

IMF's benchmarks and soft commitments

Ukrainian lawmakers signal weak support for 2026 budget

At Monday's Conciliation Council, no parliamentary faction except the ruling Servant of the People expressed readiness to back Ukraine's 2026 state budget. Even within the governing party, support is described as shaky, with insiders estimating the faction may be able to muster only around 120 votes — far short of the majority needed for passage.

The budget impasse comes against the backdrop of a deepening confrontation between parliament and the government. Tensions have escalated following revelations of alleged corruption in the energy sector involving businessman Timur Mindich — a figure seen as close to the Presidential Office — as well as two former cabinet ministers, Herman Halushchenko and Svitlana Hrynychuk.

Source: Verkhovna Rada of Ukraine

Ukraine launches the selection process for a new head of Customs Service

On November 10, 2025, Ukraine's Selection Commission for appointing the Head of the State Customs Service approved the competition procedure and endorsed the formal announcement to launch the hiring process.

The deadline for submitting applications is December 10, 2025 with the appointment expected in spring 2026.

Source: Selection commission for the head of State Customs Service of Ukraine

Obligations to the EU

Ukrainian Parliament to consider two Ukraine Facility bills in early December

The Verkhovna Rada plans to take up two draft laws tied to the EU's Ukraine Facility financial program during its plenary sessions scheduled for December 2-4:

- draft law #14067 to support the development of efficient and sustainable district heating systems;
- draft law #14174 and alternatives concern the safety and interoperability of Ukraine's railway sector.

Source: Verkhovna Rada of Ukraine

Other key issues

Zelenskyy announces Yermak's resignation after anti-graft raids

Ukrainian President Volodymyr Zelenskyy said late on November 28 that Head of the Office of the President Andriy Yermak had submitted his resignation, with a dismissal decree published shortly after.

Earlier that day, the National Anti-Corruption Bureau and Special Anti-Corruption Prosecutor's Office searched Yermak's premises in Kyiv's government district. According to Financial Times reporter Christopher Miller, the raids were part of *Operation Midas*, a sweeping probe into alleged corruption in Ukraine's energy sector.

Ukraine's anti-corruption agencies on Nov. 10 detailed allegations against what they describe as a criminal organization involving former top officials and business figures. According to the National Anti-Corruption Bureau and the Specialized Anti-Corruption Prosecutor's Office, the group included ex-Energy Minister Herman Halushchenko, former Regional Development Minister Oleksii Chernyshov, and Timur Mindich, a businessman viewed as close to the Presidential Office – among several others.

Investigators say the network systematically solicited kickbacks from contractors of state-owned nuclear operator Energoatom, typically amounting to 10–15% of contract value. Companies allegedly paid to avoid blocked payments for delivered goods and services or to preserve their supplier status.

Law enforcement agencies say the kickback proceeds were laundered through a Kyiv office linked to the family of Andrii Derkach, a former Ukrainian lawmaker who is now a senator in the Russian Federation.

President Volodymyr Zelenskiy subsequently approved National Security and Defense Council sanctions against Mindich and businessman Oleksandr Tsukerman.

On November 19, the Verkhovna Rada voted to dismiss two ministers implicated in the scandal – Energy Minister Svitlana Hrynychuk and Justice Minister Herman Halushchenko who previously held a Minister position at the Energy Ministry .

Source: Office of the President, Financial Times, NABU, SAPO, Cabinet of Ministers of Ukraine, Verkhovna Rada of Ukraine

Our monthly digests



Key updates

 The Ministry of Finance has launched public consultations on the draft of the new Customs Code of Ukraine.

A special working group of 15 business representatives has been established to discuss key elements of the upcoming code – including authorizations, customs valuation, transitional periods, the status of customs as a law enforcement body, and other important provisions. The adoption of the new Customs Code is a necessary step for aligning Ukrainian legislation with EU law under Chapter 29 "Customs Union." The draft Code has also been submitted to the European Commission for review.

 Ukrainian producers of soybeans and rapeseed may be exempt from paying the export duty: a special mechanism has been introduced.

On 3 October, the Cabinet of Ministers adopted Resolution No. 1256. The Resolution establishes that an agricultural producer-exporter may be exempt from the export duty on soybeans and rapeseed upon submitting an expert opinion issued by the Chamber of Commerce and Industry, as provided in Article 1-1 of the Law of Ukraine "On Export Duty Rates on Oilseed Crops." Such an expert opinion must be issued for each individual consignment of exported products.

According to the State Customs Service, since the introduction of the export duty, Ukrainian agricultural producers have already exported over 1 million tonnes of soybeans and rapeseed.

Issue #13 of the Customs Monthly Digest covers State Customs Service performance in October 2025.

In this issue you can find:

- key monthly indicators and trends of the State Customs Service performance with expert comments;
- insights into the customs EU integration;
- legislation updates and other general news.

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Key events

 As of 1 October 2025, a minimum wage level has been established for taxpayers engaged in the sale of excisable goods. In 2025, the general rule stipulates that the average wage per employee may not be lower than UAH 16,000, while for establishments located outside regional centers and large cities it may not be less than UAH 12,000. This measure is intended to help combat tax evasion schemes related to wage payments.

 As of 1 October 2025, a law entered into force prohibiting the free distribution of tobacco raw materials, raw materials for liquids used in electronic cigarettes, and/or nicotine, whether separately or in kits. Violators will be fined by the tax authorities in the amount of 200% of the value of such goods, but not less than UAH 24,000. This provision is aimed at eliminating tax evasion schemes used by market participants in the electronic cigarette sector.

Topic of the Month: The Electronic Cigarette Market

Following the legislative ban on flavored liquids introduced in 2023, the shadow market for liquids used in electronic cigarettes expanded sharply.

The most widespread tax evasion scheme involved the sale of so-called "DIY liquid kits" ("self-mixing"), whereby a consumer effectively purchased the individual components — nicotine, propylene glycol, glycerin, a mixing container, and

Issue #7 of the Tax Monthly Digest covers State Tax Service performance in October 2025.

The digest offers in-depth analysis of:

- progress on anti-corruption and EU integration efforts in tax administration;
- key STS performance indicators;
- shifts in the shadow economy.

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