

IMF's benchmarks and soft commitments

Ukrainian Government approves Ukrposhta's plan to establish a bank

The Cabinet of Ministers of Ukraine has approved the transfer of shares in First Investment Bank, formerly owned by Russian stakeholders, to the Ministry of Community Development, with plans for subsequent ownership by state postal operator Ukrposhta. The decision, made on January 28, paves the way for Ukrposhta to launch its own bank by 2025.

According to Ukrposhta, the planned postal bank will not engage in large-scale corporate lending or high-risk foreign exchange transactions. Instead, it will focus on providing basic financial services to rural and frontline communities, addressing financial inclusion gaps in underserved regions.

After extensive discussions with international partners, such conditions for establishing a bank based on Ukrposhta were included in the text of Ukraine's memorandum with the IMF.

Source: the Cabinet of Ministers, Ukrposhta

Ukraine's Parliament to resume legislative work on February 11

Ukraine's Verkhovna Rada will hold a session on February 4 to formally open its new legislative term, though no decisions are expected, as the meeting is a constitutional requirement.

The first plenary week, during which lawmakers will debate and vote on key legislation, is scheduled to begin on February 11. However, it remains uncertain whether lawmakers will consider two key bills – the repeal of the “Lozovyi amendments” and the creation of the High Administrative Court. Both are structural benchmarks under Ukraine's IMF memorandum.

Source: Temporary Investigative Commission on Economic Security

Obligations to the EU

Ukraine meets another milestone under the Ukraine Facility program

Ukrainian President Volodymyr Zelensky has signed into law Bill #12131, which introduces a system for monitoring, reporting, and verifying greenhouse gas emissions. The legislation fulfills one of the key requirements under Ukraine's financial assistance plan within the Ukraine Facility program. Kyiv was expected to meet this condition by the end of the second quarter of 2025 as part of its broader commitments to European integration and environmental governance.

Source: the Verkhovna Rada of Ukraine

Other key economic issues

Zelensky backs Defense Minister amid defence procurement dispute

Ukrainian President Volodymyr Zelensky voiced support for Defense Minister Rustem Umerov in an ongoing dispute with the Defense Procurement Agency (DPA). "The Defence Minister has the right to do everything necessary to prevent any delays in supplies", Zelensky stated in his recent interview for Associated Press.

The president's comments follow concerns raised by Ukraine's international partners. Earlier on Monday, G7 ambassadors urged Kyiv to resolve the situation at the DPA, emphasizing the importance of adhering to good governance principles and NATO recommendations to maintain public and international trust.

The dispute escalated after the DPA's Supervisory Board decided to extend the contract of its head, Maryna Bezrukova, for another year. However, the Ministry of Defense refused to approve the decision, leading to her removal. Arsen Zhumadilov was appointed as interim director. Over the past week, the leadership of the DPA has changed six times in the official registry, highlighting the ongoing turmoil in the agency's management.

Source: the Office of the President of Ukraine, Twitter of the G7 Ambassadors

Contributor authors: **Yaroslav Zhelezniak, Daria Kutsenko, Max Nefyodov**



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