

Customs Monthly Digest

No6

March 2025

Key updates



On 19 April 2025, the Law of Ukraine No. 3926-IX of 22 August 2024, "On Amendments to the Customs Code of Ukraine Regarding the Implementation of Certain Provisions of the Customs Code of the European Union," entered into force.

The law was adopted as part of Ukraine's alignment with EU customs legislation, in particular introducing the institution of customs representation, authorisations for carrying out certain types of business activities, and the use of specific customs regimes.

As of the end of March, the secondary legislation needed to implement the law had not yet been adopted. On 31 March, the Ministry of Finance presented a number of draft regulations to the business community for the implementation of this law. **On 15 April, the Government approved the resolution "On Amendments to the Resolution of the Cabinet of Ministers of Ukraine No. 1092 of 27 September 2022", thereby adopting the presented draft acts.** Such a short preparation period for adapting to the new legislation may pose a challenge for many Ukrainian companies.

The draft regulations presented by the Ministry of Finance include, among other things:

- Changes to procedural rules for obtaining AEO status and certain customs simplifications (including clarification of financial standing criteria);
- The introduction of authorisations for customs brokerage activities, customs warehouses and temporary storage facilities, and for the use of

customs regimes such as processing and temporary admission.



A new border crossing point, "Velyka Palad – Nagyhódos", has been opened on the Ukrainian-Hungarian border.

It will help ease passenger traffic at other crossing points. The last time a new road border crossing point was opened on the Ukrainian-Hungarian border was several decades ago.



Amendments have been made to the procedure for the clearance and handling of humanitarian aid under martial law (Cabinet of Ministers Resolution No. 321 of 21 March 2025).

Specifically, the amendments regulate:

- The redistribution procedure for humanitarian aid among different recipients after importation;
- The procedure for returning humanitarian aid to the donor (if it cannot be used for its intended purpose);
- The possibility to correct certain errors in humanitarian aid declarations.

European integration

Key developments in customs-related EU integration:

- 1 According to Government estimates, the customs sector has shown significant progress in fulfilling the requirements of the EU–Ukraine Association Agreement.** Based on the Government's 2024 Report on the Implementation of the Association Agreement, Ukraine has fulfilled 91% of its obligations in the customs sector.
- 2 On 10–11 April, Ukraine and the EU held bilateral meetings as part of the screening process for the alignment of Ukrainian legislation with EU law under Chapter 29 "Customs Union".**

Customs Administration Reform

- By 1 January 2025, the Cabinet of Ministers was supposed to establish a selection commission for appointing the Head of the State Customs Service. However, as of

1 April, the commission for selecting the new Head had still not been formed. Meanwhile, under the Memorandum of Cooperation with the IMF, Ukraine is committed to appointing a new Head of the State Customs Service and permanent heads of regional customs offices by the end of June 2025.

- The Customs Competence Unit processed its first declaration submitted to Kyiv Customs. This unit was established on the basis of the Coordination and Monitoring Customs Office and has been granted powers to carry out customs formalities for any declaration, regardless of which customs office it was submitted to. This means customs clearance can take place not only at the location where goods are physically presented but also at the central level. Such a centralised approach is expected to reduce corruption risks and harmonise practices in the classification of goods and determination of their customs value.

Fostering trade

Number of enterprises obtained AEO status in 2024 - March 2025 (monthly):



In March 2025, only one company was granted AEO status (AEO-C). This is fewer than in the previous month (3 AEOs) and in March 2024 (4 AEOs).

The number of applications for AEO status is also declining. In March 2025, customs authorities received 6 AEO applications, compared to 7 in February 2025 and 9 in March 2024.

As of the beginning of April, 84 companies in Ukraine had been granted AEO status (81 with AEO-C status and 3 with both AEO-C and AEO-B status).

Authorizations for simplifications

(including transit ones, Mar'25)

Number of businesses
authorized for specific
simplifications:

13

number
of issued
authorization

16

in particular
transition
authorization

4

In March 2025, the number of companies granted customs simplifications increased compared to the previous month (13 companies in March 2025 versus 7 in February). However, it significantly decreased compared to March last year (40 companies). At the same time, the number of applications for simplifications rose in March 2025 compared to March 2024 (38 applications versus 26), indicating growing business interest in customs simplifications.

The most popular simplification for businesses in March was the “**release procedure at the place of location**” (5 simplifications granted), which allows goods to be cleared directly at the company’s premises. This saves time and money, as companies no longer need to transport goods to a customs terminal for clearance.

Number of completed common transit operations at destination customs (monthly/year-to-date)

Import of goods



5 228

11 391

Export of goods



7 965

18 483

In March 2025, the trend of increasing numbers of common transit operations for goods imports continued. In March 2025, 5,228 common transit declarations were processed for imports — 74% more than in February 2025 and 2.7 times more than in March 2024.

The number of export movements also increased (1.5 times higher compared to February 2025 and up by 11% compared to March 2024).

As a reminder, NCTS is an IT tool that technically enables businesses to use a single customs declaration with a single guarantee for movements between the 36 member countries of the Common Transit Convention.

Statistics on foreign trade

Total export

3,7 \$ bn

Comparison
with March
2024

+0,2 ↑
\$billion



In March 2025, Ukraine exported goods worth **\$3.7 billion**, which is \$0.2 billion more than in March 2024

The top exports in March 2025 were:

- Maize – \$0.51 billion
- Sunflower oil – \$0.5 billion
- Wheat – \$0.25 billion

Top importers of Ukrainian goods:

 Poland — **\$0,41 billion**

 Spain — **\$0,3 billion**

 Italy — **\$0,23 billion**

Total import

7,15
bn \$

taxable import
5,3 bn \$

Comparison with the corresponding
period of 2024

+1,14 ↑
bn \$

taxable import
+0,3 bn \$



In March 2025, Ukraine imported goods worth a total of **\$7.15 billion**, which is \$1.13 billion more than in March 2024 (\$6.02 billion).


Taxable imports amounted to \$5.3 billion (74% of the total), compared to \$5 billion in March 2024.

The tax burden per unit of weight of taxable imports increased by 1.2% — from \$0.495/kg in January–March 2024 to \$0.501/kg in January–March 2025.

Top countries from which goods were imported into Ukraine in March 2025 were:

 China — **\$1,38 billion**

 Germany — **\$0,67 billion**

 Poland — **\$0,65 billion**

Meeting targets

Status of indicative target achievement

Actual customs duty revenues

57,6
bn UAH

Planned revenues

57,4 UAH billion

Percentage of achievement

100,5%

In March 2025, customs authorities transferred UAH 57.6 billion to the state budget, which represents 100.5% of the assigned target. Compared to March 2024 (UAH 49.7 billion), actual revenues in March 2025 increased by UAH 7.9 billion.

According to the State Customs Service, customs revenue for January–March 2025 increased compared to January–March 2024 due to imports of:



Petroleum products

up by **2,8** billion UAH

↑ or 9.5%



Natural gas

up by **2,3** billion UAH

↑ or 110.2%



Cigarettes

up by **1,8** billion UAH

↑ or 576.3%



Electricity

up by **1,4** billion UAH

↑ or 253.2%



Fertilisers

up by **1,2** billion UAH

↑ or 90.3%

The increase in revenues from cigarette imports was driven by the rise in excise tax rates.

Status of indicative tax revenues achievement

Import duty

4,3 bn UAH

83,6%
of the plan

VAT on imported goods

44,9 bn UAH

104,8%
of the plan

Excise tax on imported goods

8,4 bn UAH

89,4%
of the plan

Export duty

0,04 bn UAH

114,5%
of the plan

In March 2025, **customs revenues slightly exceeded the indicative targets set by the Ministry of Finance.**

The achievement of the target was primarily due to VAT collection — 105% of the plan. The target for export duties was also met — 115% of the plan.

At the same time, collections from import duties and excise tax on imports fell short of the Ministry of Finance's projections.

The main factors influencing the performance of the indicative targets for March 2025 were:

- Customs payment exemptions granted for January–March 2025 amounted to UAH 66,566.5 million, which is UAH 22,530.4 million or 51.2% more than in 2024 (UAH 44,036 million);
- Ongoing attacks on the infrastructure of seaports;
- A discrepancy between the official exchange rate of the hryvnia and projected figures (the forecasted annual average exchange rate for the US dollar was UAH 45, while the actual average rate for January–March 2025 was UAH 41.75).

Customs exemptions (UAH)



Import duty

4,8 bn



VAT on imported goods

10,5 bn



Excise tax on imported goods

5,4 bn



Export duty

0,2 bn

In March, the volume of customs payment exemptions continued to grow, reaching **UAH 24.7 billion** (+UAH 3.9 billion compared to February 2025).

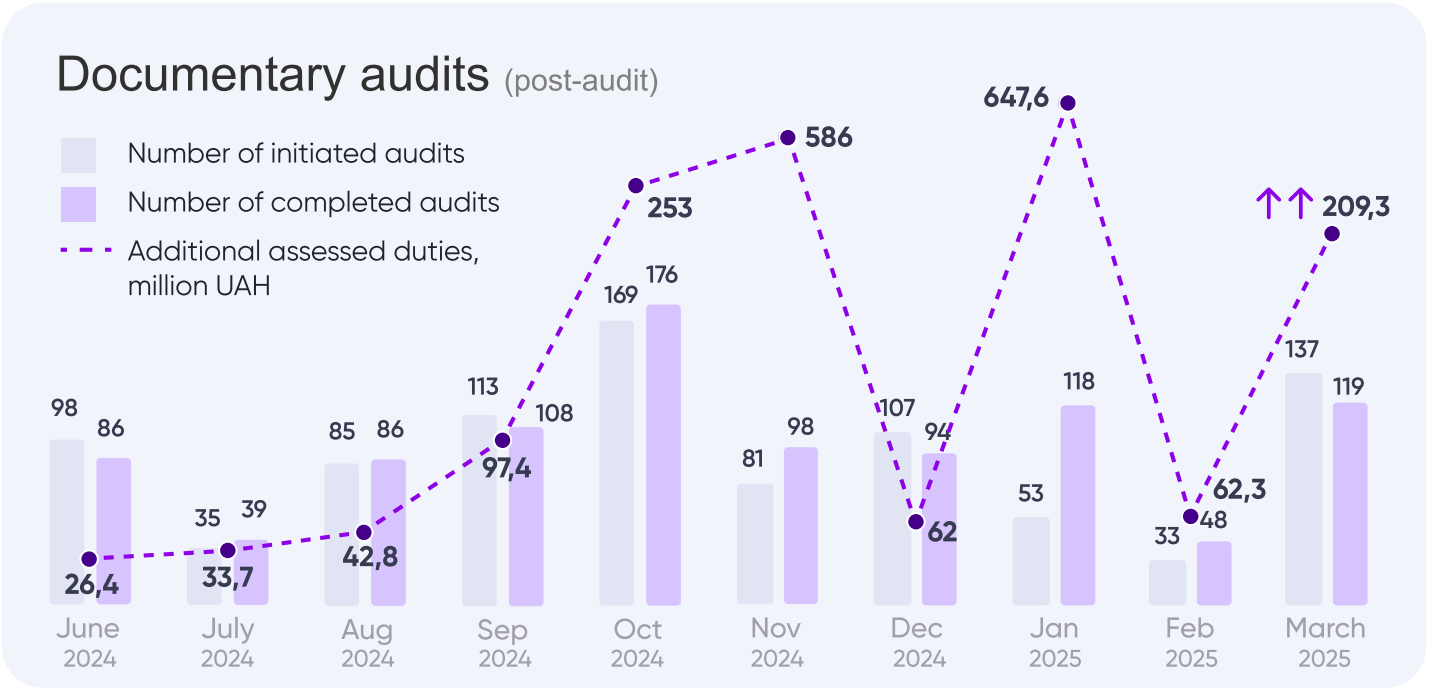
The largest exemption amounts granted in March 2025 were for:

- Excise goods imported as raw materials (mainly tobacco) – UAH 3.4 billion;
- Defence-related goods – UAH 10.4 billion
- Imports under free trade agreements – UAH 3.2 billion;
- Power generators and other energy-generating equipment – UAH 1.4 billion.
- Electric vehicles – UAH 1.1 billion;

Currently, exemptions from import duty and VAT are not aligned with EU legislation. Under the EU–Ukraine Association Agreement, Ukraine committed to gradually aligning its legislation with EU law, including Regulation No. 1186/2009 and Council Directive 112/2006, which govern import duties and VAT.

The National Revenue Strategy until 2030 also foresees the harmonisation of tax exemptions with EU requirements in the period 2024–2026.

Implementation of customs control functions



In May 2024, the Verkhovna Rada lifted the moratorium on documentary customs audits, which had been in place since March 2022.

In March 2025, customs authorities completed 119 documentary audits, resulting in additional customs charges amounting to UAH 209.3 million. However, only UAH 2.4 million of this amount was actually paid to the state budget.

Separately, businesses voluntarily (i.e., without audits) paid UAH 14.5 million.

This points to a **low level of voluntary payment** of assessed amounts and highlights the **unsatisfactory performance of tax authorities** in recovering tax arrears.

Number of decisions on customs value adjustments

Year-to-date:

3 794
(+ 1 320)

Amount, (UAH):

0,79 bn
(+ 241 mln)

Number of decisions on goods classification

Year-to-date:

387
(+ 144)

Amount, (UAH):

0,06 bn
(+ 31 mln)

In March 2025, customs authorities issued 141 goods classification decisions, which is 8 more than in March 2024. At the same time, the amount of additional charges resulting from these decisions increased by 21%.

The number of customs value adjustment decisions in March 2025 was 82 higher than in March 2024, although the total amount of additional charges decreased by 3%.

According to the State Customs Service, the main source of additional revenue following customs control measures remains customs value adjustments.

However, additional amounts assessed through value adjustments in March 2025 accounted for **only 0.42% of the total customs import duties collected**. Moreover, a significant portion of these decisions are being challenged in court, meaning that actual revenue to the budget may be even lower.

This suggests that the majority of customs payments in Ukraine are made voluntarily by taxpayers, while the financial return from customs control measures does not always justify the resulting complications for export–import operations.

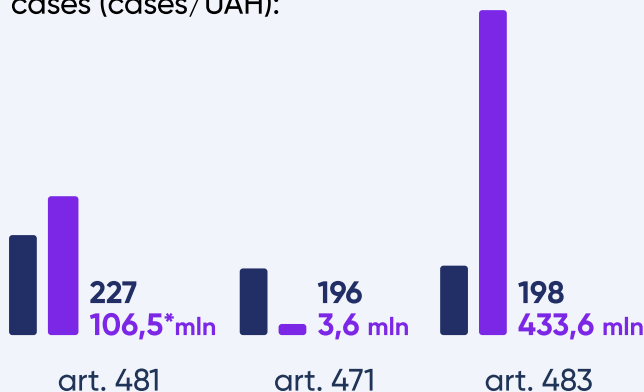
Number of initiated cases

988

by
amount of

546,8 million UAH

Top-3 articles by the number of initiated cases (cases/UAH):



* the amount of unpaid customs duties is indicated

In March 2025, customs authorities recorded **988 cases** of customs rules violations (COCs) amounting to **UAH 546.8 million**.

The majority of cases involved exceeding the temporary admission period for goods (Article 481 — cases totalling UAH 106.5 million) and smuggling or concealment of goods from customs control (Article 483 of the Customs Code — cases totalling UAH 433.6 million).

Despite the significant amounts involved in the identified violations, actual


revenues to the budget remain low. In March 2025, customs authorities reviewed 129 cases, imposing fines totalling UAH 4.7 million, of which UAH 3.7 million was paid.

A total of 563 cases worth UAH 853.5 million were referred to the courts. The courts imposed fines amounting to UAH 79.2 million and ordered confiscations totalling UAH 96.3 million.



In March 2025, the average customs clearance time for goods decreased compared to March 2024 (137 minutes versus 149 minutes).


An even more significant reduction was recorded in the clearance time for export declarations — 66 minutes in March 2025 compared to 114 minutes in March 2024.



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