Improved administrative procedures	Publication of a pipeline of investment projects for extraction of critical raw materials
13.4	C13. R2 Improved administrative procedures	Launch of Product Sharing Agreement (PSA) international tenders ensuring their transparency
15.6	C15.R3 Market mechanisms of carbon pricing	Resumption of the compulsory monitoring, reporting and verifying (MRV) system

Sixth instalment (Q3 2025)

Total amount: EUR 2 655 529 954

Non-repayable support: EUR 300 000 000

Loans: EUR 2 355 529 954

Total number of steps: 10

Sequential number	Reform/Investment	Name of the step
2.8	C2.R4 Improved public investment management	Development and implementation of the digital management tool for the reconstruction of Ukraine
3.1	C3.R1 Enhancing the accountability, integrity and professionalism of the judiciary	Filling of at least 20% of judicial vacancies
3.2	C3.R1 Enhancing the accountability, integrity and professionalism of the judiciary	Entry into force of the law establishing a new court to hear administrative cases
5.2	C5.R2 Reducing state ownership in the banking sector	Entry into force of the legislation on the principles for the sale of state-owned banks
8.8	C8.R5 Harmonisation of legislation and standards with the EU	Adoption of harmonised standards for three groups of industrial products
10.5	C10.R3 Electricity market reform	Adoption of the Law on the transposition of the electricity integration package
12.4	C12.R3 Improving the institutional and administrative set up for managing investment programmes	Entry into force of the legislation on the public support of agriculture of Ukraine
13.2	C13.R1 Strengthening strategic planning and ensuring optimum framework for strategic investors	Publishing of a report on the verification of Critical Raw Materials' reserves of Ukraine

15.4	C.15.R2 Climate policy	Adoption of the second Nationally Determined Contribution of Ukraine to the Paris Agreement
15.9	C15.R5 Increased circular economy	Adoption of the National Waste Management Plan until 2033

Seventh instalment (Q4 2025)

Total amount: EUR 2 944 082 949

Non-repayable support: EUR 173 000 000

Loans: EUR 2 771 082 949

Total number of steps: 20

Sequential number	Reform/Investment	Name of the step
1.2	C1.R2 Merit-based recruitment and selection procedure for the civil service	Entry into force of the legislative changes to improve the procedure for entering, passing, and terminating civil service
2.6	C2.R3 Improved public debt management	Adoption of the medium-term state debt management strategy
2.9	C2.R5 Improved audit and financial control system	Adoption of the amendments to the relevant legislation on state financial control
3.3	C3.R1 Enhancing the accountability, integrity and professionalism of the judiciary	Settlement/adjudication of 20 % of old disciplinary cases not considered as of end of 2023
3.4	C3.R1 Enhancing the accountability, integrity and professionalism of the judiciary	Completion of the qualification evaluation (vetting) in respect of 50 % of judges who still had to undergo it as of 30 September 2016
3.9	C3.R2 Reforms of insolvency and enforcement of court decisions	A data collection system on the enforcement of court decisions is operational
4.8	C4.R3 Anti-money laundering measures	Conduct of the next National Risk Assessment
5.6	C5.R4 Improved capacity of the financial supervisory authority	Entry into force of the law on the improvement of the state regulation for capital markets and organised commodity markets

6.7	C6.R3 Separation of accounts between public service obligations (PSO) and non-PSO activities in public service obligations	Entry into force on legislation on the separation of public service obligations (PSO) and non-PSO activities
6.9	C6.R4 Improved state aid control framework	Entry into force of the updated legislation on state aid and full unsuspension of the application of state aid control
7.8	C7.R7 Ensuring access to housing for people in need	Entry into force of the legislation on the Basic Principles of Housing Policy
8.2	C8.R1 Improved regulatory environment	Entry into force of the legislation in accordance with the Action Plan on deregulation in specific sectors
10.3	C10.R2 Improved regulatory framework for increasing renewable energy and ensuring stable operation of the energy system	Entry into force of the legislation to improve permitting procedures for renewable energy investments
10.7	C10.R3 Electricity market reform	Appointment of a new electricity market operator
10.11	C10.R5 Ensuring independence of National Energy and Utilities Regulatory Commission	Entry into force of the amendments to the Law of Ukraine “On the National Energy and Utilities Regulatory Commission”
10.13	C10.R6 Improved efficiency in the district heating	Adoption of the State targeted economic programme for the energy modernisation of heat generating enterprises for the period up to 2030
10.14	C10.R6 Improved efficiency in the district heating	Entry into force of the legislation to support development of the efficient and more sustainable district heating
11.3	C11.R3 Liberalisation in the railways transport sector	Entry into force of the law on traffic safety and interoperability of railway transport of Ukraine

		with application within three years from its adoption
13.6	C13.R3 Use of modern Extraction Technologies and Integration of Ukraine into Modern Processing Value Chains	Publication of a study on the legislation on ESG reporting
15.3	C15.R2 Climate policy	Adoption of the resolution on the Scientific and Expert Council on Climate Change and Preservation of the Ozone Layer

Eighth instalment (Q1 2026)

Total amount: EUR 2 865 920 061,86

Non-repayable support: EUR 332 049 093,86

Loans: EUR 2 533 870 968

Total number of steps: 7

Sequential number	Reform/Investment	Name of the step
1.5	C1.R3 Digitalisation of civil service and human resources management	The Human Resources Management Information System (HRMIS) is in operation
3.7	C3.R2 Reforms of insolvency and enforcement of court decisions	Entry into force of the legislation for simplified insolvency procedures for Micro, Small, and Medium Enterprises (MSMEs)
3.12	C3.R4 Reform of the Prosecution Service	Entry into force of the legislation enabling transparent and merit-based selection of management-level prosecutors
5.1	C5.R1 Assessment of the banking sector	Published Resilience assessment in the banking system
8.5	C8.R3 Access to finance and markets	Entry into force of the legislation on access to information about external engineering works
12.6	C12.R4 Improvement of the official public electronic farm register	Publication of report on the implementation of the state support through the public Agricultural Register
15.8	C15.R5 Increased circular economy	Adoption of the Strategy for implementing the principles of the circular economy and its Action Plan

Ninth instalment (Q2 2026)

Total amount: EUR 7 542 976 959

Non-repayable support: EUR 173 000 000

Loans: EUR 7 369 976 959

Total number of steps: 18

Sequential number	**Reform/Investment**	**Name of the step**
3.10	C3.R2 Reforms of insolvency and enforcement of court decisions	An upgraded IT system for enforcement of court decisions is operational
3.17	C3.R5. Enhancing the protection of human rights	Adoption of the Presidential Decree approving the Human Rights Protection Strategy
4.20	C4.R4. Combating Human Trafficking	Adoption of the state programme to combat human trafficking until 2030
5.3	C5.R2 Reducing state ownership in the banking sector	Adoption of the strategy for gradual reduction of state ownership in the banking sector
5.5	C5.R3 Improved resolution of non-performing loans	Entry into force of legal acts to improve resolution of non-performing loans
6.3	C6.R2 Improved governance and management of state-owned enterprises	Appointment of Supervisory boards of state-owned enterprises with a majority of independent members
7.7	C7.R6 Improved functioning of the labour market	Adoption of the Population Employment Strategy
7.12	C7.I1 Investments in education	Investments of at least EUR 300 million in education
7.14	C7.I2 Investments in healthcare	Investments of at least EUR 200 million in healthcare

7.18	C7 I5 Investment in providing housing for vulnerable groups of the population	Investments of at least EUR 200 million for providing housing for veterans with disabilities of the I-II groups, family members of deceased veterans and internally displaced persons
7.20	C7.R6. Improved functioning of the labour market	Approval by the Cabinet of Ministers of the Operational Plan of Measures for the implementation in 2026–2028 of the National Strategy for Overcoming the Gender Pay Gap for the period up to 2030
8.12	C8.R5. Harmonisation of legislation and standards with the EU	Adoption of amendments to the resolution on the designation of the single national metrology institute
9.7	C9.I1 Investments for the recovery, reconstruction and modernisation needs of Ukraine's sub-national authorities	Allocation of the equivalent of at least 5% of the overall non-repayable financial support for meeting recovery, reconstruction, and modernisation needs of sub-national authorities
10.9	C10.R4 Liberalisation of electricity and natural gas prices	Adoption of a Roadmap for gradual liberalisation of gas and electricity market, to be implemented after the expiration of the martial law
10.19	C10.R5 Ensuring independence of National Energy and Utilities Regulatory Commission	Preparation of the Terms of Reference for a third-party audit of the National Energy and Utilities Regulatory Commission regarding the integrity and_robustness of its financial and decision-making processes
12.9	C12.I1 Investments in demining	Investments of at least EUR 30 million in demining of agriculture land
14.4	C14.R2 Digitalisation of public services	Entry into force of the legal act on the functioning of

		the Integrated Electronic Identification System, in line with the principles of Regulation (EU) 2024/1183
15.11	C15.R4. Restoration and conservation of natural resources	Adoption of amendments to the Procedure for State Water Monitoring

Tenth instalment (Q3 2026)

Total amount: EUR 2 951 105 991

Non-repayable support: EUR 75 000 000

Loans: EUR 2 876 105 991

Total number of steps: 11

Sequential number	Reform/Investment	Name of the step
1.4	C1.R3 Digitalisation of civil service and human resources management	Modernisation of the Unified State Web Portal of Electronic Services
3.13	C3.R4 Reform of the Prosecution Service	Entry into force of the legislation improving the disciplinary system for prosecutors and increasing the capacity of the Qualification and Disciplinary Commission of Prosecutors
4.5	C4.R2 Improving the legal framework for a more effective fight against corruption	Adoption of the new Anti-Corruption Strategy for the period 2026-2030
4.9	C4.R3 Anti-money laundering measures	Publication in the Official Gazette of the legislation to further reinforce the anti-money laundering system, including for the purpose of Ukraine's application to join the geographical scope of Single European Payment Area (SEPA) schemes, with an entry into force six months after the date of publication in the Official Gazette
4.16	C4.R3. Anti-money laundering measures	Entry into force of legislative amendments on information accompanying transfers of funds and certain crypto-assets

4.18	C4.R3. Anti-money laundering measures	Entry into force of amendments aimed at establishing criminal liability for illegal actions with payment cards or other payment instruments in the interests of third parties
6.4	C6.R2 Improved governance and management of state-owned enterprises	Corporatisation of key state-owned enterprises
8.13	C8.R2 Reform of the Economic Security Bureau of Ukraine	Completion of a comprehensive analysis of the salaries, pensions and allowances of the staff of the Economic Security Bureau of Ukraine and other relevant bodies
10.16	C10.R7 Improved energy efficiency in public buildings and improvement of public procurement procedures	Adoption of legal acts on setting minimum energy efficiency performance levels for buildings
10.21	C10.R8 Reform of State Nuclear Regulatory Inspectorate	Request for an integrated regulatory review service mission at SNRIU by the International Atomic Energy Agency
11.9	C11.R3 Liberalisation in the railways transport sector	Adoption of a resolution by the Cabinet of Ministers of Ukraine approving the Action Plan for the phased introduction of competition for freight and passenger transport in the railway market

Eleventh instalment (Q4 2026)

Total amount: EUR 2 103 225 808

Non-repayable support: EUR 270 000 000

Loans: EUR 1 833 225 808

Total number of steps: 23

Sequential number	Reform/Investment	Name of the step
1.3	C1.R2 Merit-based recruitment and selection procedure for the civil service	Gradual restoration of merit-based recruitment in the civil service
2.4	C2.R2 Improved public financial management	Conduct of the spending review of the state budget
2.10	C2.R5. Improved audit and financial control systems	Strengthening internal control, internal audit in Ukraine and protection of the EU's financial interests under the Ukraine Facility
3.14	C3.R4 Reform of the Prosecution Service	An e-Case Management System in the criminal justice is operational
3.15	C3.R1 Enhancing the accountability, integrity and professionalism of the judiciary	A new court to hear administrative cases is operational
3.16	C3.R1 Enhancing the accountability, integrity and professionalism of the judiciary	Entry into force of legislation extending the involvement of independent experts nominated by international partners in the selection of members of the High Qualification Commission of Judges of Ukraine

4.11	C4.R2 Improving the legal framework for a more effective fight against corruption	Adoption of the new State Anti-Corruption Program for the period 2026-2030
4.12	C4.R2 Improving the legal framework for a more effective fight against corruption	Entry into force of the amendments to the Criminal Procedure Code to ensure fast and high-quality justice
4.13	C4.R2. Improving the legal framework for a more effective fight against corruption	Entry into force of a law reforming the State Bureau of Investigation of Ukraine
4.14	C4.R2. Improving the legal framework for a more effective fight against corruption	Entry into force of legislation enabling single-judge adjudication of civil and administrative cases in the High Anti-Corruption Court
4.15	C4.R2 Improving the legal framework for a more effective fight against corruption	Entry into force of a law ensuring effective, impartial and timely access to high-quality forensic examinations by anti-corruption bodies
4.19	C4.R3 Anti-money laundering measures	Adoption of a strategy and action plan on financial investigations and the introduction of methodological guidelines for conducting financial investigations
6.10	C6.R2 Improved governance and management of state-owned enterprises	Adoption of the roadmap for lifting SOE moratoria and gradual lifting of SOE moratoria on debt enforcement

6.11	C6.R2 Improved governance and management of state-owned enterprises	Entry into force of the amendments to the legislation on state-owned enterprises, bringing operational autonomy and internal controls of SOEs closer to OECD standards
6.12	C6.R2 Improved governance and management of state-owned enterprises	Independent assessments of key corporate governance systems for selected nondefense SOEs in accordance with Cabinet of Ministers Ordinance No. 1223 with the involvement of external auditors and/or consultancies.
7.21	C7.R6. Improved functioning of the labour market	Entry into force of the legislation on occupational safety and health.
8.11	C8.R2 Reform of the Economic Security Bureau of Ukraine	Entry into force of legal acts further strengthening the Economic Security Bureau of Ukraine
10.6	C10.R3 Electricity market reform	Entry into force of the legislation on changing the conditions of taxation of participants in the electricity market
10.18	C10.R3. Electricity market reform	Entry into force of the secondary legislation of the law No. 4834/IX on the transposition of the electricity integration package, in line with the Energy Community Treaty acquis
10.20	C10.R5. Ensuring independence of National Energy and Utilities Regulatory Commission	Completion of a third-party audit of the National Energy and Utilities Regulatory Commission regarding the integrity and robustness of its financial and decision-making processes.

11.8	C11 R3 Liberalisation in the railways transport sector	Entry into force of legislation on the organisation of socially important passenger transportation by rail and institutional oversight with delayed application
14.5	C14.R2 Digitalisation of public services	Enablement of EU-format Electronic Attestations in Diia
15.7	C15.R4 Restoration and conservation of natural resources	Entry into force of the Law on reducing deforestation and forest degradation

Twelfth instalment (Q1 2027)

Total amount: EUR 248 663 594

Non-repayable support: EUR 0

Loans: EUR 248 663 594

Total number of steps: 3

Sequential number	Reform/Investment	Name of the step
9.3	C9.R1 Advancing decentralisation	Entry into force of the legislation to ensure a better distribution of powers between local governments and executive authorities
11.5	C11.R4 Improved shipping and ports services	Entry into force of the legislation on merchant shipping and shipping on inland waterways
12.2	C12. R1 Aligning the institutional framework on agriculture and rural development to the EU policy	Establishment of the Farm Sustainability Data Network (FSDN) system

Thirteenth instalment (Q2 2027)

Total amount: EUR 162 442 396

Non-repayable support: EUR 0

Loans: EUR 162 442 396

Total number of steps: 7

Sequential number	Reform/Investment	Name of the step
4.10	C4.R3 Anti money-laundering measures	The necessary software and hardware for the registry of accounts and individual safe deposit boxes of individuals is operational and access is ensured to relevant authorities
4.17	C4.R3 Anti money-laundering measures	The necessary software and hardware for the registry of beneficial owners for trusts or other similar legal arrangements is operational and access is ensured to relevant authorities
7.3	C7.R3 Improved rehabilitation system for people with disabilities	Entry into force of the legislation on rehabilitation of persons with disabilities
7.4	C7.R4. Transition from military service to civilian life	Implementation of a case management system supporting veterans and demobilised personnel in their return and transition into civilian life
7.9	C7.R7 Ensuring access to housing for people in need	Entry into force of the legislation on the Social Housing Fund
10.12	C10.R6 Improved efficiency in the district heating	Cancelation of the moratorium on rising heat and hot water tariffs
11.6	C11.R4 Improved shipping and ports services	Review and amend the existing national legislation in line with the principles Regulation (EU) 2017/352 of the European Parliament and

		of the Council of 15 February 2017 establishing a framework for the provision of port services and common rules on the financial transparency of ports

Fourteenth instalment (Q3 2027)

Total amount: EUR 162 442 396

Non-repayable support: EUR 0

Loans: EUR 162 442 396

Total number of steps: 16

Sequential number	Reform/Investment	Name of the step
3.11	C3.R3 Digitalisation of the judicial system	Set up of IT solutions in the judicial system
6.5	C6.R2 Improved governance and management of state-owned enterprises	Submission of a report showing that the principles of corporate governance are duly followed
6.8	C6.R3 Separation of accounts between public service obligations (PSO) and non-PSO activities in state-owned enterprises	Submission of an audit report confirming the separation of public service obligations (PSO) and non-PSO activities
7.13	C7.I1 Investments in education	Investments of at least EUR 650 million in education
7.15	C7.I2 Investments in healthcare	Investments of at least EUR 400 million in healthcare
7.16	C7.I3 Investments in social infrastructure	Investments of at least EUR 350 million in social infrastructure
7.17	C7.I4 Investments in housing support for damaged or destroyed housing and housing support for internally displaced persons	Investments of at least EUR 510 million for housing support for damaged or destroyed housing and housing support for internally displaced persons

7.19	C7.I5 Investments in providing housing for vulnerable groups of the population	Investments of at least EUR 540 million for providing housing for veterans with disabilities of the I-II groups, family members of deceased veterans and internally displaced persons
8.6	C8.R4 Improved public procurement	Entry into force of the legislation on harmonising legislation in the field of public procurement with the EU acquis.
8.9	C8.R6 Addressing late payments	Entry into force of the legislation on combating late payments
8.10	C8.I1 Investments in financial support for micro-enterprises and SMEs	Investments of at least EUR 450 million for financial support to micro-enterprises and SMEs and small and medium processing enterprises
9.8	C9.I1 Investments for the recovery, reconstruction and modernisation needs of Ukraine's sub-national authorities	Allocation of the equivalent of at least 20% of the overall non-repayable financial support for meeting recovery, reconstruction, and modernisation needs of sub-national authorities
10.17	C10.I1 Investments in energy infrastructure	Investments of at least EUR 550 million in energy infrastructure
11.4	C11.R3 Liberalisation in the railways transport sector	Adoption of the by-laws for the implementation of the legislation on railway transport
11.7	C11.I1 Investments in transport infrastructure	Investments of at least EUR 350 million in transport infrastructure
12.10	C12.I1 Investments in demining	Investments of at least EUR 100 million in demining of agriculture land

C.1. PUBLIC ADMINISTRATION REFORM

1. Description of Reforms and Investments

The objective of this chapter is to strengthen the capacity and efficiency of the Ukrainian public administration and to gradually align the rules, standards, policies, and practices in the field of public administration with the Union acquis, policies and practices. Specifically, this chapter focuses on revising the civil service remuneration system, enhancing the merit-based recruitment and selection of the civil service, and on the digitalisation of civil service and human resources management systems.

Reform 1. Civil Service Remuneration Reform

The objective of this reform is to introduce a transparent, fair and predictable labour remuneration system in line with relevant OECD/SIGMA principles of public administration[1].

The reform has one step. It entails the entry into force of new legislation introducing a new remuneration system based on functional classification of positions, a clear separation of wages into fixed and variable components, and reduction of the seniority supplement from 50 % to 30 %.

The reform is expected to be completed by Q1 2025.

Reform 2. Merit-based recruitment and selection procedure for the civil service

The objective of this reform is to introduce a meritocratic recruitment and selection procedure for civil servants, so as to ensure public trust and attract highly professional staff to the civil service.

The reform has two steps. First, it entails the entry into force of legislation to improve the procedure for entering, passing, and terminating civil service. Second, it entails the gradual restoration of merit-based selection for vacant positions for civil servants of categories A, B, and C.

The reform is expected to be completed by Q4 2026.

Reform 3. Digitalisation of civil service and human resources management

This reform is aimed at digitalising the civil service human resources management functions, focusing on the human resources management information system (HRMIS) and the Unified State Web Portal of Electronic Services.

The reform has two steps. First, a human resources management information system (HRMIS) shall be operational and used in all ministries and all operating /acting other central executive authorities

[1] OECD (2023), The Principles of Public Administration, OECD, Paris, https://www.sigmaweb.org/publications/Principles-of-Public-Administration-2023.pdf

and their territorial bodies. Second, the Unified State Web Portal of Electronic Services will be modernised.

The reform is expected to be completed by Q2 2026.

2. List of steps and timetable for implementation

No.	Reform / Investment	Name of the step	Timeline		Step description
1.1	Reform 1. Civil service remuneration reform	Entry into force of the legislative changes to the civil service remuneration reform	Q1	2025	Entry into force of legislation (including the adoption of the necessary secondary legal and normative acts), which complies with the relevant OECD SIGMA principles of public administration. The legislation focuses on these main areas: - introduction of remuneration based on the functional classification of positions; - a clear separation of wages into fixed or guaranteed (not less than 70% annually) and variable (not more than 30% annually) parts; - reduction of seniority supplement from 50 % to 30 %.
1.2	Reform 2. Merit-based recruitment and selection procedure for the civil service	Entry into force of the legislative changes to improve the procedure for entering, passing, and terminating civil service	Q4	2025	Entry into force of legislation (including the adoption of the necessary secondary legal and normative acts) to improve the procedure for entering, passing, and terminating civil service. The legislation complies with the relevant OECD/SIGMA principles of public administration related to merit-based recruitment. The provisions relating to the resumption of merit-based selection for all civil servants' positions in the territory controlled by Ukraine, where no hostilities are taking place, enter into force with its application as of 1 June 2026 (in accordance with the requirements of step 1.3).

1.3	Reform 2. Merit-based recruitment and selection procedure for the civil service	Gradual restoration of merit-based recruitment in the civil service	Q4	2026	Restoration of merit-based selection for vacant positions for all civil servants will be implemented gradually in three stages: 1) for civil service positions of category “A”; 2) for civil service positions of category “B” (in the territory controlled by Ukraine where no hostilities are taking place); 3) for civil service positions of category “C” (in the territory controlled by Ukraine where no hostilities are taking place).
1.4	Reform 3. Digitalisation of civil service and human resources management	Modernisation of the Unified State Web Portal of Electronic Services	Q3	2026	The Unified State Web Portal of Electronic Services is modernised. Functionality for publishing vacancies and submitting applications has been fully implemented and is operating in full.
1.5	Reform 3. Digitalisation of civil service and human resources management	The Human Resources Management Information System (HRMIS) is in operation	Q1	2026	The Human Resources Management Information System (HRMIS) is in operation and used in all ministries and all operating/acting other central executive authorities and their territorial bodies.

C.2. PUBLIC FINANCIAL MANAGEMENT

1. Description of Reforms and Investments

The objective of this chapter is to enhance Ukraine's macro-economic and financial resilience, ensure efficient use of public funds, align with Union standards, and promote a sustainable growth.

Reform 1. Improved revenue management

The objective of this reform is to enhance domestic revenue mobilisation through improved efficiency of the tax and customs administration.

The reform has two steps. First, the long-term national strategic plan for digital development, digital transformation and digitalisation of the State Customs Service shall be adopted. Second, the strategic plan for digital development, digital transformation and digitalisation of State Tax Service of Ukraine shall be adopted.

The reform is expected to be completed by Q4 2024.

Reform 2. Improved public financial management

The objective of this reform is to build an efficient public finance management system and to ensure the financial stability of the state.

The reform has two steps. First, the Budget Declaration for 2025-2027 shall be approved to restore the medium-term budget planning and ensure the predictability of budget policy. Second, the reform shall introduce annual spending reviews of the state budget taking into account OECD practices in priority areas, including social protection, education, healthcare, energy, business support.

The reform is expected to be completed by Q4 2026.

Reform 3. Improved public debt management

The objective of this reform is to increase the transparency of state debt management policy and the efficiency of state debt management.

The reform proposes one step, namely the adoption of the medium-term state debt management strategy for 2026-2028. The strategy shall include an analysis of current public debt structure and trends, the establishment of targets to ensure debt sustainability, and the development of measures for the domestic government securities market.

The reform is expected to be completed by Q4 2025.

Reform 4. Improved public investment management

The objective of this reform is to strengthen the institutional framework for public investment management in Ukraine, defining roles and responsibilities for participants at all stages of the investment project cycle, strategic priorities, transparency, and a digital project monitoring framework.

The reform has two steps. First, an action plan to implement a roadmap towards an improved public investment management shall be adopted. Second, the reform entails the development and implementation of a digital management tool for the reconstruction of Ukraine.

The reform is expected to be completed by Q3 2025.

Reform 5. Improved audit systems

The objective of this reform is to strengthen the audit and financial control system, in particular to achieve a high level of protection of the financial interests of the European Union regarding the funds used under Pillar I of the Ukraine Facility, in line with Article 35 of Regulation (EU) 2024/792.

The reform has two steps. First, it entails the adoption and, where applicable, the entry into force of amendments to the resolutions or other legislation on state financial control, enabling the State Audit Service to ensure that the institution is equipped with the necessary tools to ensure a high level of protection of the financial interest of the European Union, in particular for the funds used under Pillar I of the Ukraine Facility. Building on this legislation, the second step requires Ukraine to strengthen internal control and internal audit systems in Ukraine for accountable and effective governance.

The reform is expected to be completed by Q4 2026.

2. List of steps and timetable for implementation

No.	Reform / Investment	Name of the step	Timeline		Step description
2.1	Reform 1. Improved revenue management	Adoption of the strategic plan for digitalisation of the State Tax Service	Q4	2024	Adoption of the strategic plan for digital development, digital transformation and digitalisation of State Tax Service of Ukraine, in line with the recommendations of the National Revenue Strategy for 2024-2030.
2.2	Reform 1. Improved revenue management	Adoption of the plan for the digitalisation of the State Customs Service	Q2	2024	Adoption of the long-term national strategic plan for digital development, digital transformation and digitalisation of the State Customs Service.
2.3	Reform 2. Improved public financial management	Approval of the Budget Declaration for 2025-2027	Q2	2024	The Budget Declaration for 2025-2027 is approved and submitted to the Parliament. The Declaration focuses on these main areas: - key macroeconomic projections of economic and social development of the country; - key budget indicators (revenues, expenditures, budget deficit, public debt); - public policy priorities by spheres and expenditure ceilings for each key spending unit; - relations between the state budget and local budgets, including necessary guidance for preparing medium-term forecasts of local budgets; - fiscal risks assessment.

2.4	Reform 2. Improved public financial management	Conduct of the spending review of the state budget	Q4	2026	Spending reviews of the state budget are conducted annually based on the Government decision and the methodology taking into account best OECD practices in particular in the priority areas, such as social protection, education, healthcare, energy, business support.
2.6	Reform 3. Improved public debt management	Adoption of the medium-term state debt management strategy	Q4	2025	Adoption of the medium-term state debt management strategy (MTDS) for 2026-2028. The MTDS focuses on these main areas: - analysis of current public debt structure and trends; - targets to ensure debt sustainability; - measures for the development of domestic government securities market.
2.7	Reform 4. Improved public investment management	Adoption of the Action plan for the implementation of the Roadmap for reforming public investment management	Q2	2024	Adoption of the Action plan for the implementation of the Roadmap for reforming public investment management. The action plan focuses on these main areas and includes the sequencing and timeframe: - introduction of strategic planning for public investment in close connection with budget planning; - definition of the roles of all participants at all stages of the investment project cycle; - establishment of unified approaches to the selection, evaluation and monitoring of investment projects, regardless of the sources of funding (budget revenues, international donors, state (local) guarantees, concessions, public-private partnerships) to enable the preparation of single project pipeline; - definition of prioritisation criteria that capture defined needs, maturity of projects, and alignment with sectoral and/or regional strategies in the context of the public investment management;

					- introduction of an independent assessment of large public investment projects.
2.8	Reform 4. Improved public investment management	Development and implementation of the digital management tool for the reconstruction of Ukraine	Q3	2025	Development and implementation of the digital management tool for the reconstruction of Ukraine, which provides public access to data on reconstruction projects at all stages, including planning, financing, procurement, construction and commissioning, to enable a public and transparent monitoring of project implementation and better coordination of reconstruction efforts between sectors.
2.9	Reform 5. Improved audit and financial control systems	Adoption of the amendments to the relevant legislation on state financial control	Q4	2025	Adoption of amendments to the resolutions of the Cabinet of Ministers and, if needed, entry into force of other relevant legislation on state financial control. These changes focus on these main areas: - provision of support to State Audit Services to ensure that the institution is equipped with the necessary tools to protect the financial interests of the Union, in particular for the funds used under Pillar I of the Ukraine Facility, in line with the principles of the international audit standards; - strengthening measures for monitoring the procurement procedures.
2.10	Reform 5. Improved audit and financial control systems	Strengthening internal control, internal audit in Ukraine and protection of the EU's financial interests under the Ukraine Facility	Q4	2026	Building on legislation adopted under Step 2.9, strengthening Ukraine's internal control and internal audit systems and the mechanisms for protecting the financial interests of Ukraine and the European Union under the Ukraine Facility, through the adoption of a national Action Plan to "strengthen internal control and internal audit systems in Ukraine for accountable and

					effective governance", by the Cabinet of Ministers of Ukraine. The Action Plan is to cover the following aspects: - improving the State Audit Service of Ukraine's effective access to the information and data necessary to carry out state financial control measures under the Ukraine Facility, including relevant registers, databases and information systems; - amending the Audit Strategy for the Implementation of the Ukraine Plan to clarify the respective roles and cooperation arrangements between the Ministry of Finance, the State Audit Service and the internal audit units of state bodies with spending units; - improving the methodological framework for risk-based system audits for Ukraine Facility spending and ensuring their effective uptake by Q2 2027, including the assessment of risks of fraud, corruption, conflicts of interest and double funding; - strengthening risk management and the role of internal control and internal audit in the preparation of management declarations, in particular by providing practical guidance and support to state bodies responsible for the implementation of the Ukraine Plan.

C.3. JUDICIAL SYSTEM AND HUMAN RIGHTS

1. Description of Reforms and Investments

The objective of this chapter is increasing the capacity, accountability, integrity, efficiency and transparency of the judicial system which is crucial for ensuring the rule of law and the protection of human rights in Ukraine as well as for a swift recovery, economic growth and attraction of investment.

Reform 1. Enhancing the accountability, integrity, and professionalism of the judiciary

The objective of this reform is consolidating the results of the judicial reform and building public trust in the judiciary by resuming the transparent and meritocratic selection of judges, boosting the qualification evaluation of sitting judges, strengthening the disciplinary

responsibility system, reinforcing existing judicial integrity tools, and establishing a new court to hear administrative cases involving state agencies.

The reform has seven steps. First, 20 % of judicial vacancies are filled based on amended legislation, which includes streamlined stages of selection and shortened mandatory judicial training periods, consistent application of clear assessment criteria and scoring methodology, and the involvement of the Public Integrity Council in assessing the integrity of judicial candidates. Second, a new Specialised District Administrative Court and a new Specialised Administrative Court of Appeal are legally established and a transparent selection of judges in line with the adopted legislation is launched. Third, 20 % of pending disciplinary cases are resolved with the involvement of the Disciplinary Inspectors Service on the basis of the High Council of Justice's methodology of prioritisation. Fourth, the qualification evaluation (vetting) is completed in respect of 50 % of outstanding cases. Fifth, laws and bylaws concerning revising and verification of the declarations of integrity enter into force. Sixth, a new Specialised District Administrative Court and a new Specialised Administrative Court of Appeal are operational. Seventh, a law extending the involvement of independent experts nominated by international partners in the selection commission for the High Qualification Commission of Judges (HQCJ) has entered into force.

The reform is expected to be completed by Q4 2026.

Reform 2. Reforms of insolvency and enforcement of court decisions

The objective of this reform is the improvement of insolvency and enforcement procedures by aligning the relevant legislation with the EU acquis and building institutional and other capacities to properly apply it.

The reform has five steps. First, legislation on improving the insolvency regime, introducing insolvency prevention system and the early warning tool for legal entities and entrepreneurs in line with the Union acquis enters into force. Second, legislation for introducing simplified insolvency procedures for Micro, Small, And Medium Enterprises (MSMEs) in line with EU acquis enters into force. Third, the law on the enforcement of court decisions related to monetary and non-monetary obligations and further digitalisation of the enforcement proceedings enters into force. Fourth, an upgraded IT system for facilitating the enforcement process, debtor asset tracking, bank account freezing, and debt recovery becomes operational. Fifth, a data collection system on the enforcement of court decisions becomes operational.

The reform is expected to be completed by Q2 2026.

Reform 3. Digitalisation of the judicial system

The objective of this reform is to enhance access to justice, increase the transparency, efficiency, and effectiveness in the operation of courts, save operational costs, and enable an evidence-based policy making in the judiciary.

The reform has one step. It entails the introduction of the subsystem of the Electronic Document Management of the Unified Judicial Information and Telecommunication System (UJITS) in 15 pilot courts of general, commercial and administrative jurisdiction at the level of first and appellate instances.

The reform is expected to be completed by Q3 2027.

Reform 4. Reform of the Prosecution Service

The objective of this reform is to reinforce integrity, meritocracy and professionalism within the prosecutorial ranks and prevent corruption in the criminal justice chain.

The reform has three steps. First, legislation establishing a transparent and merit-based selection process of management-level prosecutors enters into force. Second, legislation improving the disciplinary system for prosecutors and increasing the capacity of the Qualification and Disciplinary Commission of Prosecutors enters into force. Third, three modules of an e-Case management system in the criminal justice chain are put in place to enable the digital processing of criminal cases.

The reform is expected to be completed by Q4 2026.

Reform 5. Enhancing the protection of human rights

The objective of this reform is to enhance the protection of human rights, including the rights of persons residing in the territory of Ukraine temporarily occupied by the Russian Federation, and enhance access to services for vulnerable persons.

The reform has one step. It entails the adoption of the Presidential Decree approving the Human Rights Protection Strategy.

The reform is expected to be completed by Q2 2026.

2. List of steps and timetable for implementation

No.	Reform / Investment	Name of the step	Timeline		Step description
3.1	Reform 1. Enhancing the accountability, integrity and professionalism of the judiciary	Filling of at least 20% of judicial vacancies are filled.	Q3	2025	At least 20% of judicial vacancies available as of 16. October 2023 (a total number of 2205 positions) is filled on the basis of amended legislation, which includes the following elements: - streamlined stages of selection and shortened mandatory judicial training periods; - consistent application of clear and duly published assessment criteria and scoring methodology for assessing professional competence and integrity of judicial candidates; - involvement of the Public Integrity Council in assessing the integrity of judicial candidates whenever the law requires it.
3.2	Reform 1. Enhancing the accountability, integrity and professionalism of the judiciary	Entry into force of the law establishing a new court to hear administrative cases	Q3	2025	The law on the establishment of the Specialised District Administrative Court and the Specialised Administrative Court of Appeal entered into force and a transparent selection of judges in line with the adopted legislation is launched.
3.3	Reform 1. Enhancing the accountability,	Settlement/adjudication of 20% of old disciplinary	Q4	2025	20% of old disciplinary proceedings (complaints) not considered as of 31 December 2023 are settled/ adjudicated with the involvement of the Disciplinary Inspectors Service and on the basis of the criteria for prioritisation of disciplinary

	integrity and professionalism of the judiciary	cases not considered as of end of 2023			complaints consideration, provided for 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) that are published on the official website of the High Council of Justice.
3.4	Reform 1. Enhancing the accountability, integrity and professionalism of the judiciary	Completion of the qualification evaluation (vetting) in respect of 50% of judges who still had to undergo it as of 30 September 2016	Q4	2025	Qualification evaluation (vetting) is completed in respect of 50% of judges who still had to undergo it as of 30 September 2016 in line with the established procedures and with the involvement of the Public Integrity Council.
3.5	Reform 1. Enhancing the accountability, integrity and professionalism of the judiciary	Entry into force of the legislation revising the declarations of integrity of judges and their verification process	Q2	2025	Entry into force of the laws and the bylaws of the High Qualification Commission of Judges of Ukraine revising the declarations of integrity of judges and their verification process. The acts focus on these main areas: - clarification of the content of the integrity declarations and the grounds for initiating the verification; - expansion of the time period covered by the verification; - improvement of the verification procedure by specifying the verification mechanisms and deadlines, defining the rights and obligations of the persons and entities involved in the verification process, clarifying the legal consequences of the verification.

3.6	Reform 2. Reforms of insolvency and enforcement of court decisions	Entry into force of the legislation on the improvement of insolvency regime	Q4	2024	Entry into force of the law on the improvement of insolvency regime and the relevant secondary legislation, introducing insolvency prevention system and the early warning tool for legal entities and entrepreneurs in line with the principles of Directive (EU) 2019/1023 of the European Parliament and of the Council of 20 June 2019 on preventive restructuring frameworks, on discharge of debt and disqualifications, and on measures to increase the efficiency of procedures concerning restructuring, insolvency and discharge of debt, and amending Directive (EU) 2017/1132. The new legislation focuses on these main areas: - prevention of bankruptcy and restoration of solvency of debtors - early detection of signs of crisis in the company - identification of additional opportunities for restoring solvency of companies - availability of information for the companies about the mechanisms for preventing insolvency and early warning.
3.7	Reform 2. Reforms of insolvency and enforcement of court decisions	Entry into force of the legislation for simplified insolvency procedures for Micro, Small, and Medium Enterprises (MSMEs)	Q1	2026	Entry into force of the legislation for simplified insolvency procedures for Micro, Small, and Medium Enterprises (MSMEs) in line with the principles of the Directive (EU) 2019/1023 of the European Parliament and of the Council of 20 June 2019 on preventive restructuring frameworks, on discharge of debt and disqualifications, and on measures to increase the efficiency of procedures concerning restructuring, insolvency and discharge of debt, and amending Directive (EU) 2017/1132. The legislation is drafted based on a regulatory impact assessment with the involvement of EU experts. The legislation focuses on these main areas:

					- simplified out-of-court and bankruptcy procedures for MSMEs (including individual entrepreneurs); - availability of insolvency tools and services of insolvency practitioners for MSMEs; - prevention of abuse of insolvency procedures by MSMEs.
3.8	Reform 2. Reforms of insolvency and enforcement of court decisions	Entry into force of the legislation on improving the enforcement of court decisions related to monetary and non-monetary obligations and digitalisation	Q2	2025	Entry into force of the law on the enforcement of court decisions related to monetary and non-monetary obligations and further digitalisation of the enforcement proceedings.
3.9	Reform 2. Reforms of insolvency and enforcement of court decisions	A data collection system on the enforcement of court decisions is operational	Q4	2025	A data collection system on the enforcement of court decisions is operational.

3.10	Reform 2. Reforms of insolvency and enforcement of court decisions	An upgraded IT system for enforcement of court decisions is operational	Q2	2026	The upgraded IT system for enforcement facilitating enforcement process, debtor asset tracking, bank account freezing and debt recovery is operational.
3.11	Reform 3. Digitalisation of the judicial system	Set up of IT solutions in the judicial system	Q3	2027	The introduction of the subsystem of the Electronic Document Management of the Unified Judicial Information and Communication System in 15 pilot courts of general, commercial and administrative jurisdiction at the level of first and appellate instances.
3.12	Reform 4. Reform of the Prosecution Service	Entry into force of the legislation enabling transparent and merit-based selection of management-level prosecutors	Q1	2026	Entry into force of the legislation enabling transparent and merit-based selection of management-level prosecutors. This legislation focuses on these main areas: - clear assessment criteria, including professional competence and integrity/ethics; - transparent, competitive and meritocratic selection procedure that includes a credible professionalism and integrity check; - strengthening the institutional capacity and the powers of the Prosecutor's Office and the self government bodies, in particular the Council of Prosecutors, in terms of selecting prosecutors for senior positions.

3.13	Reform 4. Reform of the Prosecution Service	Entry into force of the legislation improving the disciplinary system for prosecutors and increasing the capacity of the Qualification and Disciplinary Commission of Prosecutors	Q3	2026	Entry into force of the legislation improving the disciplinary system for prosecutors and strengthening the institutional capacity of the Qualification and Disciplinary Commission of Prosecutors (QDCP). The improved legal and institutional framework aimed at implementing GRECO recommendations focuses on these main areas: - specification of disciplinary offences related to the conduct of prosecutors and their compliance with ethical standards, and expansion of the list of available disciplinary sanctions to increase their proportionality and effectiveness; - amending the provisions on the composition of the QDCP to ensure that the majority of seats are held by prosecutors elected by their colleagues and conducting an independent and objective procedure for the pre-selection of all candidates for members of the QDCP, which includes verification of their integrity; - increasing the efficiency of disciplinary proceedings by extending the statute of limitations.
3.14	Reform 4. Reform of the Prosecution Service	An e-Case Management System in the criminal justice is operational	Q4	2026	The criminal justice e-Case Management System’s system-forming module, electronic criminal proceedings module, and case analysis module are operational, enabling digital processing of criminal cases and gradually replacing/significantly upgrading the outdated Unified Register of Pre-Trial Investigations.

3.15	Reform 1. Enhancing the accountability, integrity and professionalism of the judiciary	A new court to hear administrative cases is operational	Q4	2026	The Specialised District Administrative Court and the Specialised Administrative Court of Appeal become operational.
3.16	Reform 1. Enhancing the accountability, integrity and professionalism of the judiciary	Entry into force of legislation extending the involvement of independent experts nominated by international partners in the selection of members of the High Qualification Commission of Judges of Ukraine	Q4	2026	Entry into force of a law extending, in close cooperation with the European Commission as regards the modalities, the meaningful involvement of independent experts nominated by international partners in the selection commission for the High Qualification Commission of Judges (HQCJ).
3.17	Reform 5. Enhancing the protection of human rights	The adoption of the Presidential Decree approving the Human Rights Protection Strategy	Q2	2026	Adoption of the Presidential Decree approving the Human Rights Protection Strategy. The strategy focuses on these main areas: - human rights in the context of the martial law regime and Ukraine's post-war recovery - rights of persons residing in the territory of Ukraine temporarily occupied by the Russian Federation, near frontlines and internally displaced persons

					- legal protection to persons who have suffered from gender-based violence - rights of children in armed conflicts - access to services for vulnerable persons.

C.4. FIGHT AGAINST CORRUPTION AND MONEY LAUNDERING

1. Description of Reforms and Investment

The objective of this chapter is to reinforce the key anti-corruption agencies and to update the legal framework to increase the overall effectiveness of the anti-corruption framework and the implementation of the state's anti-corruption policy, which is essential for a favourable business and investment climate and sustainable recovery and economic growth. The chapter also addresses the shortcomings related to asset recovery and management at institutional and procedural levels and on alignment of Ukrainian legislation with Union *acquis* and FATF standards in the field of anti-money laundering enabling to better tackle economic crime and to improve the overall business climate in Ukraine.

Reform 1. Developing the institutional capacity of the anti-corruption framework.

The objective of this reform is to increase the overall capacity of the anti-corruption infrastructure to fight corruption, including at the high level, via active and efficient investigation.

The reform has three steps. First, the Specialised Anti-Corruption Prosecutor's Office (SAPO) is given the opportunity to increase its manpower from 10 % to 15 %. Second, a new head of the National Agency on Corruption Prevention (NACP) is appointed. Third, the number of judges and of the apparatus at the High Anti-Corruption Court (HACC) is increased by 60 % and by 40 % respectively.

The reform is expected to be completed by Q1 2025.

Reform 2. Improving the legal framework for a more effective fight against corruption

The overall objective of the reform is to strengthen the key anti-corruption institutions and to streamline criminal procedure to increase their efficiency, including in high-level corruption cases, while preventing instances of procedural abuse and undue interferences. The reform also addresses the shortcomings related to asset recovery and management at institutional and procedural levels.

The reform has nine steps. First, the amended Criminal Code and of the Criminal Procedure Code enters into force. The amended legislation improves the provisions regulating plea bargaining; cancels the pre-trial investigation period from the time of the registration of the criminal proceedings until the notification of the suspicion and allow the adjudication of certain cases by a single judge of the High Anti-Corruption Court. Second, the law reforming the Asset Recovery and Management Agency (ARMA) enters into force. Third, an action plan for the implementation of the Asset Recovery Strategy for 2023-2025 is adopted. Fourth, a new Anti-Corruption Strategy for the period 2026-2030 is adopted. Fifth, a State Anti-Corruption Program for implementation of the Anti-Corruption Strategy covering the period 2026-2030 is adopted. Sixth, the amended Criminal Procedure Code to ensure fast and high-quality justice enters into force. Seventh, the law reforming the State Bureau of Investigation of Ukraine enters into force. Eight, a law ensuring effective, impartial and timely access to high-quality forensic examinations by anti-corruption bodies enters into force. Ninth, the law enabling single-judge adjudication of civil and administrative cases in the High Anti-Corruption Court enters into force.

The reform is expected to be completed by Q4 2026.

Reform 3. Anti-money laundering measures

The objective of this reform is to further align Ukraine's legal framework with the Union *acquis* and FATF standards and to create an effective anti-money laundering system in Ukraine to better tackle economic crime and improve the overall business climate in Ukraine.

The reform has seven steps. First, the next National Risk Assessment is conducted. Second, the legislation to further reinforce the anti-money laundering system, including for the purpose of Ukraine's application to join the geographical scope of Single European Payment Area (SEPA) enters into force six months after publication in the Official Gazette. Third, the legislation on information accompanying transfers of funds and certain crypto-assets, including for the purpose of Ukraine's application to join the geographical scope of SEPA enters into force. Fourth, the amendments aimed at establishing criminal liability for illegal actions with payment cards or other payment instruments in the interests of third parties enter into force. Fifth, the strategy and action plan on financial investigations are adopted and the methodological guidelines for conducting financial investigations are introduced. Sixth, the necessary software and hardware for the registry of accounts and individual

safe deposit boxes of individuals is operational. Seventh, the necessary software and hardware for the registry of beneficial owners for trusts or other similar legal arrangements is operational.

The reform is expected to be completed by Q2 2027.

Reform 4. Combating Human Trafficking

The objective of this reform is to improve the legal framework on combating human trafficking and align it with the relevant Union acquis.

The reform has one step. It entails the adoption of the State Program for Combating Human Trafficking until 2030 in line with the Union acquis and the Union Strategy on combating trafficking in human beings.

The reform is expected to be completed by Q2 2026.

2. List of steps and timetable for implementation

No.	Reform / Investment	Name of the step	Timeline		Step description
4.1	Reform 1. Developing the institutional capacity of the anti-corruption framework	Increased manpower for the Specialised Anti-Corruption Prosecutor's Office	Q3	2024	The Specialised Anti-Corruption Prosecutor's Office is given the opportunity to increase its manpower from 10 % to 15 % of the manpower of the National Anti-Corruption Bureau.
4.2	Reform 1. Developing the institutional capacity of the anti-corruption framework	Appointment of a new head of the National Agency on Corruption Prevention	Q2	2024	A new head of the National Agency on Corruption Prevention is appointed following a selection procedure in line with the Law on the Prevention of Corruption
4.3	Reform 1. Developing the institutional capacity of the anti-	Increased manpower for the High Anti-Corruption Court	Q1	2025	The personnel number of High Anti-Corruption Court (HACC) judges is increased by 60 %, and the HACC apparatus number is increased by 40 %.

	corruption framework				
4.4	Reform 2. Improving the legal framework for a more effective fight against corruption	Entry into force of the amended Criminal Code and of the Criminal Procedure Code	Q3	2024	Entry into force of the Laws of Ukraine on amending the Criminal Code of Ukraine and the Criminal Procedure Code of Ukraine. The laws focus on these main areas: - improvement of the provisions regulating plea bargain; - cancellation of the pre-trial investigation period from the time of the registration of the criminal proceedings until the notification of the suspicion; - allowing to adjudicate certain cases by a single-judge of the High Anti-Corruption Court.
4.5	Reform 2. Improving the legal framework for a more effective fight against corruption	Adoption of the new Anti-Corruption Strategy for the period 2026-2030	Q3	2026	Adoption and publication by the Parliament of an Anti-Corruption Strategy covering the period 2026-2030.
4.6	Reform 2. Improving the legal framework for a	Adoption of an Action Plan for the implementation of the	Q3	2024	Adoption and publication on the website of the Cabinet of Ministers of an Action Plan for the implementation of the Asset Recovery Strategy for 2023-2025.

	more effective fight against corruption.	Asset Recovery Strategy for 2023-2025			
4.7	Reform 2. Improving the legal framework for a more effective fight against corruption.	Entry into force of the law reforming the Asset Recovery and Management Agency	Q1	2025	Entry into force of the Law reforming the Asset Recovery and Management Agency. The law focuses on these main areas: - a transparent and merit-based selection procedure for the head of the agency, including a credible integrity and professionalism check; - an independent external performance assessment system; - transparent procedure for the management and sale of seized assets under the agency's control.
4.8	Reform 3. Anti-money laundering measures	Conduct of the next National Risk Assessment	Q4	2025	Preparation and implementation of the next National Risk Assessment in accordance with the updated Methodology for the National Assessment of money laundering and terrorist financing risks in Ukraine
4.9	Reform 3. Anti-money laundering measures	Publication in the Official Gazette of the legislation to further reinforce the anti-money laundering system, including for the purpose of Ukraine's	Q3	2026	Entry into force six months after publication in the Official Gazette of legislation to further reinforce the anti-money laundering system, including for the purpose of Ukraine's application to join the geographical scope of Single European Payment Area (SEPA) schemes. The legislation focuses on: - rules on anti-money laundering and countering financing of terrorism, including, inter alia, on registry of bank accounts for individuals and personal bank deposit

		application to join the geographical scope of Single European Payment Area (SEPA) schemes, with an entry into force six months after the date of publication in the Official Gazette			boxes, and the register of beneficial owners for trusts or other similar legal arrangements in line with the principles of: - Directive (EU) 2015/849 of the European Parliament and of the Council of 20 May 2015 on the prevention of the use of the financial system for the purposes of money laundering or terrorist financing, amending Regulation (EU) No 648/2012 of the European Parliament and of the Council, and repealing Directive 2005/60/EC of the European Parliament and of the Council and Commission Directive 2006/70/EC; - Directive (EU) 2019/1153 of the European Parliament and of the Council of 20 June 2019 laying down rules facilitating the use of financial and other information for the prevention, detection, investigation or prosecution of certain criminal offences, and repealing Council Decision 2000/642/JHA.
4.10.	Reform 3. Anti money-laundering measures.	The necessary software and hardware for the registry of accounts and individual safe deposit boxes of individuals and is operational and access is ensured to relevant authorities	Q2	2027	The necessary software and hardware for the registry of accounts and individual safe deposit boxes of individuals is operational and access is ensured to relevant authorities.

4.11	Reform 2. Improving the legal framework for a more effective fight against corruption	Adoption of the new State Anti-Corruption Program for the period 2026-2030	Q4	2026	A State Anti-Corruption Programme for implementation of the Anti-Corruption Strategy covering the period 2026-2030 is adopted by the Government and published.
4.12	Reform 2. Improving the legal framework for a more effective fight against corruption	Entry into force of the amendments to the Criminal Procedure Code to ensure fast and high-quality justice	Q4	2026	Entry into force of the amendments to the Criminal Procedure Code to ensure fast and high-quality justice. These amendments, to be developed after due consultation of anti-corruption agencies, focus on: - removing the automatic closure of criminal cases due to the expiry of pre-trial investigation time limits and reviewing the current time limits; - addressing procedural impediments in criminal proceedings, particularly in high-level corruption cases; - ensuring that statute of limitations and grounds for their interruption / suspension are strengthened for corruption and corruption-related offences, in line with European standards; - expanding the jurisdiction of NABU to cover the high-risk positions based on the available independent assessment;

					strengthening the independence of NABU and SAPO and protecting their jurisdiction from circumvention and undue influence through clear delineation of investigative jurisdiction among pre-trial investigation bodies and robust rules on prevention and settlement of conflicts of jurisdiction in criminal proceedings.
4.13	Reform 2. Improving the legal framework for a more effective fight against corruption	Entry into force of a law reforming the State Bureau of Investigation of Ukraine	Q4	2026	Entry into force of the law reforming the State Bureau of Investigation and strenghtening its operational independence, taking into account the independent comprehensive review of the SBI, as available, including the following elements: - meaningful involvement of international experts, in particular for the transparent and merit-based selection procedure for the head of the bureau; - a mechanism for attestation of managerial level staff with involvment of independent experts nominated by international partners for deputy directors and heads of departments; - an independent external performance assessment conducted by independent experts nominated by international partners.
4.14	Reform 2. Improving the legal framework for a more effective fight against corruption	Enabling single-judge adjudication of civil and administrative cases in the High Anti-Corruption Court	Q4	2026	Entry into force of the amendments to Civil Procedure Code and to the Code of Administrative Procedure of Ukraine, enabling single-judge adjudication of civil and administrative cases in the High Anti-Corruption Court (HACC).
4.15	Reform 2.	Entry into force of a law ensuring effective,	Q4	2026	Entry into force of legislation that:

	Improving the legal framework for a more effective fight against corruption	impartial and timely access to high-quality forensic examinations by anti-corruption bodies			- ensures the institutional and operational independence of the Scientific Research Centre of Independent Forensic Expertise (SRCIF) by taking measures necessary for the proper functioning of the supervisory body with the meaningful participation of members appointed in accordance with Chapter III, Article 1, paragraph 1 of the Order of the Ministry of Justice No. 4436/5 dated 27 December 2023. The supervisory body will be responsible, inter alia, for the selection of the Head of the SRCIF, submitting proposals for his dismissal, evaluating his performance, and shall also be empowered to participate in inspections of the SRCIF and in disciplinary proceedings concerning SRCIF personnel; - ensures timely access by NABU to SRCIF-provided forensic services, within 2 months, as a preferential rule for NABU, as well as an increase of the SRCIF's overall operational capacity; - expands opportunities to use private forensic expertise by limiting the exclusive competence of state expert institutions to a more narrow, legally defined list of examinations.
4.16	Reform 3. Anti-money laundering measures	Entry into force of legislative amendments on information accompanying transfers of funds and certain crypto-assets	Q3	2026	Entry into force of legislative amendments on information accompanying transfers of funds and certain crypto-assets in line with the principles of Regulation (EU) 2023/1113 of the European Parliament and of the Council of 31 May 2023 on information accompanying transfers of funds and certain crypto-assets and amending Directive (EU) 2015/849.

4.17	Reform 3. Anti money-laundering measures.	The necessary software and hardware for the registry of beneficial owners for trusts or other similar legal arrangements is operational and access is ensured to relevant authorities	Q2	2027	The necessary software and hardware for the registry of beneficial owners for trusts or other similar legal arrangements is operational and access is ensured to relevant authorities.
4.18	Reform 3. Anti-money laundering measures	Entry into force of amendments aimed at establishing criminal liability for illegal actions with payment cards or other payment instruments in the interests of third parties	Q3	2026	Entry into force of amendments aimed at establishing criminal liability for illegal actions with payment cards or other payment instruments in the interests of third parties, in line with the principles of Directive (EU) 2019/713.
4.19	Reform 3.	Adoption of a strategy and action plan on financial investigations	Q4	2026	The adoption of a strategy and action plan on financial investigations, taking into account recommendations from EU and technical assistance, and the introduction of methodological guidelines for conducting financial investigations in the

	Anti-money laundering measures	and the introduction of methodological guidelines for conducting financial investigations			secondary legislation, including on money laundering, aiming to increase in the number of stand-alone money laundering cases/convictions. The action plan should include key elements from the strategy as well as the auditing of ongoing cases for retro-active opening of financial investigations. The methodological guidelines should focus particularly on criteria for opening of financial investigations, methods and resources to be used, mechanisms for data exchange (including with foreign jurisdictions), use of Joint Investigation Teams, methods to build evidentiary basis, effectiveness monitoring and review.
4.20	Reform 4. Combatting Human Trafficking	Adoption of the State Program for Combatting Human Trafficking until 2030 in line with the EU *acquis* and the EU Strategy on combatting trafficking in human beings	Q2	2026	Developing and approving the State Programme for Combatting Human Trafficking until 2030 in line with the principles of Directive 2011/36/EU of the European Parliament and of the Council of 5 April 2011, as amended by Directive 2024/1712 of the European Parliament and of the Council of 13 June 2024, the EU Strategy on combatting trafficking in human beings, and the recommendations of the Council of Europe Group of Experts on Action against Trafficking in Human Beings (GRETA).

C.5. FINANCIAL MARKETS

1. Description of Reforms and Investments

The objective of this Chapter is to leverage the potential of Ukraine's financial sector to drive economic growth and support recovery, by monitoring the health of the banking sector to maintain financial stability, strengthening regulatory framework in aligning with Union standards, addressing non-performing loans, and improving the regulation of capital markets.

Reform 1. Assessment of the banking sector

The objective of this reform is to return to the regular assessment process, identify potential vulnerabilities within major banks, and ensure the resilience of the banking system in Ukraine.

The reform has one step. The National Bank of Ukraine shall carry out a resilience assessment of the largest banks that includes stress testing under the adverse scenario as well as an independent Asset Quality Review.

The reform is expected to be completed by Q1 2026.

Reform 2. Reducing state ownership in the banking sector

The objective of this reform is to lay down the principles for the sale of state-owned banks and the strategy for gradually reducing state ownership in the banking sector.

The reform has two steps. First, an updated legislation shall establish guiding principles for the sale of varying ownership stakes in SOBs, while also providing the flexibility for complete acquisition. Second, a strategy shall be adopted, preparing for a gradual reduction of state-ownership in SOBs.

The reform is expected to be completed by Q2 2026.

Reform 3. Improved resolution of non-performing loans

The objective of this reform is to improve the resolution of non-performing loans (NPLs).

The reform has two steps. First, Ukraine shall adopt a strategy for the resolution of NPLs, focusing on prudential requirements and improving the framework for NPL restructuring and resolution. Second, the subsequent legislative amendments to the relevant laws shall be adopted, addressing the recommendations of the strategy.

The reform is expected to be completed by Q2 2026.

Reform 4. Improved capacity of the financial supervisory authority

The objective of this reform is to improve the state regulation for capital markets and organised commodity markets.

The reform has one step. It entails the entry into force of the law on the improvement of state regulation for capital markets and organised commodity markets, aligned with International Organization of Securities Commissions (IOSCO) standards.

The reform is expected to be completed by Q4 2025.

2. List of steps and timetable for implementation

No.	Reform / Investment	Name of the step	Timeline		Step description
5.1	Reform 1. Assessment of the banking sector	Published Resilience assessment in the banking system	Q1	2026	The National Bank of Ukraine (NBU) publishes the Resilience Assessment of the largest banks in the banking system (in terms of assets) that includes stress testing under the adverse scenario, and the results of an independent Asset Quality Review if conditions allow it to be carried out.
5.2	Reform 2. Reducing state ownership in the banking sector	Entry into force of the legislation on the principles for the sale of state-owned banks	Q3	2025	Entry into force of the updated legislation on the sale of state-owned banks, namely, the Law of Ukraine “On Divesting State-Owned Shareholdings in the Charter Capital of Banks that Have Undergone Recapitalisation by the State" No. 4524-VI dated 2012. The revised legislation should facilitate the sale of varying ownership stakes in State-owned banks (SOBs), while also providing the flexibility for complete acquisition. The fundamental principles guiding the sale of SOBs will be developed through collaborative discussions and in consensus with the international donors.
5.3	Reform 2. Reducing state ownership in the banking sector	Adoption of the strategy for gradual reduction of state ownership in the banking sector	Q2	2026	Adoption of the resolution of the Government or other legal act of the Government adopting the reform strategy for the SOBs, which sets out a gradual reduction in state ownership in the banking sector. The strategy focuses on these main areas: - financial health and stability; - management of non-performing loans; - mitigation of fiscal risks;

					- enhancement of bank governance and operational efficiency; - bank value enhancement, long-term viability, and steps towards privatisation (when relevant).
5.4	Reform 3. Improved resolution of non-performing loans	Adoption of the strategy for resolution of non-performing loans	Q2	2025	Adoption of the strategy for resolution of non-performing loans in line with the relevant Union practices. The strategy focuses on these main areas: - strengthening of the prudential requirements for the NPL recognition and resolution; - exchange of data on the NPLs and other relevant market data between the financial institutions and state agencies to improve NPL resolution; - review of potential obstacles and development of measures to improve the framework for NPL restructuring and resolution**.**
5.5	Reform 3. Improved resolution of non-performing loans	Entry into force of legal acts to improve resolution of non-performing loans	Q2	2026	Entry into force of the legal acts implementing the recommendations of the strategy for resolution of non-performing loans improving the system of NPLs resolution. In particular, these legal acts aim to: - improve the definition of NPL and implement requirements on preventive restructuring, in line with the principles of the EU acquis; - reinstating the requirement for banks to update and submit plans and strategies for dealing with NPLs;

					- improve the procedure for selecting a bankruptcy trustee and supervising their activities and for conducting auctions to sell the bankrupt's property; - improve the procedure and access to bankruptcy and restructuring procedures for individuals, micro and small enterprises; - introduce safeguards in the Code of Ukraine on Bankruptcy Procedures to prevent fraudulent actions of participants and limit the influence of related parties of the debtor on bankruptcy proceedings; - improve the legislation on debt collection and debt treatment - introduce in Ukraine regulatory conditions favouring the NPL market's development and operation, and to attract foreign investment to this market.
5.6	Reform 4. Improved capacity of the financial supervisory authority	Entry into force of the law on the improvement of the state regulation for capital markets and organised commodity markets	Q4	2025	Entry into force of the Law on the improvement of state regulation for capital markets and organised commodity markets, aligning it with IOSCO standards. This refers to the ability of the National Commission on Securities and Stock Market (NSSMC) to operate free from external influence, particularly from political or industry pressures, make decisions based on the law and the best interests of market integrity and investor protection, rather than external interests, and have strong enforcement mechanisms and international cooperation.

C.6. MANAGEMENT OF PUBLIC ASSETS

1. Description of Reforms and Investments

The objective of this chapter is to improve the state ownership policy, corporate governance and management of Ukraine's state-owned enterprises (SOEs) as well as to harmonise the State Aid framework with the Union acquis. This serves to improve transparency and efficiency and supports strengthening the level playing field with the private sector.

Reform 1. Adopting a state ownership policy

The objective of this reform is to adopt a state ownership policy that would reflect long-term and whole-of-government priorities of SOEs ownership. The triage of SOEs shall be renewed according to the principles laid out in the state ownership policy. The triage of SOEs shall result in a list of SOEs that will remain in state ownership as strategic, a list of SOEs that will be proposed for privatisation, also indicating all SOEs which are temporarily banned for privatisation during the martial law in a dedicated subsection, and a list of SOEs which will be liquidated.

The reform has one step. It entails entry into force of legislation introducing the state ownership policy, and the publication of the triage of SOEs.

The reform is expected to be completed by Q4 2024.

Reform 2. Improved governance and management of state-owned enterprises

The objective of this reform is to facilitate the transition from the state unitary enterprise legal form into more commercially oriented forms, to foster a more efficient and transparent governance framework for state-owned enterprises (SOEs) via enhancing corporate governance standards and implementation in top SOEs.

The reform has seven steps. First, a new law enters into force that improves corporate governance of SOEs taking into account OECD guidelines[2], including by defining the powers of SOEs' supervisory boards. Second, supervisory boards with a majority of independent members in at least 15 top key SOEs are appointed. Third, Ukraine corporatises at least 15 top key SOEs as either joint-stock companies or limited liability companies. Fourth, a roadmap is adopted, providing for the lifting of SOE moratoria and gradual lifting of SOE moratoria on debt enforcement. Fifth, amendments to the legislation on SOEs enter into force, bringing operational autonomy and internal controls of SOEs closer to OECD standards. Sixth, independent external evaluations are performed for top SOEs. Seventh, authorities submit the first annual report showing that the principles of corporate governance are duly followed.

The reform is expected to be completed by Q3 2027.

Reform 3. Separation of accounts between public service obligations (PSO) and non-PSO activities in state-owned enterprises

The objective of this reform is to strengthen the level playing field with the private sector, as well as further convergence with the EU acquis via a separation of accounts between activities connected to Public Service Obligations (PSOs) from non-PSOs activities.

The reform has three steps. First, Ukraine shall adopt and publish a Roadmap defining the necessary steps for mandatory structural separation of accounts between PSO and non-PSO activities for all SOEs engaged in PSOs. Second, entry into force of the legislation to align with the Directive 2006/111 of the European Commission, which will ensure that mandatory structural separation of accounts between PSO and non-PSO activities is defined and implemented. Third, Ukraine shall publish an independent audit report on top SOEs engaged in the PSOs, including on the implementation of accounts separation and market compliance on cross-subsidisation.

The reform is expected to be completed by Q3 2027.

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[2] OECD (2015), OECD Guidelines on Corporate Governance of State-Owned Enterprises, OECD, Paris, https://www.oecd.org/en/publications/oecd-guidelines-on-corporate-governance-of-state-owned-enterprises-2024_18a24f43-en.html

Reform 4. Improved state aid control framework

The objective of this reform is to lift the suspension of application of State aid control and align the State aid control framework with that of the Union, which would result in more transparency over the state funding to SOEs.

The reform has one step. It entails the updating of legislation on state aid, including provisions in relation to services of general economic interest, together with the full lifting of suspension of application of state aid control by the Antimonopoly Committee of Ukraine.

The reform is expected to be completed by Q4 2025.

2. List of steps and timetable for implementation

No.	Reform / Investment	Name of the step	Timeline		Step description
6.1	Reform 1. Adopting a state ownership policy	Adoption of the state ownership policy and of the triage of state-owned enterprises	Q4	2024	Adoption and publication of the Resolution of the Cabinet of Ministers of Ukraine on Approving the General State Ownership Policy and the 'triage' of SOEs. The State Ownership Policy focuses on these main areas: - listing the public policy objectives that SOEs are required to achieve; - describing the state's role in the governance of SOEs; how the state will implement its ownership policy; and the respective roles and responsibilities of those government authorities involved in its implementation; - defining the overall rationales for keeping SOEs under state ownership and subjects these rationales to regular reviews; - setting long-term and whole-of-government priorities of SOEs ownership; - defining dividend policy, remuneration policy for members of supervisory boards and managers. The ownership policy allows for the implementation of OECD Corporate governance reforms in DSO companies to improve competition in natural gas markets. The triage of SOEs leads to the following outcomes: - a list of SOEs that will remain in state ownership as strategic;

					- a list of SOEs that will be proposed for privatisation, also indicating all SOEs which are temporarily banned for privatisation during the martial law in a dedicated subsection; - a list of SOEs which will be liquidated.
6.2	Reform 2. Improved governance and management of state-owned enterprises	Entry into force of the legislation on corporate governance of state-owned enterprises	Q2	2024	Entry into force of the new law on corporate governance of SOEs taking into account OECD guidelines on corporate governance. The law focuses on these main areas: - defining the powers of SOEs' supervisory boards to appoint and dismiss CEOs; - defining the powers of SOEs' supervisory boards to approve the strategic, investment and financial plans documents of SOEs; - establishing an annual evaluation procedure for the supervisory boards of SOEs.
6.3	Reform 2. Improved governance and management of state-owned enterprises	Appointment of Supervisory boards of state-owned enterprises with a majority of independent members	Q2	2026	Supervisory boards with a majority of independent members are appointed for at least 15 SOEs from the list of top key SOEs approved by the Cabinet of Ministers protocol decision. The nomination of the Supervisory board members is conducted via competitive selection process, on the basis of procedures agreed and in place at the time of the start of the selection.
6.4	Reform 2. Improved governance and management	Corporatisation of key state-owned enterprises	Q3	2026	At least 15 SOEs from the list of top key SOEs approved by a Cabinet of Ministers protocol decision are corporatised as either joint-stock companies or limited liability companies.

	of state-owned enterprises				
6.5	Reform 2. Improved governance and management of state-owned enterprises	Submission of a report showing that the principles of corporate governance are duly followed	Q3	2027	The first annual report with the financial and operational results showing that the principles of corporate governance are duly followed is shared with the European Commission. The report also assesses the independence of Supervisory boards' decision-making, in particular in at least 15 SOEs from the list of top key SOEs, including whether decisions on strategic matters and managerial appointments require a de facto consent from the government. Before the audit, the following key principles of corporate governance are put in place and enforced: - the roles of the Cabinet of Ministers, Ministry of Finance, the Ministry of Economy are clearly defined, and the Parliament oversight is enforced; - the mandate and scope of the consolidated SOE management entities are clearly defined fully in line with the State Ownership Policy; - public finance management considerations are embedded in top SOEs' charters (and, if needed in those of the consolidated SOE management entities); - top SOEs charters, when needed, are amended in line with the corporate governance reform principles, including to ensure the independence of supervisory boards in decision making.
6.6	Reform 3.	Adoption of Roadmap on the separation of public service	Q1	2025	Adoption and publication of the Roadmap defining the steps for mandatory structural separation of PSO and non-PSO activities for all SOEs engaged in PSOs. The Roadmap is based on the identified current level of adoption of required accounting approaches and

	Separation of accounts between public service obligations (PSO) and non-PSO activities in state-owned enterprises	obligations (PSO) and non-PSO activities			include operational steps for the separation of accounts for companies on different stages of implementation of required changes. The Roadmap describes how the account separation between PSO and non-PSO activities will be performed in all top key SOEs approved by the Cabinet of Ministers protocol decision.
6.7	Reform 3. Separation of accounts between public service obligations (PSO) and non-PSO activities in	Entry into force on legislation on the separation of public service obligations (PSO) and non-PSO activities	Q4	2025	Entry into force of the legislation identified in the Roadmap adopted under step 6.6 to align with the Directive 2006/111 of the European Commission, which will ensure that mandatory structural separation of accounts between PSO and non-PSO activities is defined and implemented in all top key SOEs approved by the Cabinet of Ministers protocol decision which are engaged in PSOs.

	state-owned enterprises				
6.8	Reform 3. Separation of accounts between public service obligations (PSO) and non-PSO activities in state-owned enterprises	Submission of an audit report confirming the separation of public service obligations (PSO) and non-PSO activities	Q3	2027	Submission of an independent audit report conducted by an audit company that is part of the international auditing network and, according to national legislation, has the right to conduct a mandatory audit of the financial statements of enterprises of public interest. Such a report contains a detailed assessment on the following areas for the top key SOEs approved by the Cabinet of Ministers protocol decision, engaged in PSO: - implementation of accounts separation; - market compliance on cross-subsidisation; - definition of public service obligations for each SOE; - costs, financial flows and liabilities stemming from the Public Service obligations.
6.9	Reform 4. Improved state aid control framework	Entry into force of the updated legislation on state aid and full unsuspension of the application of state aid control	Q4	2025	Entry into force of the updated legislation on state aid, including provisions in relation to services of general economic interest, together with the full unsuspension of the application of state aid control by the Antimonopoly Committee of Ukraine, with the exception of the recapitalization by the State of systemically important banks holding state secrecy clearance for financing of the defence industry for the duration of martial law. The law will also allow for specific appropriate aid schemes for support to SMEs provided under martial law.

6.10	Reform 2. Improved governance and management of state-owned enterprises	Adoption of the roadmap for lifting SOE moratoria and gradual lifting of SOE moratoria on debt enforcement	Q4	2026	Adoption of the roadmap for lifting SOE moratoria and gradual lifting of SOE moratoria on debt enforcement.
6.11	Reform 2. Improved governance and management of state-owned enterprises	Entry into force of the amendments to the legislation on state-owned enterprises, bringing operational autonomy and internal controls of SOEs closer to OECD standards	Q4	2026	Amend relevant laws, bringing operational autonomy and internal controls of SOEs closer to OECD standards, including: - to increase the autonomy and the role of the supervisory boards by (i) ensuring that the CEO reports exclusively to the board, (ii) strengthening the board's role in core governance matters, including the development and adoption of the corporate governance code, (iii) making more effective its decision-making by relying more on simple majority decisions as opposite to qualified majority decisions and (iv) ensuring appropriate access to the board of all companies' information, -to strengthen the composition of the board and its accountability by (i) linking the extension of board members' mandate to objective and performance-based criteria,

					and (ii) extending the independent external evaluation of the board to all SOEs that are required to have a supervisory board, - to foster sound internal governance practices by (i) introducing size- and risk-based thresholds identifying large SOEs to be equipped with independent risk-management and compliance functions, and (ii) ensuring the internal auditors have access to all relevant information; - to foster the integrity of SOEs by strengthening the framework for related-party and significant transactions in line with EU acquis.
6.12	Reform 2. Improved governance and management of state-owned enterprises	Independent assessments of key corporate governance systems for selected nondefense SOEs in accordance with Cabinet of Ministers Ordinance No. 1223 with the involvement	Q4	2026	Completion and publication of independent comprehensive governance assessments of key corporate governance systems, including internal control, risk management, public procurement, corporate integrity and anti-corruption frameworks, for selected non-defense SOEs in accordance with Cabinet of Ministers Ordinance No. 1223, as amended, conducted with the involvement of external auditors and/or consultancies in line with internationally recognized standards and methodologies.

		of external auditors and/or consultancies.			

C.7. HUMAN CAPITAL

1. Description of Reforms and Investments

The objective of this chapter is to present reforms considered necessary to halt recent years' erosion of human capital, while simultaneously laying a foundation for a sustainable recovery, reconstruction and modernisation process.

Reform 1. Improved vocational education

The objective of this reform is to ensure that education meets the needs of the labour market and the country's recovery via expanding the institutional capacity of educational entities to provide formal and non-formal vocational education, and regulating the relations between vocational education institutions, national/local and international stakeholders for the sustainable development of human capital in Ukraine.

The reform has one step. It entails the entry into force of the law on vocational education.

The reform is expected to be completed by Q2 2025.

Reform 2. Improved preschool education

The objective of this reform is to ensure access to quality preschool education with the aim to increase the involvement of women with preschool children into the labour market.

The reform has one step. It entails the entry into force of the law on preschool education.

The reform is expected to be completed by Q1 2025.

Reform 3. Improved rehabilitation system for people with disabilities

The objective of this reform is to improve the rehabilitation system and to allow for a broader assessment of people's needs through a new electronic system.

The reform has one step. It entails the entry into force of legislation for aligning with international standards for measuring functioning, disability and health, and introducing an electronic system containing information about the needs of the individual and automatically offering services in accordance with the identified needs.

The reform is expected to be completed by Q2 2027.

Reform 4. Transition from military service to civilian life

The objective of this reform is to facilitate the transition from military service to civilian life, including active participation in social and economic life.

The reform has one step, namely the implementation of a case management system supporting veterans and demobilised personnel in their return and transition into civilian life.

The reform is expected to be completed by Q2 2027.

Reform 5. Improved social infrastructure and de-institutionalisation

The objective of this reform is to improve the well-being of children, persons with disabilities, and the elderly in the public care system.

The reform has one step. It entails the adoption of two strategies for reforming psychoneurological and other residential institutions and de-institutionalisation of care for children, persons with disabilities and the elderly.

The reform is expected to be completed by Q4 2024.

Reform 6. Improved functioning of the labour market

The objective of this reform is to contribute to the improved functioning of the labour market.

The reform has four steps. First, a strategy shall be adopted aiming to improve the demographic situation of Ukraine up to 2040, including reducing premature mortality, and overcoming negative migration trends. Second, a population employment strategy shall be adopted that proposes measures to update the conditions of Ukraine's labour market, such as simplified access to the labour market, and a reformed state employment service. Third, the Operational Plan of Measures for the implementation in 2026–2028 of the National Strategy for Overcoming the Gender Pay Gap for the period up to 2030 is approved. Fourth, the legislation on Occupational Safety and Health enters into force.

The reform is expected to be completed by Q4 2026.

Reform 7. Ensuring access to housing for people in need

The objective of this reform is to develop the framework for a social housing system.

The reform has two steps. First, legislation shall enter into force that that establishes key priorities for Ukraine's housing policy, such as the need for transparency, accessibility for most vulnerable groups, or the creation of support schemes. Second, legislation establishing a social housing shall enter into force.

The reform is expected to be completed by Q2 2027.

Reform 8. Improved social security

The objective of this reform is to improve the provision of public social services, through the introduction of mechanisms for procuring certain social services from registered providers.

The reform has one step. It entails the adoption of a resolution that reforms the social procurement system for social services, changes the financing model to a result-oriented purchasing model of social services, and incentivises the provision of social services usually not financed by the community.

The reform is expected to be completed by Q2 2025.

Reform 9. Improved cultural development

The objective of this reform is to promote Ukraine's cultural heritage.

The reform has one step. It entails the adoption of a strategy that establishes priority goals such as improving the quality and accessibility of Ukraine's cultural offer, as well as capacity building for Ukraine's cultural institutions.

The reform is expected to be completed by Q1 2025.

Investment 1. Investments in education

The objective of this investment is to improve access to safe and quality public education.

The investment has two steps. First, it entails the budgeting of at least EUR 300 million in current prices (in UAH equivalent) for improving access to safe and quality education for the years 2024 and 2025. Second, it entails the budgeting of at least EUR 650 million in (UAH equivalent) for improving the access to safe and quality education for the years 2024, 2025, 2026, and 2027.

The investment is expected to be completed by Q3 2027.

Investment 2. Investments in healthcare

The objective of this investment is to improve Ukraine's public healthcare system.

The investment has two steps. First, it entails budgeting at least EUR 200 million in current prices (in UAH equivalent) for strengthening of the healthcare infrastructure and facilities, digitalisation of healthcare services, and the provision of equipment for medical analysis, surgery, and patient care for the years 2024 and 2025. Second, it entails budgeting at least EUR 400 million (in UAH equivalent) for strengthening the healthcare infrastructure and facilities, digitalisation of healthcare services, and

the provision of equipment for medical analysis, surgery, and patient care for the years 2024, 2025, 2026 and 2027.

The investment is expected to be completed by Q3 2027.

Investment 3. Investments in social infrastructure

The objective of this investment is to strengthen Ukraine's social infrastructure.

The investment has one step. It entails the budgeting of at least EUR 350 million in current prices (in UAH equivalent) for the restoration, construction (new construction, reconstruction, overhaul, restoration) of damaged/destroyed social infrastructure.

The investment is expected to be completed by Q3 2027.

Investment 4. Investments in housing support for damaged or destroyed housing and for internally displaced persons

The objective of this investment is to improve access to affordable housing and improve the quality and accessibility of housing.

The investment has one step. It entails the budgeting of at least EUR 510 million in current prices (in UAH equivalent) for the housing support measures for persons whose housing was damaged or destroyed as a result of Russia's war of aggression as well as those lost as a result of displacement from territories temporarily occupied by Russian Federation.

The investment is expected to be completed by Q3 2027.

Investment 5. Investments in housing provision for vulnerable groups of the population

The objective of this investment is to improve access to affordable housing and improve the quality and accessibility of housing with particular focus on veterans, with disabilities, their family members and internally displaced persons (IDPs).

The investment has two steps. First, it entails the budgeting of at least EUR 200 million in current prices (in UAH equivalent) for the provision of housing for persons with disabilities of group I-II for the years 2024 and 2025. Second, it entails the budgeting of at least EUR 540 million (in UAH equivalent) for the provision of housing for persons with disabilities of group I-II for the years 2024, 2025, 2026 and 2027.

The investment is expected to be completed by Q3 2027.

2. List of steps and timetable for implementation

No.	Reform / Investment	Name of the step	Timeline		Step description
7.1	Reform 1. Improved vocational education	Entry into force of the legislation on vocational education	Q2	2025	Entry into force of the Law of Ukraine “On Vocational Education.” The law focuses on these main areas: - fair rules for the functioning of educational entities in the market of educational services in the field of vocational education are defined; - the institutional capacity of educational entities to provide formal and non-formal vocational education is expanded; - relations between vocational education institutions, national/local and international stakeholders for the sustainable development of human capital in Ukraine are clearly defined.
7.2	Reform 2. Improved preschool education	Entry into force of the legislation on preschool education	Q1	2025	Entry into force of the Law of Ukraine “On Preschool Education” in alignment with the Council Recommendation of 22 May 2019 on High-Quality Early Childhood Education. The law focuses on these main areas: - guarantees of access to preschool education for children of early and preschool age; - fair rules for the functioning of educational entities in the market of educational services in the field of preschool education; - decent working conditions for employees in the field of preschool education; - the rules for the functioning of a flexible and efficient network of preschool education providers.
7.3	Reform 3.	Entry into force of the legislation on rehabilitation of persons with disabilities	Q2	2027	Entry into force of the Law of Ukraine “On Amendments to the Law of Ukraine “On Rehabilitation of Persons with Disabilities in Ukraine”.

	Improved rehabilitation system for people with disabilities				The law focuses on these main areas: - use of the International Classification of Functioning Disability and Health; - introduction of an electronic system that contains information about the needs of the individual and automatically offers services in accordance with the identified needs (social, medical, and other).
7.4	Reform 4. Transition from military service to civilian life	Implementation of a case management system supporting veterans and demobilised personnel in their return and transition into civilian life	Q2	2027	Implementation of a case management system, complementary to and interoperable with other case management systems of the Government of Ukraine, supporting veterans and demobilised personnel in their return and transition into civilian life, that ensures the streamlining of public services related to physical and mental rehabilitation, social services, economic reintegration and housing support for veterans and demobilised personnel. The system should provide information for performance-based monitoring, such as: - number of veterans and demobilised personnel referred to and number that received physical and mental rehabilitation programmes; - number of veterans and demobilised personnel that requested and received support with employment including education/skills development; - number of veterans and demobilised personnel in a need of and that received housing support; - geographic distribution of demand for veteran reintegration support services.

7.5	Reform 5. Improved social infrastructure and de-institutionalisation	Adoption of the Strategy for reforming Psychoneurological, Other residential Institutions and De-institutionalisation of Care for Persons with Disabilities, and Older Persons and of the Strategy for Ensuring the Right of Every Child in Ukraine to Grow Up in a Family Environment for 2024-2028	Q4	2024	Adoption of the Order of the Cabinet of Ministers 'On Approval of the Strategy for Reforming Psychoneurological, Other Residential Institutions and De-institutionalisation of Care for Persons with Disabilities and Older Persons' and of the Order of the Cabinet of Ministers 'On Approval of the Strategy for ensuring the right of every child in Ukraine to grow up in a family environment for 2024-2028'. The strategies focus on these main areas: - development of social services to support families with children, people with disabilities and older persons to live independently in the community and prevent institutionalisation; - development of assisted living services for people with disabilities and older people who need additional support; -providing family-based forms of upbringing (e.g. foster care, guardianship, and adoption) for children left without parental care.
7.6	Reform 6. Improved functioning of the labour market	Adoption of the Demographic Development Strategy for the period up to 2040	Q3	2024	Adoption of the Order of the Cabinet of Ministers of Ukraine "On Approval of the Demographic Strategy of Ukraine for the Period up to 2040". The Strategy focuses on these main areas: - improving the situation in the field of fertility; - reducing premature mortality, especially among men of working age; - overcoming negative migration trends, through the return of forced migrants, attracting representatives of the foreign diaspora to Ukraine, etc.; - promoting active longevity; - creating infrastructure and security preconditions for improving the demographic situation.

7.7	Reform 6. Improved functioning of the labour market	Adoption of the Population Employment Strategy	Q2	2026	Adoption of the Order of the Cabinet of Ministers of Ukraine on approving the Population Employment Strategy. The strategy focuses on these main areas: - creation of favourable conditions for employment, including through entrepreneurship and with a particular focus on women; - simplification of access to the labour market; - retraining and re-qualification; - reform the state employment service; - reform the labour market forecasting; - incentives to attract foreign talent to the Ukrainian labour market foreign entrepreneurs, highly skilled and working personnel and students.
7.8	Reform 7. Ensuring access to housing for people in need	Entry into force of the legislation on the Basic Principles of Housing Policy	Q4	2025	Entry into force of the Law of Ukraine "On Basic Principles of Housing Policy". The Law focuses on these main areas: - accessibility of housing for the most vulnerable categories of citizens should become the main principle in the provision of housing; - creation of various support mechanisms for citizens with different financial capacities and determination of 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; - creating a transparent framework for monitoring by the public, civil society and the international community.

7.9	Reform 7. Ensuring access to housing for people in need	Entry into force of the legislation on the Social Housing Fund	Q2	2027	Entry into force the Law of Ukraine on Amendments to the Law of Ukraine "On Social Housing Fund" (or the new version of this Law). The Law focuses on these main areas: - establishing an institutional framework to ensure a sufficient supply of social housing projects; - establishing a transparent system for monitoring the 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; - improving the capacity of the institutional framework to ensure a sufficient supply of social housing projects; - improving the rules for the establishment and operation of social housing, including ensuring compliance with energy efficiency, safety, and other standards.
7.10	Reform 8. Improved social security	Adoption of the resolution on the procurement of social services	Q2	2025	Adoption of the Resolution of the Cabinet of Ministers of Ukraine on purchasing social services at the expense of the state budget. The Resolution is fiscally neutral and does not impact in any way the debt sustainability of Ukraine and focuses on these main areas: - transition from financing institutions to a result-oriented purchasing model of social services; - introducing a mechanism for purchasing certain social services from registered public and private social service providers based on established social service standards and criteria for providers.

7.11	Reform 9. Improved cultural development	Adoption of the Strategy for the Development of Ukrainian Culture	Q1	2025	Adoption of an Order by the Cabinet of Ministers approving the Strategy for the Development of Ukrainian Culture. The strategy focuses on these main areas: - preservation, safeguarding and promotion of cultural heritage and properties of Ukrainian people as an integral part of common European cultural area, preservation of national remembrance; - rendering of high-quality and accessible cultural services and opportunities for creative self-realisation of people; - capacity building of Ukrainian cultural institutions to enhance accessibility, share the best practices of cultural participation, and strengthen international cultural relations; - support to creative industries sector as a driver of social innovation and employment, enhancement of institutional capacities of creative industries.
7.12	Investment 1. Investments in education	Investments of at least EUR 300 million in education	Q2	2026	Interim report of the government (or State Treasury report) showing that in the State Budgets for 2024 and 2025 the general government budgeted in particular, to the regional and local levels (as part of step 9.7), at least EUR 300 million (in UAH equivalent) for improving the access to safe and quality education, including preschool education in line with the new legislation on preschool education, among others for the following: - shelters and safe conditions in educational establishments; - school buses; - modern teaching method, including through digitalisation; - materials and equipment for educational establishments; - quality nutrition; - establishment of workshops and laboratories in educational institutions; - improvement of the energy efficiency of educational buildings.

7.13	Investment 1. Investments in education	Investments of at least EUR 650 million in education	Q3	2027	Final report of the government (or State Treasury report) showing that in the State Budgets for 2024, 2025, 2026, and 2027, the general government budgeted in particular, to the regional and local levels (as part of the step 9.8) at least EUR 650 million (in UAH equivalent) for improving the access to safe and quality education, including preschool education in line with the new legislation on preschool education, among others for the following: - shelters and safe conditions in educational establishments; - school buses; - modern teaching method, including through digitalisation; - materials and equipment for educational establishments; - quality nutrition; - establishment of workshops and laboratories in educational institutions; - improvement of the energy efficiency of educational buildings.
7.14	Investment 2. Investments in healthcare	Investments of at least EUR 200 million in healthcare	Q2	2026	Interim report of the government (or Treasury report) showing that in the State Budgets for 2024 and 2025 the general government budgeted, part of which will be budgeted to the regional level (as a part of step 9.7), at least EUR 200 million (in UAH equivalent) for strengthening healthcare, among others for the following: - laboratory equipment for micro-biological, chemical, and physical analysis; - shelters and safety measures for healthcare facilities; - hospital equipment for medical analysis, surgery, and patient care;

					- healthcare infrastructure and facilities; - IT systems s to improve efficiency and effectiveness of healthcare services.
7.15	Investment 2. Investments in healthcare	Investments of at least EUR 400 million in healthcare	Q3	2027	Final report of the government (or Treasury report) showing that in the State Budgets for 2024, 2025, 2026, and 2027, the general government budgeted, part of which will be budgeted to the regional level (as part of step 9.8), at least EUR 400 million (in UAH equivalent) for strengthening healthcare, among others for the following: - laboratory equipment for micro-biological, chemical, and physical analysis; - shelters and safety measures for healthcare facilities; - hospital equipment for medical analysis, surgery, and patient care; - healthcare infrastructure and facilities; - IT systems to improve efficiency and effectiveness of healthcare services.
7.16	Investment 3. Investments in social infrastructure	Investments of at least EUR 350 million in social infrastructure	Q3	2027	Final report of the government (or State Treasury report) showing that in the State Budgets for 2026 and 2027 the general government budgeted at least EUR 350 million (in UAH equivalent) for the restoration, construction (new construction, reconstruction, overhaul, restoration) of damaged/destroyed social infrastructure, part of which will be budgeted to the regional level (as a part of step 9.8), to eliminate the social, economic and environmental consequences caused by the armed aggression of the Russian Federation against Ukraine, in particular to the regional level.
7.17	Investment 4. Investments in housing support for damaged or destroyed housing and	Investments of at least EUR 510 million in housing support for damaged or destroyed housing and housing support for internally displaced persons	Q3	2027	Final report of the government (or State Treasury report) showing that in the State Budgets for 2026, and 2027, the general government budgeted at least EUR 510 million (in UAH equivalent) for housing support measures for persons whose housing was damaged or destroyed as a result of hostilities, terrorist acts, sabotage caused by the military aggression of the Russian Federation, as well as those lost as a result of displacement from territories temporarily occupied by the Russian Federation, including compensation payments, housing certificates,

	housing support for internally displaced persons				vouchers, and provision of social rental housing for internally displaced persons, based on verified data from the State Register of Damaged and Destroyed Property and other relevant state databases.
7.18	Investment 5. Investments in providing housing for vulnerable groups of population	Investments of at least EUR 200 million for providing housing to veterans with disabilities of the I-II groups, family members of deceased veterans and internally displaced persons	Q2	2026	Interim report of the government (or State Treasury report) showing that in the State Budgets for 2024 and 2025 the general Government budgeted at least EUR 200 million (in UAH equivalent) for providing housing for: - persons with disabilities of I-II groups who defended the independence, sovereignty and territorial integrity of Ukraine; - family members of the deceased defenders; - internally displaced persons who defended the independence, sovereignty and territorial integrity of Ukraine and their family members.
7.19	Investment 5. Investments in providing housing for vulnerable groups of the population	Investments of at least EUR 540 million for providing housing to veterans with disabilities of the I-II groups, family members of deceased veterans and internally displaced persons	Q3	2027	Final report of the government (or State Treasury report) showing that in the State Budgets for 2024, 2025, 2026, and 2027, the general Government budgeted at least EUR 540 million (in UAH equivalent) for providing housing for: - persons with disabilities of I-II groups who defended the independence, sovereignty and territorial integrity of Ukraine; - family members of the deceased defenders; - Internally displaced persons who defended the independence, sovereignty and territorial integrity of Ukraine and their family members.
7.20	Reform 6.	Adoption of the Operational Plan of Measures for the implementation in 2026–2028 of the National Strategy	Q2	2026	Adoption and publication on the website of the Cabinet of Ministers of the Operational Plan of Measures for the implementation in 2026–2028 of the National Strategy for Overcoming the Gender Pay Gap for the period up to 2030.

	Improved functioning of the labour market	for Overcoming the Gender Pay Gap for the period up to 2030			
7.21	Reform 6. Improved functioning of the labour market	Entry into force of the legislation on occupational safety and health	Q4	2026	Entry into force of the legislation on occupational safety and health in line with the principles of OSH Framework Directive 89/391/EEC following meaningful consultation of social partners. The legislation focuses on these main areas: - increasing the level of protection of workers' lives and health; - increasing employers' responsibility for creating proper working conditions and a safe working environment; - simplifying legislation in the field of workers' safety and health, and reducing the administrative and regulatory burden on employers; - introducing mechanisms to improve workers' safety conditions and relevant economic incentives; - strengthening fair competition, expanding Ukrainian enterprises' access to international markets, and increasing their competitiveness in those markets.

C.8. BUSINESS ENVIRONMENT

1. Description of Reforms and Investments

The objective of this chapter is to improve the business environment in Ukraine, recognising the role of the private sector in a sustainable recovery of the country. The reforms within this chapter are targeted towards reducing costs of doing business, inter alia, by cutting red tape, increasing digitalisation, and facilitating access to finance.

Reform 1. Improved Regulatory Environment

The objective of this reform is to improve the regulatory environment by abolishing overlapping regulations, and by simplifying and digitising administrative procedures.

The reform has two steps. First, an Action Plan on the optimisation and digitalisation of regulation of economic activities in various sectors shall be adopted. Second, legislation on deregulation and simplification of business conditions shall enter into force.

The reform is expected to be completed by Q4 2025.

Reform 2. Reform of the Economic Security Bureau

The objective of this reform is to relaunch and reinvigorate the Economic Security Bureau through the provision of a clearer mandate and an open, transparent and competitive process for selection of management and staff.

The reform has three steps. The first step entails entry into force of new legislation to establish an open, transparent and competitive (merit-based) process for selection of management and staff, strengthened requirements for the selection commission, a contract system for employees, a clear scope and mandate definition, and a mechanism of attestation of staff. The second step entails the completion of a comprehensive analysis of the salaries, pensions and allowances of the staff of the Economic Security Bureau of Ukraine (ESBU) and other relevant bodies. The third step requires the strengthening of the Economic Security Bureau by expanding its territorial presence, ensuring electronic access to critical databases and strengthening the capacity of ESBU through specialized training.

The reform is expected to be completed by Q4 2026.

Reform 3. Access to finance and markets

The objective of this reform is to help the private sector via different tools.

The reform has two steps. First, Ukraine shall adopt the Small and Medium Enterprises (SME) Strategy and Action Plan for its implementation to improve access to markets, finance and other

resources and access to knowledge for SMEs. Second, legislative amendments on the simplification of access to utility networks shall enter into force.

The reform is expected to be completed by Q1 2026.

Reform 4. Improved public procurement

The objective of this reform is to strengthen Ukraine's public procurement system via a legislative framework aligned with the EU acquis.

The reform has one step. It entails the alignment of public procurement legislation with the EU acquis, focussing primarily on classic and utilities public procurement directives, on concessions and Public-Private Partnerships, the application of requirements for energy labelling and eco-design as mandatory minimum criteria during public procurement, and the enhancement of the e-procurement system.

The reform is expected to be completed by Q3 2027.

Reform 5. Harmonisation of legislation and standards with the Union

The objective of this reform is to resume market surveillance measures and facilitate the adoption of Union norms and standards in Ukraine, particularly in the areas of industrial products.

The reform has three steps. First, legislation on the resumption of market surveillance measures and control for non-food products shall be adopted. Second, harmonised standards for three groups of industrial products (machines, electromagnetic compatibility of equipment, low-voltage electrical equipment) shall be translated into national standards. Third, the amendments to the resolution on the single national metrology institute shall be adopted.

The reform is expected to be completed by Q2 2026.

Reform 6. Addressing late payments

The objective of this reform is to ensure that late payments do not impede business activity.

The reform has one step. It entails the alignment of relevant legislation with Directive 2011/7/EU (also known as the EU's "Late Payment Directive").

The reform is expected to be completed by Q3 2027.

Investment 1. Investments in financial support for micro-enterprises and SMEs

The objective of this investment is to ensure entrepreneurs have access to finance.

The investment has one step. It entails budgeting of at least EUR 450 million in current prices (in UAH equivalent) for improving access to financial support for microenterprises, SMEs, small and medium farmers, and especially small to medium processing enterprises for the years 2024,2025, 2026, 2027 that can include both corporate lending and grants that will be allocated based on transparent criteria.

The investment is expected to be completed by Q3 2027.

2. List of steps and timetable for implementation

No.	Reform / Investment	Name of the step	Timeline		Step description
8.1	Reform 1. Improved regulatory environment	Adoption of the Action Plan on deregulation	Q3	2024	Adoption of the Order of the Cabinet of Ministers of Ukraine regarding the approval of the Action Plan on deregulation. The Action Plan focuses on these main areas: - reduction and digitisation of market access regulations; - changing the punitive and repressive model of state supervision (control) to a preventive one (risk-oriented approach); - reducing the number of supervisory and control functions.
8.2	Reform 1. Improved regulatory environment	Entry into force of the legislation in accordance with the Action Plan on deregulation in specific sectors	Q4	2025	Entry into force of the legislation on deregulation and simplification of business conditions. The legislation focuses on these main areas: - digitisation of permit and license procedures through the implementation of an experimental project on the introduction of the Unified State Electronic System of Permit Documents; - reduction of business inspections by introducing voluntary insurance and audit; - settlement of the issue of legal succession of permit documents and licenses in case of change in the organisational and legal form of a business entity.

8.13	Reform 2. Reform of the Economic Security Bureau of Ukraine	Entry into force of the law on revising the legal basis of the Economic Security Bureau of Ukraine	Q2	2024	Entry into force of the law on revising the legal basis of the activity of the Economic Security Bureau of Ukraine. The new legislation focuses on these main areas: - developing an open, transparent and competitive process for selection of management and staff, selection of the new head on merit-based procedure defined by law - strengthening requirements for the selection commission; - introducing a contract system for employees; - defining a clearer scope and a mandate; - developing a mechanism of attestation of staff.
8.4	Reform 3. Access to finance and markets.	Adoption of the Small and Medium Enterprises (SME) Strategy and Action Plan for its implementation	Q2	2025	Adoption of the resolution of the Cabinet of Ministers of Ukraine on approving the SME Strategy and Action Plan for its implementation. The strategy focuses on these main areas: - access to markets; - access to finance and other resources; - access to knowledge.
8.5	Reform 3. Access to finance and markets.	Entry into force of the legislation on access to information about external engineering works	Q1	2026	Entry into force of the Law of Ukraine “On Amendments to Certain Laws of Ukraine in the Fields of Energy and Heat Supply Regarding the Improvement of Certain Provisions Related to Economic Activity and Martial Law in Ukraine”, along with amendments to the Laws of Ukraine “On Drinking Water and Drinking Water Supply,” “On Heat Supply,” “On the Natural Gas Market,” “On the Electricity Market,” and “On Regulation of Urban Development,” as well as relevant sectoral secondary legislation.. The legislative changes focus on these main areas:

					- open access to information about external engineering networks through public electronic registers, if the security situation allows, which will be determined in the relevant provisions of the amendments to the legal act(s), as well as a simplified procedure(s) for connecting to external engineering networks; - inclusion of information about external engineering networks in public electronic registers of state ownership, if the security situation allows, which will be determined in the relevant provisions of the amendment to the legal act(s); - inclusion of information on protection zones of external engineering networks in public electronic registers of state property.
8.6	Reform 4. Improved public procurement	Entry into force of the legislation on harmonising legislation in the field of public procurement with the EU acquis.	Q3	2027	Entry into force of the Laws of Ukraine aligning legislation in the field of public procurement, with: - Directive 2014/24/EU of the European Parliament and of the Council of 26 February 2014 on public procurement and repealing Directive 2004/18/EC; - Directive 2014/25/EU of the European Parliament and of the Council of 26 February 2014 on procurement by entities operating in the water, energy, transport and postal services sectors and repealing Directive 2004/17/EC; - Directive 2014/23/EU of the European Parliament and of the Council of 26 February 2014 on the award of concession contracts; - Directive 2009/81/EC of the European Parliament and of the Council of 13 July 2009 on the coordination of procedures for the award of certain works contracts, supply contracts and service contracts by contracting authorities or entities in the fields of defence and security, and amending Directives 2004/17/EC and 2004/18/EC;

					- Council Directive 89/665/EEC of 21 December 1989 on the coordination of the laws, regulations and administrative provisions relating to the application of review procedures to the award of public supply and public works contracts; - Council Directive 92/13/EEC of 25 February 1992 coordinating the laws, regulations and administrative provisions relating to the application of Community rules on the procurement procedures of entities operating in the water, energy, transport and telecommunications sectors; - Directive 2007/66/EC of the European Parliament and of the Council of 11 December 2007 amending Council Directives 89/665/EEC and 92/13/EEC with regard to improving the effectiveness of review procedures concerning the award of public contracts; - Directive 2014/55/EU of the European Parliament and of the Council of 16 April 2014 on electronic invoicing in public procurement These laws focus on these main areas: - further alignment of national legislation with the classic and utilities public procurement directives, especially with respect to the material scope of the Public Procurement Law and exemptions thereof, delimitation of procurement regulation that is not directly related to military needs carried out by customers in the sphere of security and defence; - further alignment of national legislation on concessions and PPPs with the EU acquis; - application of the requirements for energy labelling and eco-design as mandatory minimum criteria during public procurement;

					- enhancement of the e-procurement system, that includes development of e-contracting in the Prozorro system, and operational interoperability with DREAM system and other state IT systems if applicable.
8.7	Reform 5. Harmonisation of legislation and standards with the EU	Adoption of the resolution for the resumption of market surveillance measures and control of non-food products, including product safety inspection	Q4	2024	Adoption of the Resolution of the Cabinet of Ministers of Ukraine on Amendments to the Resolution of 13 March 2022 no. 303 "On the Termination of Measures of State Surveillance (Control) and State Market Surveillance under the Conditions of Martial Law" with regard to the exclusion of state market surveillance from its scope and to repeal Resolution of 3 May 2022 no. 550 "On the Termination of the Carrying Out of State Control of Non-Food Products under the Conditions of Martial Law" in order to resume market surveillance measures and control of non-food products, including product safety inspections
8.8	Reform 5. Harmonisation of legislation and standards with the EU	Adoption of harmonised standards for three groups of industrial products	Q3	2025	Harmonised standards for 3 groups of industrial products (machinery, electromagnetic compatibility of equipment, low-voltage electrical equipment) are adopted as national ones by translation method
8.9	Reform 6. Addressing late payments	Entry into force of the legislation on combating late payments	Q3	2027	Entry into force of the amendments to the legislation in line with the principles of the Directive 2011/7/EU of the European Parliament and of the Council of 16 February 2011 on combating late payment in commercial transactions (recast)
8.10	Investment 1. Investments in financial support for micro-	Investment of at least EUR 450 million for financial support to microenterprises, SMEs	Q3	2027	Report of the government (or State Treasury report) showing that in the State Budgets for 2024, 2025, 2026, 2027 the general government budgeted at least EUR 450 million (in UAH equivalent) for financial support for microenterprises, SMEs, small and medium farmers, and especially small and medium processing enterprises, also in line with the new SME Strategy and Action Plan when adopted and where relevant, that can include both corporate lending and

	enterprises and SMEs	and small and medium processing enterprises			grants that will be allocated based on transparent criteria. The corporate lending is channelled through financial intermediaries. The grants are channelled through dedicated entities with appropriate resources and capacity and through financial intermediaries.
8.11	Reform 2. Reform of the Economic Security Bureau of Ukraine	Entry into force of a legal acts further strengthening the Economic Security Bureau of Ukraine	Q4	2026	Entry into force of legal acts to further strengthen the Economic Security Bureau of Ukraine (ESBU) in effectively combating economic crimes, particularly by: - ESBU will establish territorial offices; - ensuring ESBU's access to essential information systems and data as well as other relevant registers and databases via electronic exchange; - strengthening the capacity, including human resources, of the ESBU through a gender-sensitive approach by facilitating the participation of Bureau staff in specialized training on best practices for detecting, preventing, and investigating criminal offenses that threaten the state economy, including with the involvement of international partners.
8.12	Reform 5. Harmonisation of legislation and standards with the EU	Adoption of amendments to the resolution on the single national metrology institute	Q2	2026	Adoption of amendments to the resolution of the Cabinet of Ministers No. 330 of 27 May 2015 on the designation of a single national metrology institute - State Enterprise "All-Ukrainian State Scientific and Production Centre for Standardisation, Metrology, Certification and Consumer Protection" (SE "Ukrmetrteststandard", Kyiv).

8.13	Reform 2. Reform of the Economic Security Bureau of Ukraine	Completion of a comprehensive assessment of the salaries, pensions and allowances of the staff of the Economic Security Bureau of Ukraine and other relevant bodies	Q3	2026	Completion by the Government of Ukraine of a comprehensive analysis of the adequacy of salaries, pensions and allowances of the Economic Security Bureau of Ukraine, other comparable agencies and relevant governmental bodies, in order to assess the level-playing field among those agencies, institutions and bodies.

C.9. DECENTRALISATION AND REGIONAL POLICY

1. Description of Reforms and Investments

The objective of this chapter is to advance the process of decentralisation on institutional and legislative level and to strengthen the development of regional policy. This contributes to a higher level of participation in the decision-making process at the local level and empowers regional and local government entities to participate in the recovery and reconstruction process. The reform also strengthens the capacity of entities, structures and systems that will be used for identification, implementation and evaluation of recovery and reconstruction projects.

Reform 1. Advancing decentralisation

The objective of this reform is to put into place a framework for transforming local state administration into prefecture-type authorities and to ensure a better distribution of powers between local governments and executive authorities.

The reform has three steps. First, the legislation on transforming local state administration into prefecture-type authorities enters into force and is applied within 12 months from the date of termination or abolition of martial law in Ukraine. Second, a study on the necessary measures to grant legal personality to municipalities is endorsed and published. Third, the legislation to ensure a better distribution of powers between local governments and executive authorities enters into force with an application in 12 months after the end of the martial law and from the start of the new budget period. The reform is expected to be completed by Q1 2027.

Reform 2. Increased involvement of citizens to decision making process at the local level

The objective of this reform is to increase citizen involvement and active participation into local decision-making processes.

The reform has one step. The law for public consultations on public policy enters into force and is applied within 12 months from the date of termination or abolition of martial law in Ukraine. The legislation launches a legal mechanism for public consultations during the formation and implementation of public policy, addressing issues of local importance.

The reform is expected to be completed by Q1 2025.

Reform 3. Development and implementation of regional policy

The objective of this reform is to align regional policy with recovery and reconstruction efforts, by amending the strategy for regional development and development of urban planning at the local level.

The reform has two steps. First, adoption of resolutions to amend the State Strategy for Regional Development for 2021-2027. Second, the resolution for development of urban planning at the local level to foster the digitalisation of urban planning documentation is adopted.

The reform is expected to be completed by Q4 2024.

Investment 1. Investments for the recovery, reconstruction and modernisation needs of Ukraine's sub-national authorities

The objective of the investment is to support the recovery, reconstruction and modernisation needs of Ukraine's sub-national authorities, in particular local self-government.

The investment has two steps. First, it entails providing an interim report showing that the equivalent of at least 5% of the non-repayable financing support under Pillar I of the Ukraine Facility have been allocated to the recovery, reconstruction, and modernisation needs of Ukraine's sub-national authorities, in particular local self-government for the years 2024 and 2025. Second, it entails providing a report showing that the equivalent of at least 20% of the non-repayable financing support under Pillar I of the Ukraine Facility have been allocated to the recovery, reconstruction, and modernisation needs of Ukraine's sub-national authorities, in particular local self-government for the years 2024, 2025, 2026, and 2027.

This investment is expected to be completed by Q3 2027.

2. List of steps and timetable for implementation

No.	Reform / Investment	Name of the step	Timeline		Step description
9.1	Reform 1. Advancing decentralisation	Entry into force of the legislation on reforming of territorial organisation of the executive authorities in Ukraine with delayed application	Q1	2025	Entry into force of the Law of Ukraine "On Amendments to the Law of Ukraine 'On Local State Administrations' and Some Other Legislative Acts of Ukraine as Regards the Reforming of Territorial Organisation of the Executive Authorities in Ukraine" with its application within 12 months from the date of termination or abolition of martial law in Ukraine. Subordinate legal acts for the implementation of the law shall be adopted after it enters into force. The law focuses on these main areas: - transforming local state administrations into prefecture-type authorities in order to create a balanced system of ensuring a legal nature of activities undertaken by local self-government bodies; - ensuring coordination of the territorial bodies of the central executive authorities when implementing the state policy at the regional and local levels.
9.2	Reform 1. Advancing decentralisation	Endorsement and publication on the website of the Ministry of Communities, Territories and Infrastructure Development of Ukraine of a study on the necessary measures to grant legal	Q2	2025	Publication of the results of the study on the possibility of granting territorial communities the status of a legal entity on the official web portal of the Ministry of Communities, Territories and Infrastructure Development of Ukraine

		personality to municipalities			
9.3	Reform 1. Advancing decentralisation	Entry into force of the legislation to ensure a better distribution of powers between local governments and executive authorities	Q1	2027	Entry into force of the amendments to the Law of Ukraine “On Local Self-Government in Ukraine” and sector-specific laws with an application in 12 months after the end of the martial law but not earlier than the start of the new budget period. These legislative amendments are expected to focus on these main areas: - lead to an improved distribution of powers between local governments and executive authorities based on the principles of subsidiarity and decentralisation; - help to eliminate conflicts of competence between different tiers of central, regional, district and local authorities, as well as within bodies of local self-government; - encourage a proper quality of public services at the local level and an efficient use of budget funds.
9.4.	Reform 2. Increased involvement of citizens to decision making	Entry into force of the legislation for public consultations on public policy with delayed application	Q1	2025	Entry into force of the Law of Ukraine “On Public Consultations” with its application within 12 months from the date of termination or abolition of martial law in Ukraine. The Law will launch legal mechanism for public consultations during the formation and implementation of public policy, addressing issues of local importance, which will establish preconditions for coherent, effective and efficient policy- and decision-making.

	process at the local level				
9.5	Reform 3. Development and implementation of regional policy	Adoption of resolutions to amend the State Strategy for Regional Development for 2021-2027	Q3	2024	Adoption of the Resolution of the Cabinet of Ministers of Ukraine "On Amendments to the State Strategy for Regional Development for 2021-2027, approved by the Resolution of the Cabinet of Ministers of Ukraine No. 695 dated 5 August 2020". The resolution focuses on these main areas: - development of multi-level governance, approximation of the regional development management system to EU procedures and best practices; - promoting partnerships, inter-municipal, interregional and cross-border cooperation; - developing the institutional capacity of territorial communities and regions in terms of project management, digitalisation, anti-corruption and strategic planning.
9.6	Reform 3. Development and implementation of regional policy	Adoption of resolutions for development of urban planning at the local level	Q4	2024	Adoption of the Resolutions by the Cabinet of Ministers of Ukraine approving the Procedure for maintaining the state-level urban planning cadastre, the Unified State Address Register, the Unified State Register of Buildings and Structures, the Unified State Register of Administrative Units, amending resolutions of the Cabinet of Ministers of Ukraine regulating the development of urban planning documentation in the form of electronic documents, maintaining the Unified State Electronic System in the field of construction, integration and information interaction of registers and cadastres of the state.
9.7	Investment 1. Investments for the recovery,	Allocation of at least 5% of the overall non-repayable financial	Q2	2026	Interim report showing that the equivalent of at least 5% of the non-repayable financial support has been allocated to the recovery, reconstruction and

	reconstruction and modernisation needs of Ukraine's sub-national authorities	support for meeting recovery, reconstruction, and modernisation needs of sub-national authorities			modernisation needs of Ukraine's sub-national authorities, in particular local self-government.
9.8	Investment 1. Investments for the recovery, reconstruction and modernisation needs of Ukraine's sub-national authorities	Allocation of at least 20% of the overall non-repayable financial support for meeting recovery, reconstruction, and modernisation needs of sub-national authorities	Q3	2027	Final report proving that the equivalent of at least 20% of the non-repayable financing support has been allocated to the recovery, reconstruction and modernisation needs of Ukraine's sub-national authorities, in particular local self-government.

C.10. ENERGY SECTOR

1. Description of Reforms and Investments

The objective of this chapter is to strengthen the resilience and security of the energy sector in Ukraine, with a particular view to facilitate a clean energy transition, including via focusing on the energy efficiency measures, supporting private sector investments in renewable energy, advancing structural reforms, and easing integration of the energy system of Ukraine with that of the Union.

Reform 1. Integrated National Energy and Climate Plan

The objective of this reform is to approve the Integrated National Energy and Climate Plan (INECP) which will set out national climate neutrality objectives, with an overarching goal to reduce greenhouse gas emissions.

The reform has one step. It entails the adoption of the Integrated National Energy and Climate Plan.

The reform is expected to be completed by Q2 2024.

Reform 2. Improved regulatory framework for increasing renewable energy and ensuring stable operation of the energy system.

The objective of this reform is to increase the share of renewable energy in the energy mix of Ukraine. This will be done via improving the conditions for the development of renewable energy on a market basis.

The reform has three steps. First, it entails the introduction of a market-based renewable energy framework in line with Union rules, defining necessary procedures and documents for competitive auctions. Second, legislation on streamlining and shortening the permitting procedures for renewable energy investments in line with Union rules enters into force. Third, it entails the development and approval of a Roadmap for the separation of the Renewable Energy Surcharge from the Transmission Tariff.

The reform is expected to be completed by Q4 2025.

Reform 3. Electricity market reform

The objective of this reform is to improve the regulatory framework for the energy sector in Ukraine, including to support integration of the Ukrainian and European markets.

The reform has five steps. First, legislation enters into force that transposes the electricity integration package. Second, legislation changing the regime of indirect taxation of participants in the electricity market enters into force facilitating the market coupling of day-ahead and intraday markets of neighbouring states and export and import of electric energy. Third, a new electricity market operator designated by the regulator is appointed. Fourth, the secondary legislation on the wholesale energy

market integrity and transparency (REMIT) law enters into force. Fifth, the secondary legislation of law No. 4834/IX on the transposition of the electricity integration package shall enter into force.

The reform is expected to be completed by Q4 2026.

Reform 4. Liberalisation of electricity and natural gas prices

The objective of this reform is to set the grounds for a gradual liberalisation of prices once conditions allow, ensuring sufficient measures to protect vulnerable households.

The reform has one step. It entails the adoption of a Roadmap for gradual liberalisation of gas and electricity markets, which shall include a set of specific steps to take and the timeline to be implemented after the martial law is lifted.

The reform is expected to be completed by Q2 2026.

Reform 5. Ensuring independence of National Energy and Utilities Regulatory Commission

The objective of this reform is to strengthen the independence of the energy regulator and ensure the effective functioning and development of markets in the energy and utilities sectors.

The reform has four steps. First, the legislative amendments exempting the decisions of the energy regulator from the state registration procedure, according to the requirements of the relevant EU directives, will enter into force. Second, legislative amendments to provide for the specification of special status of the regulator, as per the relevant EU directives, enter into force. Third, Ukraine shall launch a selection procedure for the identification of an auditor to be tasked for carrying out a third-party audit of the energy regulator regarding its financial and decision-making processes. Fourth, the third-party audit of the energy regulator shall be completed.

The reform is expected to be completed by Q4 2026.

Reform 6. Improved efficiency in the district heating

The objective of this reform is to improve the district heating sector and aim to strengthen the resilience of the integrated energy system, including by improving the regulatory framework, and supporting modernisation of the heating companies.

The reform has three steps. First, the State targeted economic programme for the modernisation of heat generating enterprises for the period up to 2030 will be adopted to improve heat supply services, support the green transition of the energy sector, and strengthen governance. Second, entry into force of legislation to support the development of efficient and sustainable district heating via clear rules for network connection and disconnection, and on improving procedures for individual heat substations installation in multi-apartment buildings. Third, Ukraine will cancel the moratorium on rising heat and hot water tariffs.

The reform is expected to be completed by Q4 2026.

Reform 7. Improved energy efficiency in public buildings and improvement of public procurement procedures

The objective of this reform is to improve energy sustainability and support the reduction of energy consumption by rolling out energy efficiency measures.

The reform has two steps. First, Ukraine shall adopt a Strategy for Thermal Modernisation of Buildings until 2050 and an accompanying Action plan aimed at improved the energy efficiency of the buildings. Second, Ukraine shall adopt legal acts on setting minimum energy efficiency performance levels for buildings and also for products covered by the EU energy labelling legislation, and on setting classes of energy efficiency performance levels for products covered by the EU energy labelling legislation.

The reform is expected to be completed by Q3 2026.

Investment 1. Investments in energy infrastructure, energy efficiency interventions and the restoration of war-damaged buildings

The objective of this investment is to finance critical energy infrastructure to ensure energy security as well as to support energy efficiency interventions and the restoration of war-damaged buildings with a strong focus on energy efficiency and development of renewable sources.

The investment has one step. It entails budgeting of at least EUR 550 million in current prices (in UAH equivalent) for energy investments in 2026 and 2027, for strengthening the energy infrastructure of Ukraine and promote energy efficiency, including at the regional level, with a focus on improving energy efficiency in district heating, public buildings, and the residential sector, physical protection of Ukraine's infrastructure, and development of renewable energy sources. It also entails supporting the reparation of war-damaged buildings.

The investment is expected to be completed by Q3 2027.

Reform 8. Integrated Regulatory Review Service at the State Nuclear Regulatory Inspectorate

The objective of the reform is to launch the process of an independent international peer review of the effectiveness, independence, governance and regulatory functions of the national nuclear and radiation safety regulatory framework against IAEA safety standards.

The reform has one step. The State Nuclear Regulatory Inspectorate (SNRIU) shall request an Integrated Regulatory Review Service mission by the International Atomic Energy Agency.

The reform is expected to be completed by Q3 2026.

2. List of steps and timetable for implementation

No.	Reform / Investment	Name of the step	Timeline		Step description
10.1	Reform 1. Integrated National Energy and Climate Plan	Adoption of the Integrated National Energy and Climate Plan	Q2	2024	Adoption of the Ordinance of the Cabinet of Ministers of Ukraine on approving the Integrated National Energy and Climate Plan to establish national climate neutrality objectives and ensure appropriate planning after duly taking into account the recommendations from the Energy Community. The plan defines targets to be achieved by 2030 on: - GHG reductions, including through market-based carbon pricing mechanisms; - the share of renewable sources in gross final consumption of energy; - the energy saving in final energy consumption.
10.2	Reform 2. Improved regulatory framework for increasing renewable energy and ensuring stable operation of the energy system	Introduction of a market-based framework for renewable energy	Q4	2024	Entry into force of market-based legislative and regulatory framework for investments in renewable energy sources in line with EU rules, namely necessary procedures and documents for competitive auctions. The following legislative act is introduced/amended: The Resolution of the Cabinet of Ministers ‘On Amendments to the Resolution of the Cabinet of Ministers dated 29 December 2019 № 1175

					on Improving the Procedure for Holding Auctions for the Distribution of Support Quotas’
10.3	Reform 2. Improved regulatory framework for increasing renewable energy and ensuring stable operation of the energy system	Entry into force of the legislation to improve permitting procedures for renewable energy investments	Q4	2025	Entry into force of the legislation on shortening the permitting procedures for renewable investments in line with Union rules transposed in the Energy Community as Ministerial Council Recommendation 2024/1/MC-EnC of 11 December 2024 on accelerating the deployment of renewable energy projects and implementing the energy efficiency first principle (“Recommendation 2024/1/MC-EnC”).
10.4	Reform 2. Improved regulatory framework for increasing renewable energy and ensuring stable operation of the energy system	Adoption of the Roadmap of the process of separation of the Renewable Energy Surcharge from the Transmission Tariff	Q2	2025	Adoption of the Roadmap of the process of separation of the Renewable Energy Surcharge from the Transmission Tariff with identifying legislative needed acts and terms of implementation.
10.5	Reform 3. Electricity market reform	Entry into force of the Law on the transposition of the electricity integration package	Q3	2025	Entry into force of the Law on the transposition of the electricity integration package, aligning Ukrainian national legislation with the electricity integration package, as incorporated in the Energy Community acquis in December 2022. The electricity integration package approximates legislation in line with the following acts and network codes and guidelines:

					- Directive (EU) 2019/944 of the European Parliament and of the Council of 5 June 2019 on common rules for the internal market for electricity and amending Directive 2012/27/EU (recast) - Regulation (EU) 2019/943 of the European Parliament and of the Council of 5 June 2019 on the internal market for electricity (recast); - Regulation (EU) 2019/941 of the European Parliament and of the Council of 5 June 2019 on risk-preparedness in the electricity sector and repealing Directive 2005/89/EC; - Regulation (EU) 2019/942 of the European Parliament and of the Council of 5 June 2019 establishing a European Union Agency for the Cooperation of Energy Regulators (recast). - the five Network Codes and Guidelines establish detailed rules related to different market segments and system operation: - Commission Regulation (EU) 2016/1719 of 26 September 2016 establishing a guideline on forward capacity allocation; - Commission Regulation (EU) 2015/1222 of 24 July 2015 establishing a guideline on capacity allocation and congestion management;

					- Commission Regulation (EU) 2017/2195 of 23 November 2017 establishing a guideline on electricity balancing; - Commission Regulation (EU) 2017/1485 of 2 August 2017 establishing a guideline on electricity transmission system operation; - Commission Regulation (EU) 2017/2196 of 24 November 2017 establishing a network code on electricity emergency and restoration.
10.6	Reform 3. Electricity market reform	Entry into force of the legislation on changing the conditions of taxation of participants in the electricity market	Q4	2026	Entry into force of the legislation changing the regime of indirect taxation of participants in the electricity market, in order to facilitate the market coupling of day-ahead and intraday markets with day-ahead markets and intraday markets of neighbouring states and operations related to exports and import of electric energy within the framework of the implementation of the legislation of the Energy Community introduced by the decision of the Council of Ministers of the EU dated 15.12.2022 № D/2022/03/MC–EnC, namely to amend the Tax Code of Ukraine and to amend the Customs Code of Ukraine to enable market integration and market coupling. The list of specific laws will be finalised after the adoption of the basic law on the transposition of the Electricity Integration Package.

10.7	Reform 3. Electricity market reform	Appointment of a new electricity market operator	Q4	2025	Appointment of a nominated electricity market operator designated by National Energy and Utilities Regulatory Commission (NEURC).
10.8	Reform 3. Electricity market reform	Entry into force of the secondary legislation on the Regulation on Wholesale Energy Market Integrity and Transparency (REMIT) law	Q3	2024	Entry into force of the secondary legislation on REMIT law. The NEURC approves these procedures and requirements: - the procedure for acquiring, suspending and terminating the status of a data transfer administrator; - the procedure for the functioning of insider information platforms; - requirements for ensuring integrity and transparency in the wholesale energy market; - procedure for Submission of Information on Economic and Trade Transactions with Wholesale Energy Products Preparation of the Terms of Reference for the development of an information system defining the following functions of the NEURC: - the system will be integrated with the systems of market operators, insider information platforms, data transfer administrators and will detect information indicating the presence of abuse.

10.9	Reform 4. Liberalisation of electricity and natural gas prices	Adoption of a Roadmap for gradual liberalisation of gas and electricity market, to be implemented after the expiration of the martial law	Q2	2026	Adoption of a Roadmap for gradual liberalisation of gas and electricity market by the Cabinet of Ministers of Ukraine with steps to take and the associated timeline, to be implemented after the expiration of the martial law. The Roadmap is based on the technical analysis to understand the financial condition of the sector. The Roadmap focuses on these main areas: - steps needed to reform the PSOs in order to gradually liberalise the market prices, once the martial law is lifted; - steps to take to ensure vulnerable consumers are adequately protected once the prices for households are liberalised, including the new design of the subsidy system for vulnerable consumers which improve the targeting and ensures adequate levels of protection, as well as preparatory steps to be implemented before the end of the martial law, such as identification of vulnerable population and the associated digital solution.
10.10	Reform 5. Ensuring independence of National Energy and Utilities Regulatory Commission	Entry into force of the legislation to ensure the independence of the National Energy Utilities Regulatory Commission	Q4	2024	Entry into force of the amendments Law dated 24 August 2023 № 3354–IX ‘On law-making activity’, which exempt the decisions of the National Energy and Utilities Regulatory Commission, which are regulatory legal acts, from the state registration procedure provided for by law. These amendments focus on these main areas:

					- ensuring the independence of the Regulator as provided for by Directive (EU) 2019/944 of the European Parliament and of the Council of 5 June 2019 on common rules for the internal market for electricity and amending Directive 2012/27/EU (recast)and Directive 2009/73/EC of the European Parliament and of the Council of 13 July 2009 concerning common rules for the internal market in natural gas and repealing Directive 2003/55/EC; - implementation of Article 5 of the Law of Ukraine ‘On the National Energy and Utilities Regulatory Commission’ on the prohibition of state bodies to interfere in the activities of the Regulator.
10.11	Reform 5. Ensuring independence of National Energy and Utilities Regulatory Commission	Entry into force of the amendments to the Law of Ukraine "On the National Energy and Utilities Regulatory Commission"	Q4	2025	Entry into force of the amendments to the Law of Ukraine "On the National Energy and Utilities Regulatory Commission" and other acts, which provide for the specification of the special status for ensuring the independence of the Regulator as provided for by Directive (EU) 2019/944 of the European Parliament and of the Council of 5 June 2019 on common rules for the internal market for electricity and amending Directive 2012/27/EU and Directive 2009/73/EC of the European Parliament and of the Council of 13 July 2009 concerning common rules

					for the internal market in natural gas and repealing Directive 2003/55/EC.
10.12	Reform 6. Improved efficiency in the district heating	Cancelation of the moratorium on rising heat and hot water tariffs	Q2	2027	Cancelation of the moratorium introduced by Law No. 2479-IX "On the peculiarities of regulating relations in the natural gas market and in the field of heat supply during martial law and the subsequent restoration of their functioning" followed by an increase in heat tariffs in order to reach cost-reflectiveness of heat and hot water tariffs.
10.13	Reform 6. Improved efficiency in the district heating	Adoption of the State targeted economic programme for the energy modernisation of heat generating enterprises for the period up to 2030	Q4	2025	Adoption of the State targeted economic program for the energy modernisation of heat generating enterprises for the period up to 2030 by the Cabinet of Ministers. The Strategy focuses on these main areas: - identifying measures to improve resilience, quality and availability of heat supply services; - identifying measures to support decarbonisation, reduction of greenhouse gas emissions and expansion of renewable energy sources; - providing measures to strengthen governance and management skills for local authorities in district heating sector.

10.14	Reform 6. Improved efficiency in the district heating	Entry into force of the legislation to support development of the efficient and more sustainable district heating'	Q4	2025	Entry into force of the Law of Ukraine 'On amendments to some Laws of Ukraine to support development of the efficient and more sustainable district heating'. The law focuses on these main areas: - setting clear rules for network connection/ disconnection, zones of priority development of district heating systems; - improvement of procedures for individual heat substations (IHS) installation in multi-apartment buildings to ensure proper remote control and demand management.
10.15	Reform 7. Improved energy efficiency in public buildings and improvement of public procurement procedures	Adoption of the Strategy for thermal modernisation of buildings until 2050 and the Action Plan	Q2	2024	Adoption of the act "On Approval of the Strategy for Thermal Modernisation of Buildings until 2050" and Action plan for the Strategy by the Cabinet of Ministers of Ukraine, aimed at introducing market-based financial instruments and incentives, containing a roadmap with policy measures, including those aimed to support the introduction of nearly-zero energy building.
10.16	Reform 7. Improved energy efficiency in public buildings and	Adoption of legal acts on setting minimum energy efficiency performance levels for buildings	Q3	2026	Adoption by the Cabinet of Ministers of Ukraine of legal acts on setting minimum energy efficiency performance levels for buildings and also for products covered by the EU eco-design legislation and the Ministry for Communities,

	improvement of public procurement procedures				Territories and Infrastructure Development adopted acts on setting classes of energy efficiency performance levels for products covered by the Union energy labelling legislation.
10.17	Investment 1. Investments in energy infrastructure, energy efficiency interventions and the restoration of war-damaged buildings.	Investments of at least EUR 550 million in energy infrastructure	Q3	2027	Report of the Government (or State Treasury report) showing that in the State Budgets for 2026 and 2027 the general Government budgeted at least EUR 550 million (in UAH equivalent) for strengthening the energy infrastructure of Ukraine, supporting energy efficiency and the restoration of war-damaged buildings, including at the regional level (as part of step 9.8), among others for the following: - improving energy efficiency and restoration in district heating; - financial contribution to the Energy Efficiency Fund to support its statutory activities, including the implementation of programmes and the functioning of the Fund - improving energy efficiency in public buildings, in line with the Strategy for Thermal Modernisation of Buildings until 2050; - protection and restoration of critical energy infrastructure;

					- promotion of electricity generation from renewable energy sources and the development of distributed generation and energy storage equipment.
10.18	Reform 3. Electricity market reform	Entry into force of the secondary legislation of law No. 4834/IX on the transposition of the electricity integration package, in line with the Energy Community Treaty Acquis	Q4	2026	Entry into force of the secondary legislation of law No. 4834/IX on the transposition of the electricity integration package, in line with the Energy Community Treaty acquis. The secondary legislation approximate legislation in line with the 5 network codes and guidelines for electricity: - Commission Regulation (EU) 2016/1719 of 26 September 2016 establishing a guideline on forward capacity allocation; - Commission Regulation (EU) 2015/1222 of 24 July 2015 establishing a guideline on capacity allocation and congestion management - Commission Regulation (EU) 2017/2195 of 23 November 2017 establishing a guideline on electricity balancing; - Commission Regulation (EU) 2017/1485 of 2 August 2017 establishing a guideline on electricity transmission system operation:

					- Commission Regulation (EU) 2017/2196 of 24 November 2017 establishing a network code on electricity emergency restoration.
10.19	Reform 5. Ensuring independence of National Energy and Utilities Regulatory Commission	Preparation of the Terms of Reference for a third-party audit of the National Energy and Utilities Regulatory Commission regarding the integrity and robustness of its financial and decision-making processes	Q2	2026	Preparation of the Terms of Reference for a third-party audit of the National Energy and Utilities Regulatory Commission regarding the integrity and robustness of its financial, governance and decision-making processes, including in light of recent integrity concerns and developments in the energy sector. The Terms of Reference should focus on: - assessment of the Decision-Making Process, including internal approval procedures, traceability, documentation standards and safeguards ensuring integrity and transparency of regulatory decisions - assessment of the Ethical Practices, including conflict-of-interest prevention, declarations of interests, recusal procedures and accountability mechanisms applicable to Commissioners, management and staff - assessment of the Anti-Corruption Program and internal compliance mechanisms, including identification of institutional vulnerabilities and integrity risks. - assessment of financial decision-making processes, allocation and management of financial resources, and related internal control mechanisms, including transparency,

					traceability, accountability and safeguards against misuse or undue influence - assessment of the Communication Policy, including interaction with EU/EnC regulators, market participants and other Ukrainian public authorities and mechanisms to ensure transparency, consistency and equal treatment - assessment of the Financial Component, including Budgeting, procurement, internal controls and Reporting procedures The terms of reference shall determine the detailed modalities, timing and cost of such audit. Draft terms of reference shall have been shared with a list of potential service providers. The audit shall be institutional and systems-oriented in nature and shall not duplicate or interfere with ongoing investigations or competencies of law-enforcement authorities.
10.20	Reform 5.	Completion of a third-party audit of the National Energy and Utilities	Q4	2026	Completion of a third-party audit of the National Energy and Utilities Regulatory Commission regarding the integrity

	Ensuring independence of National Energy and Utilities Regulatory Commission	Regulatory Commission regarding the integrity and robustness of its financial and decision-making processes			and robustness of its financial and decision-making processes, covering: - assessment of the Decision-Making Process, including internal approval procedures, traceability, documentation standards and safeguards ensuring integrity and transparency of regulatory decisions - assessment of the Ethical Practices, including conflict-of-interest prevention, declarations of interests, recusal procedures and accountability mechanisms applicable to Commissioners, management and staff - assessment of the Anti-Corruption Program and internal compliance mechanisms, including identification of institutional vulnerabilities and integrity risks. - assessment of the Communication Policy including interaction with EU/EnC regulators, market participants and other Ukrainian public authorities and mechanisms to ensure transparency, consistency and equal treatment - assessment of the Financial Component, including Budgeting, procurement, internal controls and Reporting procedures. The audit shall be institutional and systems-oriented in nature and shall not duplicate or interfere with ongoing

					investigations or competencies of law-enforcement authorities.
10.21	Reform 8. Integrated Regulatory Review Service at State Nuclear Regulatory Inspectorate	Request for an integrated regulatory review service mission at SNRIU by the International Atomic Energy Agency	Q3	2026	State Nuclear Regulatory Inspectorate has submitted a request for an integrated regulatory review service mission by the International Atomic Energy Agency to start in the first half of 2027.

C.11. TRANSPORT

1. Description of Reforms and Investments

The objective of this chapter is to modernise and reform Ukraine's transport sector. It aims to enhance connectivity with the Union and the Republic of Moldova and support development of a competitive and efficient transport system in line with Union policies and standards.

Reform 1. Comprehensive planning of transport sector

The objective of this reform is to revise the key strategic document for the transport sector.

The reform has one step. It entails the adoption of the revised National Transport Strategy of Ukraine until 2030.

The reform is expected to be completed by Q4 2024.

Reform 2. Development of Ukraine's export logistics potential

The objective of this reform is to support modernisation and increase capacity of the existing network of Border Crossing Points to facilitate the needs for transportation across the border of Ukraine with the Union and the Republic of Moldova.

The reform has one step. It entails the adoption of the Strategy for developing and expanding the border infrastructure with EU Member States and the Republic of Moldova until 2030.

The reform is expected to be completed by Q4 2024.

Reform 3. Liberalisation in the railways transport sector

The objective of this reform is the creation of a competitive rail market in line with Union standards.

The reform has four steps. First, the law on traffic safety and interoperability of railway transport of Ukraine enters into force, with application within three years from its adoption. Second, the Cabinet of Ministers of Ukraine adopts an Action Plan for the phased opening of the railway market. Third, the legislation on the organisation of socially important passenger transportation by rail and its institutional oversight enters into force with application of its provisions two years after adoption. Fourth, the main by-laws for the implementation of the law on traffic safety and interoperability and the procedure for the organisation of socially important passenger transportation (PSO) shall be adopted.

The reform is expected to be completed by Q3 2027.

Reform 4. Improved shipping and port services

The objective of this reform is to ensure improvements in Ukraine's performance of its obligations under international treaties in the field of merchant shipping as well as enhance competition in port services.

The reform has two steps. First, legislation on merchant shipping and shipping on inland waterways shall enter into force. Second, the existing national legislation to ensure full compliance with the provisions of EU Regulation 2017/352 on Port Service Regulation shall be amended.

The reform is expected to be completed by Q2 2027.

Investment 1. Investments in transport infrastructure

The objective of this investment is to restore the damaged and destroyed transport infrastructure.

The investment has one step. It entails budgeting of at least EUR 350 million in current prices (in UAH equivalent) in 2026-2027 for the construction, reconstruction, restoration, modernisation and upgrade of transport infrastructure facilities amongst others in the following sectors, railways, maritime and inland shipping, roads, aviation and border crossing points.

The investment is expected to be completed by Q3 2027.

2. List of steps and timetable for implementation

No.	Reform / Investment	Name of the step	Timeline		Step description
11.1	Reform 1. Comprehensive planning of transport sector	Adoption of the revised National Transport Strategy of Ukraine until 2030	Q4	2024	Adoption of an Order of the Cabinet of Ministers on updating the National Transport Strategy of Ukraine for the period up to 2030. The Strategy focuses on these main areas: - reconstruction and development of a competitive and efficient transport system in line with Union policies and standards in particular relating to trans-European transport networks and the decarbonisation targets of the transport sector set out at international and European level (including through the development of railway, road and inland waterway routes, included in indicative maps of the TEN-T network, digitisation of transport system management, etc.); - high-quality passenger transportation and unimpeded mobility; - safe for people and the environment, sustainable, energy-efficient transport.
11.2	Reform 2. Development of Ukraine’s export logistics potential	Adoption of the Strategy for developing and expanding the border infrastructure with EU Member States and the Republic of Moldova until 2030	Q4	2024	Adoption of the Strategy for Developing and Expanding the Border Infrastructure with EU Member States and the Republic of Moldova until 2030. The Strategy focuses on these main areas: - reconstruction of border crossing points on the border with Poland, Slovakia, Hungary, and Romania; - creation of a network of service areas;

					- simplification of border crossing procedures (digitalisation and introduction of joint control) in line with Union standards.
11.3	Reform 3. Liberalisation in the railways transport sector	Entry into force of the law on traffic safety and interoperability of railway transport of Ukraine with application within three years from its adoption	Q4	2025	Entry into force of the Law of Ukraine "On Traffic Safety and Interoperability of Railway Transport of Ukraine" with application within three years from its adoption. The law ensures technical integration of railway transport in line with the principles of Directives 2016/798, 2016/797, and Regulation 2016/796 and focuses on these main areas: - establishing a national rail safety authority and vesting it with the powers and functions assigned to it by Union legislation; - introducing a legal framework for the safety certification of railway undertakings and the safety authorisation of infrastructure managers; - establishing a national investigating body and introducing the technical investigation of railway accidents; - establishing the legal framework for vehicle and infrastructure authorization based on technical specifications for interoperability; - establishing a legal framework for train driver certification, based on the Union model.
11.4	Reform 3.	Adoption of the by-laws for the implementation of the legislation on railway transport	Q3	2027	Adoption of the main legislative acts (by-laws) for the implementation of the Law of Ukraine ‘On Traffic Safety and Interoperability of Railway Transport of Ukraine’ and the new legislation ‘on the organisation of socially important passenger transportation by rail and institutional oversight’. The by-laws introduce mechanisms for the functioning of

	Liberalisation in the railways transport sector				the rail transportation market and, in particular, focus on: licensing of railway operators, safety management systems, the procedure for the organisation of socially important passenger transportation (PSO).
11.5	Reform 4. Improved shipping and ports services	Entry into force of the legislation on merchant shipping and shipping on inland waterways	Q1	2027	Entry into force of the Law of Ukraine "On Amendments to Certain Legislative Acts of Ukraine Concerning Merchant Shipping and Shipping on Inland Waterways". The Law focuses on these main areas: - defining and regulating the principles of ensuring the safety of navigation in the territorial sea, inland sea waters, seaports, and inland waterways; - improvement of the mechanism for implementing the international regime for the protection of ships and seaports; - defining a detailed mechanism for controlling ships in a seaport; - review of the functions of the central executive body implementing state policy in the areas of maritime and inland waterway transport and shipping in the Merchant Shipping Code, the Laws of Ukraine "On Transport", "On Inland Waterway Transport" and "On Seaports of Ukraine" in order to eliminate duplication of legislative norms and clarify the division of competence, in particular with the central executive body that ensures the formation and implementation of state policy in the areas of maritime and inland waterway transport; - simplification of administrative procedures, a clear list of powers of state bodies, elimination of administrative barriers.
11.6	Reform 4.	Review and amend the existing national legislation	Q2	2027	Review and amend the existing national legislation (including relevant subordinate legal acts) in line with the principles of Regulation (EU) 2017/352 of the European Parliament

	Improved shipping and ports services	in line with the principles Regulation (EU) 2017/352 of the European Parliament and of the Council of 15 February 2017 establishing a framework for the provision of port services and common rules on the financial transparency of ports			and of the Council of 15 February 2017 establishing a framework for the provision of port services and common rules on the financial transparency of ports.
11.7	Investment 1. Investments in transport infrastructure	Investments of at least EUR 350 million in transport infrastructure	Q3	2027	Report of the government (or State Treasury report) showing that in the State Budgets for 2026 and 2027 the general government budgeted at least EUR 350 million (in UAH equivalent) for the reconstruction, restoration, modernisation and upgrade of damaged and destroyed transport infrastructure facilities, in line with the National Transport Strategy of Ukraine until 2030, including some of the funds to be directed to the regional level (as part of step 9.8), among others in the following sectors: - railways (in line with the new legislation on railway transport of Ukraine); - maritime and inland shipping (in line with the new legislation on merchant shipping and shipping on inland waterways); - roads; - aviation; - and border crossing points (in line with the Strategy for developing and expanding the border infrastructure with EU Member States and the Republic of Moldova until 2030).

11.8	Reform 3. Liberalisation in the railways transport sector	Entry into force of legislation on the organisation of socially important passenger transportation by rail and institutional oversight with delayed application	Q4	2026	Entry into force of legislation on the organisation of socially important passenger transportation by rail and institutional oversight thereof, with an application of its provisions within two years after its adoption. The legislation will implement the key elements of EU legislation on the provision of public passenger transport services by rail (PSO) in line with the principles of Regulation (EC) No 1370/2007 of the European Parliament and of the Council of 23 October 2007 on public passenger transport services by rail and by road and repealing Council Regulations (EEC) Nos 1191/69 and 1107/70 read in conjunction with its 2023 Interpretative Guidelines as well as functional and accounting separation and independent regulatory oversight in line with the principles of Directive 2012/34/EU of the European Parliament and of the Council of 21 November 2012 establishing a single European railway area. The legislation focuses, among others, on these main areas: - providing for the functional and accounting separation between infrastructure manager and transport operations within the incumbent railway undertaking; - ensuring oversight of account separation by a structurally separate and autonomous authority with full enforcement powers to monitor account separation; - to control contract performance and to prevent overcompensation for the provision of public services.
11.9	Reform 3. Liberalisation in the railways transport sector	Adoption of a resolution by the Cabinet of Ministers of Ukraine approving the Action Plan for the phased introduction of competition	Q3	2026	Adoption of a resolution by the Cabinet of Ministers of Ukraine approving the Action Plan for the phased introduction of competition for freight and passenger transport in the railway market, in line with the principles of EU rail transport *acquis* including, in particular, Directive 2012/34/EU. The Action Plan sets out a timetable for the phased introduction of competition for freight and passenger transport, i) providing for the non-

		for freight and passenger transport in the railway market			discriminatory, transparent and equitable access to the 1,435 mm gauge network as soon as the relevant regulatory and supervisory framework is operational and in line with the EU rail *acquis*; and ii) defining mandatory stages for the phased opening of the 1,520 mm gauge network. In addition, the Action Plan provides for the implementation of Directive (EU) 2016/798, Directive (EU) 2016/797 and Regulation (EC) 1370/2007 and is aligned with the revised National Programme for the Adaptation of Ukrainian Legislation to European Union Law (EU acquis) (NPAA).

C.12 AGRI-FOOD SECTOR

1. Description of Reforms and Investments

The objective of this chapter is to support strengthening of the Ukraine's agri-food sector in parallel with further aligning its regulatory framework with the Union acquis.

Reform 1. Aligning the institutional framework on agriculture and rural development with the EU

The objective of this reform is to develop strategic national priorities including to further alignment with EU practices, norms and rules.

The reform has two steps. First, Ukraine shall adopt the Strategy for Agriculture and Rural Development until 2030. Second, a Farm Accountancy Data Network System shall be put in place in selected pilot regions to allow tracking the situation in the agricultural sector.

The reform is expected to be completed by Q1 2027.

Reform 2. Ensuring a functional land market

The objective of this reform is to improve the functional land market.

The reform has one step. An automated system for public monitoring of land relations and a geoinformation system for mass land assessment shall be put in place.

The reform is expected to be completed by Q1 2025.

Reform 3. Improving the institutional and administrative set up for managing investment programmes

The objective of this reform is to improve the set up for managing public financial support schemes to the agri-food sector.

The reform has one step. It entails the entry into force of legislation that focuses on the design of public support measures, including for small scale farms, future financial instruments, as well as digitalisation of the system via electronic document management systems, and ensures that state support can only be channelled to beneficiaries registered in the State Agrarian Register (SAR).

The reform is expected to be completed by Q3 2025.

Reform 4. Improvement of the official public electronic farm register

The objective of this reform is to formalise and improve the official public electronic farm register (i.e. State Agrarian Register).

The reform has two steps. First, a law that recognises the State Agrarian Register (SAR) as an official public electronic register in the field of agrarian policy and food security enters into force. Second, a report is published detailing the implementation of state support by central government institutions through the SAR.

The reform is expected to be completed by Q1 2026.

Reform 5. Long-term development of the irrigation system to increase climate resilience of the sector
The objective of this reform is to ensure long-term planning of irrigation infrastructure in a sustainable way, in order to foster resilience of the agri-food sector in the context of climate change.

The reform has one step. It entails the adoption of a long-term plan setting out the key areas and principles for developing Ukraine's water irrigation systems.

The reform is expected to be completed by Q1 2025.

Reform 6. Demining of land and water areas
The objective of this reform is to develop a national strategy to outlining key components of Ukraine's de-mining efforts.

The reform has one step. It entails the adoption of the Strategy on Mine Action.

The reform is expected to be completed by Q2 2024.

Investment 1. Investments in demining
The objective of this investment is to support owners or users of agricultural land undertaking de-mining efforts.

The investment has two steps. First, it entails budgeting of at least EUR 30 million in current prices (in UAH equivalent) for the demining of agricultural land in 2024-2025. Second, it entails budgeting of at least EUR 100 million in current prices (in UAH equivalent) for the demining of agricultural land in 2024-2027.

The investment is expected to be completed by Q3 2027.

2. List of steps and timetable for implementation

No.	Reform / Investment	Name of the step	Timeline		Step description
12.1	Reform 1. Aligning the institutional framework on agriculture and rural development to the EU policy	Adoption of the Strategy for Agriculture and Rural Development until 2030	Q 4	2024	Adoption of the Strategy for Agriculture and Rural Development until 2030. The strategy focuses on these main areas: - adapting Ukrainian Agriculture and Rural Development policies to the EU pre-accession context and areas of special Ukrainian concern, such as land reform, irrigation, war recovery and development support; - institutional strengthening and capacity building to develop necessary systems; - acceleration of the process to approximate legal acts and capacities for agri-food agriculture and sanitary and phytosanitary measures (SPS) to EU standards; - promoting the development to small producers and rural communities; - defining of environmental and climate action baselines and targets, building up evidence-based programming and sound financial management and control capacities.
12.2	Reform 1. Aligning the institutional framework on agriculture and rural	Establishment of the Farm Sustainability Data Network (FSDN) system	Q 1	2027	The Farm Sustainability Data Network (FSDN) system with data from selected pilot regions, to be created under the Ministry of Agrarian Policy, is established and is operational in line with the principles of the EU acquis in this area. The system allows tracking the situation in the agricultural sector and making informed decisions regarding the allocation of state support to agricultural producers

	development to the EU policy				
12.3	Reform 2. Ensuring a functional land market	Set up of an automated system for public monitoring of land relations	Q 1	2025	An automated system for public monitoring of land relations has been put into operation, functioning within the framework of maintaining the State Land Cadastre. A geoinformation system for mass land assessment has been put into operation as part of the software of the State Land Cadastre.
12.4	Reform 3. Improving the institutional and administrative set up for managing investment programmes	Entry into force of the legislation on the public support of agriculture of Ukraine	Q 3	2025	Entry into force of the Law on Amendments to the Law of Ukraine “On State Support of Agriculture of Ukraine”. The Law focuses on these main areas: - design future public support measures in line with the principles of the EU acquis in this area. The selection of future public support measures will include an analysis of Strengths, Weaknesses, Opportunities, and Threats (SWOT); - design measures to support agricultural production for small scale farms to undertake private investments (physical assets of agricultural holdings producers, for processing and marketing); - design of future financial instruments (including credit guarantee facilities) for all farm categories in collaboration with International Financial Institutions; - digitalisation through electronic document management systems; - state support exclusively channelled to beneficiaries enlisted in the State Agrarian Register.
12.5	Reform 4.	Entry into force of the legislation on the State	Q 4	2024	Entry into force of the Law of Ukraine “On the State Agrarian Register”. The law focuses on these main areas:

	Improvement of the official public electronic farm register	Agrarian Register (SAR)			- the State Agrarian Register (SAR) is recognised as an official public electronic register in the field of agrarian policy and food security with the regulation of its mandatory elements, such as the procedure for its administration, the definition of its data, access by the third parties; - SAR coverage is expanded to register and include information on stakeholders throughout the entire agricultural value chains such as agricultural producers, food processors, water users; - SAR functionality is expanded, serving as a pre-condition for financial assistance and enabling targeted channelling of technical assistance, other administrative services, the introduction of analytical information; - registration in SAR is a precondition for receiving any type of public support in agri-food sector; - mandatory publication of the register of beneficiaries of any state support programmes in the sector implemented through SAR.
12.6	Reform 4. Improvement of the official public electronic farm register	Publication of report on the implementation of the state support through the public Agricultural Register	Q 1	2026	Submission of the report on the implementation of state support through SAR showing that minimum 80 percent of public support in the agricultural sector provided in 2025 by central government institutions was provided through the State Agricultural Register (SAR).
12.7	Reform 5. Long-term development of	Adoption of the long-term plan on the irrigation system	Q 1	2025	Adoption of the “Long-term plan for the development of the irrigation system”. The plan focuses on these main areas:

	the irrigation system to increase climate resilience of the sector				- priorities in the irrigation sector based on an analysis of full economic benefits; - alignment with the water sector strategy and the water basin-based water management principles; - indication of needed public and other investments and the need for further privatisation; - governance/management dimension of the sector; - environmental assessment to be carried out for any rehabilitation or construction project in line with EU recommendation on environmental impact assessment, environmental strategic assessment and Ukraine legislation in this area.
12.8	Reform 6. Demining of land and water areas	Adoption of the strategic document on Mine Action for the period up to 2033	Q 2	2024	Adoption of the legislative act on the approval of the strategic document on Mine Action for the period up to 2033 (the Act of the Cabinet of Ministers of Ukraine or the President of Ukraine). The legislative act focuses on these main areas: - management in the field of Mine Action; - support of the efficiency of Mine Action operators; - prevention of accidents; - comprehensive assistance to victims; - innovations; - gender balance and representation;

					- development of the private market; - effective and transparent coordination with donors; - forming the system of prioritisation of tasks in mine action.
12.9	Investment 1. Investments in demining	Investments of at least EUR 30 million in demining of agriculture land	Q 2	2026	Interim report of the Government (or State Treasury report) showing that in the State Budgets for 2024 and 2025 the general Government budgeted at least EUR 30 million (in UAH equivalent) for the demining of agricultural land.
12.10	Investment 1. Investments in demining	Investments of at least EUR 100 million in demining of agriculture land	Q 3	2027	Final report of the Government (or State Treasury report) showing that in the State Budgets for 2024, 2025, 2026, 2027 the general Government budgeted at least EUR 100 million (in UAH equivalent) for the demining of agricultural land.

C.13. MANAGEMENT OF CRITICAL RAW MATERIALS

1. Description of Reforms and Investments

The objective of this chapter is to support further development of the critical raw materials sector in Ukraine in line with both economic and sustainability objectives. It will focus on improving strategic planning and administrative procedures.

Reform 1. Strengthening strategic planning and ensuring optimum framework for strategic investors. The objective of this reform is to attract investments in the extraction and processing of critical raw materials.

The reform has two steps. First, a law on amendments to the National Programme for the Development of the Mineral Resource Base of Ukraine for the Period up to 2030 shall enter into force, introducing the State Compensatory Fund for geological area and setting strategic directions for the sector. Second, a report on the verification of critical raw materials reserves of Ukraine using international classification shall be published and made available to investors.

The reform is expected to be completed by Q3 2025.

Reform 2. Improved administrative procedures.

The objective of this reform is to optimise the procedure and reduce the administrative burden for potential investors. The main goal is to improve transparency, speed, and cost efficiency for new investment decisions.

The reform has three steps. First, a pipeline of investment projects for extraction of critical raw materials shall be published. Second, Product Sharing Agreement (PSA) international tenders using the model agreement terms as agreed by the Government and made public shall be launched. Third, the development and launch of an e-cabinet of subsoil users with additional functionalities.

The reform is expected to be completed by Q2 2025.

Reform 3. Use of Modern Extraction Technologies and Integration of Ukraine into Modern Processing Value Chains

The objective of this reform is to enhance transparency as regards environmental, social and corporate governance practices in the critical raw materials sector.

The reform has one step. It entails the publication of a study assessing current legislation on Environmental, Social and Governance reporting (ESG) in the mining and extractive sector.

The reform is expected to be completed by Q4 2025.

2. List of steps and timetable for implementation

No.	Reform / Investment	Name of the step	Timeline		Step description
13.1	Reform 1. Strengthening strategic planning and ensuring optimum framework for strategic investors	Entry into force of the legislation on revising the National Programme for the Development of the Mineral Resource Base of Ukraine to 2030	Q4	2024	Entry into force of the Law of Ukraine on Amendments to the National Program for the Development of the Mineral Resource Base of Ukraine for the Period up to 2030. The law focuses on these main areas: - introduction of State Compensatory Fund for geological area; - prioritisation of the goals of extraction area in line with the EU Strategies; - definition of the terms of strategic and critical raw materials, the need for regular methodological risk assessment of the level of security of their supply, and the definition of a group of partner countries.
13.2	Reform 1. Strengthening strategic planning and ensuring optimum framework for strategic investors	Publishing of a report on the verification of Critical Raw Materials' reserves of Ukraine	Q3	2025	Publication of a report on the verification of Critical Raw Materials reserves of Ukraine using international classification system and results are made available to investors.
13.3	Reform 2.	Publication of a pipeline of investment projects	Q2	2025	Publication of the pipeline of investment projects for extraction of critical raw materials.

	Improved administrative procedures	for extraction of critical raw materials			
13.4	Reform 2. Improved administrative procedures	Launching of Product Sharing Agreement (PSA) international tenders ensuring their transparency	Q2	2025	Launch and publication of the Product Sharing Agreement (PSA) international tenders, using the model agreement terms as agreed by the Government. Transparency of PSA tenders and Agreements ensured through the open access to its terms.
13.5	Reform 2. Improved administrative procedures	Set up of an upgraded e-cabinet of subsoil users	Q1	2025	An upgraded e-cabinet of subsoil users with additional functionalities of access to state register of special permits for subsoil use allowing requesting and obtaining e-licences (extract from the Register) and providing access to digital geological data is operational.
13.6	Reform 3. Use of Modern Extraction Technologies and Integration of Ukraine into Modern Processing Value Chains	Publication of a study on the legislation on ESG reporting	Q4	2025	Endorsement and publication of study assessing the current legislation on Environmental, Social and Governance (ESG) reporting in the mining and extractive sector, proposing recommendations on what legislative gaps need to be covered.

C.14. DIGITAL TRANSFORMATION

1. Description of Reforms and Investments

The objective of this chapter is to bolster the digital transformation of Ukraine. It will also focus on strengthening cybersecurity.

Reform 1. Secure and efficient digital infrastructure

The objective of this reform is to strengthen cybersecurity in the process of digital transformation.

The reform has two steps. First, a resolution that defines the radio technologies that are allowed for use in Ukraine shall be adopted. Second, a number of cybersecurity legislative acts shall enter into force to align with the NIS and NIS2 framework, also paving the way towards the implementation of the Union's 5G Security Toolbox.

The reform is expected to be completed by Q1 2025.

Reform 2. Digitalisation of public services

The objective of this reform is to simplify the interaction between the state and citizens via digitalisation.

The reform has three steps. First, an Action Plan until 2026 for digitalisation of most common public services in a number of areas shall be adopted. Second, a legal act on the functioning of the Integrated Electronic Identification System in line with the principles of Regulation (EU) 2024/1183 of the European Parliament and of the Council of 11 April 2024 amending Regulation (EU) No 910/2014 as regards establishing the European Digital Identity Framework shall enter into force. Third, the technical specifications of the Diia mobile application shall enable the use of electronic attestations of attributes for Ukrainian nationals in accordance with the data format specified for the EU Digital Identity Wallet.

The reform is expected to be completed by Q4 2026.

2. List of steps and timetable for implementation

No.	Reform / Investment	Name of the step	Timeline		Step description
14.1	Reform 1. Secure and efficient digital infrastructure	Adoption of a revised Plan for allocation and use of the radio spectrum in Ukraine	Q1	2025	Adoption of the Resolution of the Cabinet of Ministers of Ukraine on amending the Resolution of the Cabinet of Ministers of Ukraine "On Approving the Plan for Allocation and Use of the Radio Spectrum in Ukraine". The Resolution defines the radio technologies that are allowed for use in Ukraine, with the definition of the radio frequency bands and radio services to which they correspond, as well as the terms of termination of their development and use, as well as the list of promising radio technologies for implementation in Ukraine with the definition of the radio frequency bands and radio services to which they correspond, as well as the terms of their implementation in line with the Union acquis.
14.2	Reform 1. Secure and efficient digital infrastructure	Entry into force of the legislation on strengthening the cyber security capabilities of state information resources and critical information infrastructure	Q1	2025	Entry into force of the respective legislative acts to align with the NIS and NIS2 framework (namely the Directive (EU) 2022/2555 of the European Parliament and of the Council of 14 December 2022 on measures for a high common level of cybersecurity across the Union, amending Regulation (EU) No 910/2014 and Directive (EU) 2018/1972, and repealing Directive (EU) 2016/1148). The acts focus on these main areas: - regulate 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 Russian Federation's war against Ukraine; - increase the level of protection of state information resources and critical information infrastructure against cyberattacks; - improve the regulatory framework in the field of cybersecurity and information protection to strengthen the capabilities of the national cybersecurity system to counter cyber threats.

14.3	Reform 2. Digitalisation of public services	Adoption of the Action Plan for digitalisation of public services until 2026	Q1	2025	Adoption of the Ordinance of the Cabinet of Ministers of Ukraine on approving the action plan for digitalisation of public services until 2026. The action plan focuses on these main areas: - recovery; - education; - health care; - services for veterans; - military serviceman; - customs; - e-social sphere.
14.4	Reform 2. Digitalisation of public services	Entry into force of the legal act on the functioning of the Integrated Electronic Identification System, in line with the principles of Regulation (EU) 2024/1183	Q2	2026	Entry into force of a legal act on the functioning of the Integrated Electronic Identification System in Ukraine as a key component of the national electronic identity infrastructure, in line with the principles of Regulation (EU) 2024/1183. The legal act focuses on these main areas: : - establishment of a modern electronic identification system in Ukraine and ensuring its sustainable development; - ensuring interoperability (technological compatibility) of electronic identification means, intermediate electronic identification nodes (hubs) and electronic identification schemes; - protection of information resources processed in the system.

14.5	Reform 2. Digitalisation of public services	Enablement of EU-format Electronic Attestations in Diia	Q4	2026	The technical specifications of the mobile application of Diia Portal enables usage of electronic attestation of attributes for the nationals of Ukraine in the data format specified for EU Digital Identity Wallet.

C.15. GREEN TRANSITION AND ENVIRONMENTAL PROTECTION

1. Description of Reforms and Investments

The objective of this chapter is to foster Ukraine's green transition, by supporting decarbonisation and strengthening environmental and climate resilience.

Reform 1. Prevention, reduction and control of industrial pollution

The objective of this reform is to address environmental pollution, ensuring the constitutional right of citizens to a safe environment.

The reform has one step. It entails the entry into force of the legislation aimed at preventing, reducing and controlling industrial pollution, with a partial application of provisions. The step introduces integrated approaches to permitting and control of industrial pollution based on the application of best available technologies and management methods in accordance with relevant EU legislation.

The reform is expected to be completed by Q3 2024.

Reform 2. Climate policy

The objective of this reform is to create an architecture for climate governance as well as an appropriate mechanism for the development and implementation of state policy in the field of climate change in Ukraine.

The reform has three steps. First, new legislation shall enter into force that establishes basic principles of Ukraine's state climate policy. Second, resolution on the scientific and expert council on the preservation of the ozone layer shall be adopted. Third, the second Nationally Determined Contribution of Ukraine to the Paris Climate Agreement shall be adopted.

The reform is expected to be completed by Q4 2025.

Reform 3. Market mechanisms of carbon pricing

The objective of this reform is to foster the development of market mechanisms of carbon pricing.

The reform has two steps. First, an action plan for the development of a National Greenhouse Gas Emissions Trading System shall be adopted. Second, Ukraine shall resume its mandatory monitoring, reporting, and verification (MRV) system, with certain exceptions.

The reform is expected to be completed by Q2 2025.

Reform 4. Restoration and conservation of natural resources

The objective of this reform is to reduce deforestation and forest degradation.

The reform has two steps. First, the amendments to the Resolution of 19 September 2018 no. 758 on the Procedure for State Water Monitoring are adopted. Second, legislation that will regulate the issue of confirming the sustainability of the origin of wood and other goods that may lead to deforestation and forest degradation enters into force.

The reform is expected to be completed by Q4 2026.

Reform 5. Increased circular economy

The objective of this reform is to implement the principles of circular economy and waste management.

The reform has two steps. First, a national waste management plan shall be adopted. Second, Ukraine shall adopt a strategy for implementing the principles of the circular economy and an action plan for its implementation.

The reform is expected to be completed by Q1 2026.

Reform 6. Environmental Impact Assessment (EIA) and Strategic Environmental Assessment (SEA)

The objective of this reform is to foster environmental protection by enhancing clarity on the Environmental Impact Assessment (EIA) and Strategic Environmental Assessment (SEA) rules.

The reform has one step. It entails the publication of a concept note that shall define the scope of derogations from the EIA and SEA rules.

The reform is expected to be completed by Q3 2024.

2. List of steps and timetable for implementation

No.	Reform / Investment	Name of the step	Timeline		Step description
15.1	Reform 1 Prevention, reduction and control of industrial pollution	Entry into force of the legislation on prevention, reduction, and control of industrial pollution with partial application of provisions	Q3	2024	Entry into force of the Law of Ukraine on Ensuring the Constitutional Rights of citizens to a safe environment for life and health with a partial application of the provisions. Bylaws are to be adopted within 12 months and some provisions on applying of the findings of the best available technologies and management methods within 4 years after termination of the martial law, except for the installations that are put into operation for the first time. The law is aimed at preventing, reducing and controlling industrial pollution and introduces integrated approaches to permitting and control of industrial pollution based on the application of the best available technologies and management methods in accordance with Directive 2010/75/EU of the European Parliament and of the Council of 24 November 2010 on industrial emissions (integrated pollution prevention and control)
15.2	Reform 2. Climate policy	Entry into force of the legislation on the State Climate Policy	Q1	2025	Entry into force of the Law of Ukraine "On the Basic Principles of State Climate Policy". The law focuses on these main areas: - goals and basic principles of the state climate policy; - governing bodies in the field of climate change; - strategic planning in the field of climate change; - mechanisms and tools for achieving climate goals;

					- national framework for tracking the implementation of policies and measures and forecasting in the field of climate change; - scientific and expert council on climate change and preservation of the ozone layer; - national system of inventory of anthropogenic emissions by sources and absorption by sinks of greenhouse gases; - international cooperation in the field of climate change.
15.3	Reform 2. Climate policy	Adoption of the resolution on the Scientific and Expert Council on Climate Change and Preservation of the Ozone Layer	Q4	2025	Adoption of the Resolution of the Cabinet of Ministers of Ukraine "On Approval of the Regulation on the Scientific and Expert Counci on Climate Change and Preservation of the Ozone Layer". The Regulation focuses on these main areas: - consideration of scientific conclusions of the Intergovernmental Panel on Climate Change (IPCC) reports and scientific climate data and information, in particular, concerning Ukraine; - providing scientific and expert support and proposals, including preparation of reports, on climate goals, policies and measures, monitoring their implementation and forecasting in the field of climate change, as well as compliance of goals, policies and measures with Ukraine's international obligations; - promoting the exchange of scientific achievements in the field of modelling, monitoring, advanced research and innovation aimed at reducing greenhouse gas emissions and increasing absorption by sinks; - scientific substantiation of ways and means to achieve climate goals;

					- informing, raising awareness and educating on climate change and its consequences, as wel as developing dialogue and cooperation between scientific institutions on climate change issues; - guarantees of independence for said Council in all its proceedings; - diverse, scientifically relevant composition of said Council.
15.4	Reform 2. Climate policy	Adoption of the second Nationally Determined Contribution of Ukraine to the Paris Agreement	Q3	2025	Adoption of the Order of the Cabinet of Ministers of Ukraine "On Approval of the Second Nationally Determined Contribution (NDC) of Ukraine to the Paris Agreement". The NDC focuses on these main areas: - higher emission reduction target than in the current NDC of Ukraine; - establishing a base year for calculating emissions from sources and sinks of greenhouse gases; - duration of implementation and/or time periods of the proposed measures; - scope and coverage of economic sectors and greenhouse gases; - process planning, assumptions and methodological approaches used, including for estimation and accounting of anthropogenic emissions by sources and removals by sinks of greenhouse gases; - justification of the equity and ambition of the NDC in the light of national circumstances; - contribution to the achievement of the objective of the UN Framework Convention on Climate Change and to limit greenhouse gas emissions/enhance sinks, in accordance with

					the objective set out in Article 2 of the UN Framework Convention on Climate Change. The Second NDC of Ukraine to the Paris Agreement will be more ambitious than the current Updated NDC.
15.5	Reform 3. Market mechanisms of carbon pricing	Adoption of the Action Plan for the Establishment of a National Greenhouse Gas Emissions Trading System	Q1	2025	Adoption of the Resolution of the Cabinet of Ministers of Ukraine "On Approval of the Action Plan for the Establishment of a National Greenhouse Gas Emissions Trading System. Adoption of the Action Plan will ensure the definition of: - stages of the ETS implementation; - timeframes of the stages; - the necessary infrastructure; - organisational measures.
15.6	Reform 3. Market mechanisms of carbon pricing	Resumption of the compulsory monitoring, reporting and verifying (MRV) system	Q2	2025	The resumption of a mandatory monitoring, reporting and verification (MRV) system for facilities covered by the scope of the existing legislation, except for those that are not controlled, destroyed or located in the temporarily occupied territory, or have officially announced the suspension of operations in terms of production.
15.7	Reform 4. Restoration and conservation of natural resources	Entry into force of the Law on reducing deforestation and forest degradation	Q4	2026	Entry into force of the Law of Ukraine that will regulate the issue of confirming the sustainability of the origin of wood and other goods that may lead to deforestation and forest degradation. The Law focuses on these main areas: - expanding the use of electronic timber accounting, which will ensure the tracking of timber movement and confirmation of the legitimacy of the origin of timber and timber products; - ensuring that the certification system for wood products was introduced and the

					existing certification system for manufactured wood was extended to cover all wood trading operations; - establishing requirements for confirming the origin of wood, including wood products in trade.
15.8	Reform 5. Increased circular economy	Adoption of the Strategy for implementing the principles of the circular economy and its Action Plan	Q1	2026	Adoption of the strategy for implementing the principles of the circular economy and of an action plan for its implementation by the Cabinet of Ministers of Ukraine. The strategy identifies potential opportunities and impacts 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, and metals and minerals.
15.9	Reform 5. Increased circular economy	Adoption of the National Waste Management Plan until 2033	Q3	2025	Adoption of the Order of the Cabinet of Ministers of Ukraine "On Approval of the National Waste Management Plan until 2033". The National Waste Management Plan focuses on these main areas: - household waste management; - hazardous waste management; - infrastructure needs; - economic and financial sustainability analyses of the action plan; - implementation of economic instruments to improve waste management; - monitoring and control of waste management; - strategic planning of waste management in Ukraine; - implementation of waste management at the regional level.

15.10	Reform 6. Environmental Impact Assessment (EIA) and Strategic Environmental Assessment (SEA)	Development of a concept note defining the scope of deviations from the Environmental Impact Assessment (EIA) and Strategic Environmental Assessment (SEA) rules	Q3	2024	Preparation and publication on the official website of the Ministry of Environmental Protection and Natural Resources of aa concept note following public consultations with stakeholders defining the scope of derogations from the EIA and SEA rules. The concept note includes the following information: - on the body that determines the scope of derogations from EIA and SEA obligations; - description of the objects and explanation of why they are included in the scope of derogation in each specific case; - justification of the scope of derogations; - time limits for the derogations granted.’.
15.11	Reform 4. Restoration and conservation of natural resources	Adoption of amendments to the Procedure for State Water Monitoring	Q2	2026	Adoption of amendments to the Resolution of 19 September 2018 no. 758 on the Procedure for State Water Monitoring in line with the principles of Directive 2000/60/EC of the European Parliament and of the Council of 23 October 2000 establishing a framework for Community action in the field of water policy and Directive 2008/105/EC of the European Parliament and of the Council of 16 December 2008 on environmental quality standards in the field of water policy, amending and subsequently repealing Council Directives 82/176/EEC, 83/513/EEC, 84/156/EEC, 84/491/EEC, 86/280/EEC and amending Directive 2000/60/EC of the European Parliament and of the Council.