TECHNOLOGY OF PROGRESS

Customs Monthly Digest

№11
August 2025

Key updates

The Government has presented a draft of the new Customs Code and decided to submit it to the European Commission for review.

Public consultations are also planned. The goal of the new Code is to align Ukraine's customs legislation with EU norms through the implementation of the **Union Customs Code (Regulation (EU) No 952/2013).**

The State Customs Service will establish a Business Contact Centre.

On 15 August, the Service announced that it had signed the relevant contract. This will be a key step towards developing a modern communication system between business and the State Customs Service in line with European IT Service Management (ITSM) practices.

The centre will provide a single point of contact for entrepreneurs, ensuring rapid and transparent handling of inquiries not only regarding customs IT systems but also across all aspects of business–customs interaction.

A 10% export duty on soybeans and rapeseed has been introduced (Law No 4536-IX).

The law provides an exemption for agricultural producers and cooperatives exporting their own crops. However, due to the absence of clear rules for documentary proof of product origin, this mechanism is effectively non-functional. As a result, exports of oilseeds have been blocked.

The **Ukrainian Agribusiness Club (UCAB)**, the **European Business Association (EBA)**, and the **American Chamber of Commerce** have called on the Cabinet of Ministers and the Verkhovna Rada to repeal this decision.

European integration

The European Commission has released its report following the screening of Cluster 3 “Competitiveness and Inclusive Growth.”

Under Chapter 29 “Customs Union,” the Commission acknowledged progress in implementing customs reform, but highlighted that challenges remain in the areas of anti-corruption policy, as well as staffing and institutional capacity, which require further action.

Customs Administration Reform

The selection commission for the post of Head of the State Customs Service of Ukraine held its first meeting, electing both a chair and a secretary.

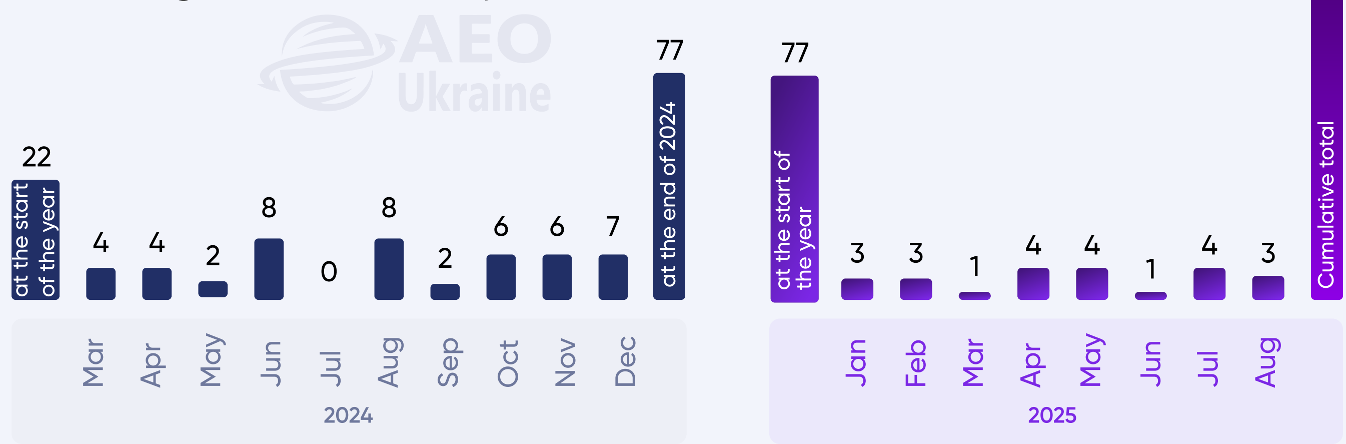
- **Kunio Mikuriya**, an international customs policy expert and former Secretary General of the World Customs Organization, was elected as **Chair.**
- **Oleh Tymkiv**, Business Development Director at the audit firm Moore Stephens, was elected as **Secretary.**

The IMF noted progress in implementing the customs component of the National Revenue Strategy.

Draft amendments to customs legislation have been submitted to Parliament, and several IT systems have been created or upgraded. Ukraine has already implemented over 25% of the strategic initiatives set out in the customs component of the National Revenue Strategy 2024–2030. The IMF recommends focusing next on developing clear KPIs, enhancing the Authorised Economic Operator (AEO) programme, and continuing to roll out modern IT solutions.

Fostering trade

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



In August 2025, three companies received AEO-C status, and one company obtained AEO-B status. Ukraine now counts 95 companies with AEO-C status and five companies holding both AEO-C and AEO-B status.

The number of applications for AEO status decreased compared to July 2025 (from 12 in July to 7 in August) but increased compared to August 2024 (when only 3 applications were submitted).

In August 2025, the number of simplifications granted continued to rise after the June decline.
A total of 13 companies received simplifications, compared with 12 in July. Within this total, 22 transit-related simplifications were issued.

The number of applications for simplifications remained high, with 59 applications submitted in August 2025, compared with 24 in August 2024. This shows that business interest in obtaining simplifications remains strong.

The most popular simplification in August was the **"release at the place of location" procedure** (eight authorisations granted). This procedure allows goods to be cleared directly on the company's premises, saving time and costs by eliminating the need to move shipments to a customs terminal.

In August 2025, the number of transit operations declined compared with July.

Exports: down 20.12%, from 8.2 thousand declarations to 6.6 thousand.

Imports: down 54.24%, from 6.8 thousand declarations to 3.1 thousand.

However, compared with August 2024, the number of export transit operations increased by 16.03% (from 5.7 thousand declarations to 6.6 thousand). The decrease in overall activity is likely linked to a period of seasonally low business activity.

As a reminder, the New Computerised Transit System (NCTS) is an IT tool that 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

In August 2025, Ukraine exported goods worth **$3.09 billion,** a decrease of $0.33 billion (–9.8%) compared with August 2024.

The top exports in August 2025 were:

- Wheat – $0.41 billion
- Rapeseed – $0.29 billion
- Sunflower oil – $0.18 billion

The main importers of Ukrainian goods were:

Poland — **$0,40** billion   Germany — **$0,24** billion   China — **$0.16** billion

Total import

6,69 bn $

taxable import 5,3 bn $

Comparison with the corresponding period of 2024

+0,79 bn $

taxable import +0,43 bn $

In August 2025, Ukraine imported goods worth $6.69 billion, an increase of $0.79 billion compared with August 2024 ($5.89 billion).

Taxable imports amounted to **$5.3 billion** (79 % of total imports), up from $4.8 billion in August 2024

The tax burden per kilogram of taxable imports rose by **2.6%,** from $0.502/kg to $0.558/kg.

The trade balance deteriorated from –$2.47 billion in August 2024 to –$3.59 billion in August 2025.

The top imported goods in August 2025 were:

- Petroleum products – $0.56 billion
- Other goods – $0.53 billion
- Passenger cars – $0.50 billion

The main countries exporting goods to Ukraine in August 2025 were:

🇨🇳 China — **$1,66** billion 🇵🇱 Poland — **$0,63** billion 🇩🇪 Germany — **$0,53** billion

Meeting targets

Status of indicative target achievement

Actual customs duty revenues

61,9 bn UAH

Planned revenues

70,7 UAH billion

Percentage of achievement

87,5%

In August 2025, customs set the highest indicative revenue targets since the start of the year – UAH 70.7 billion.

However, actual tax collections decreased, reaching UAH 61.9 billion, which is 87.5 % of the target.

Compared with August 2024 (UAH 51.1 billion), actual revenues in August 2025 still grew by UAH **10.7 billion.**

According to the State Customs Service, customs revenue for January–August 2025 increased year-on-year thanks to higher imports of:

Petroleum products	up by 17,7 billion UAH	↑ or 19.8 %
Natural gas	up by 6,7 billion UAH	↑ or 97,6%
Passenger cars	up by 6,9 billion UAH	↑ or 23,6%
Cigarettes	up by 4,1 billion UAH	↑ or 274,1%
Coal	up by 3,2 billion UAH	↑ or 144,6%

Status of indicative tax revenues achievement

Import duty	4,5 bn UAH	85% of the plan
VAT on imported goods	46 bn UAH	85% of the plan
Excise tax on imported goods	11,2 bn UAH	98% of the plan
Export duty	0,05 bn UAH	220% of the plan

In August 2025, **customs revenues met the Ministry of Finance's indicative targets only for export duties.** However, collections from this duty are relatively minor and do not significantly affect the overall revenue plan.

Excise tax on imported goods showed the highest performance, reaching 98% of the target. Export duty and VAT on imports each achieved 85 % of the planned figure.

The State Customs Service explained that the main obstacle to meeting the overall target was the exchange rate gap: the state budget assumed UAH 45 per US dollar, while the actual average rate in August was UAH 41.63.

This discrepancy alone accounts for a **UAH 33.5 billion shortfall in customs tax collections since the start of 2025.**

Customs exemptions (UAH)

Import duty	5,3 bn
VAT on imported goods	13,1 bn
Excise tax on imported goods	5,8 bn
Export duty	0,32 bn

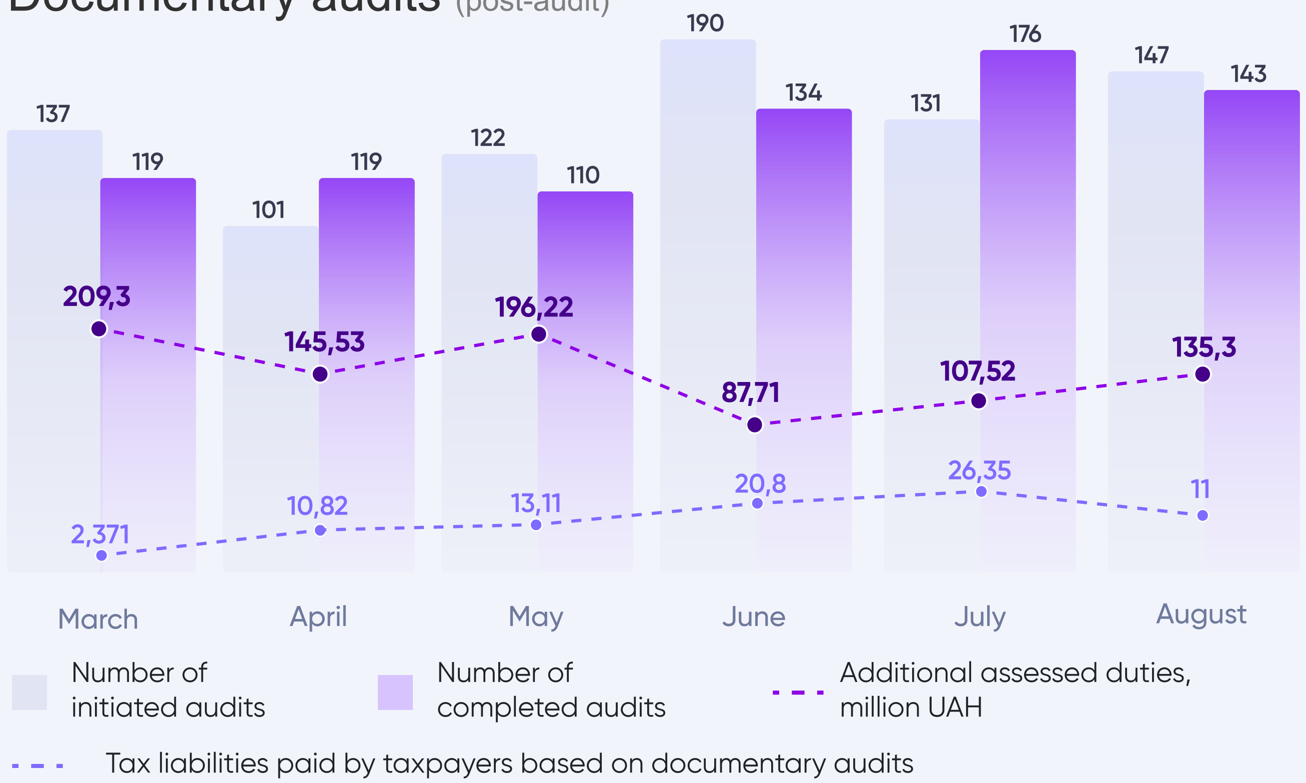
In August 2025, the total value of customs duty exemptions amounted to **UAH 24.5 billion.**

The largest categories of exemptions granted during the month were:

- **Excise goods imported as raw materials** (mainly tobacco) – UAH 5.7 billion
- **Defence-related goods** – UAH 11.3 billion
- **Imports under free trade agreements** – UAH 3.3 billion
- **Electric vehicles** – UAH 1.7 billion

Implementation

Documentary audits (post-audit)



The number of initiated documentary customs audits continues to grow. 147 audits were launched in August 2025, compared with 85 audits in August 2024. The assessed additional payments increased by 63%, from UAH 83 million in August 2024 to UAH 135.3 million in August 2025.

However, only **UAH 11 million (8.2% of the assessed amount)** has actually been collected for the state budget.

Separately, businesses **voluntarily paid UAH 16.1 million** in additional customs liabilities (i.e. without formal audits).

Number of decisions on customs value adjustments

Year-to-date:	Amount, (UAH):
8 612 (+ 920)	1,8 bn (+ 196 mln)

Number of decisions on goods classification

Year-to-date:	Amount, (UAH):
962 (+ 100)	0,26 bn (+ 34 mln)

In August 2025, customs offices **issued 100 product classification decisions, which is 45 fewer than in August 2024**.

At the same time, the assessed additional payments under these decisions fell by 31 %.

Customs value adjustment decisions also decreased, with 283 fewer cases than in August 2024, while the assessed amounts remained nearly unchanged.

Analysis by the State Customs Service confirms that revenue from customs value adjustments remains the main source of additional income from customs controls.

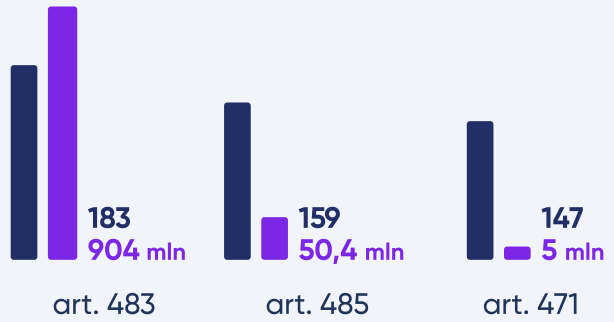
However, the extra charges from value adjustments in August 2025 accounted for **only 0.32 % of total import taxes collected**. A significant portion of these decisions is being challenged in court, which means that actual collections may be even lower.

Overall, most customs duties in Ukraine are paid voluntarily, so the financial return from post-clearance controls often does not justify the added complexity of import–export operations.

Number of initiated cases **755**

by amount of **919 million UAH**

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



* the amount of unpaid customs duties is indicated

In August 2025, customs authorities recorded **755 violations of customs rules (VCRs) amounting to UAH 919 million.**

The majority involved:

- Smuggling or concealment of goods from customs control (Article 483 of the Customs Code) – cases amounting to UAH 904 million
- Actions aimed at unlawful exemption from customs duties (Article 485) – cases amounting to UAH 50.4 million

During the month, 268 cases were reviewed by customs, with fines imposed of UAH 3 million; UAH 4.3 million was actually paid.

A further 352 cases, totalling UAH 625 million, were referred to the courts. Courts decisions resulted in fines of UAH 114 million and confiscations worth UAH 45 million.

Average customs clearance time* (min)

146 Import

62 Export

Vehicle crossings at the border, thousand units: **897,8**

* including declarations that were rejected

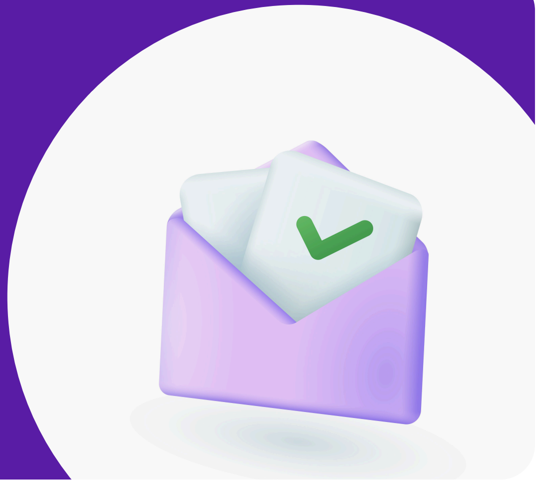
In August 2025, the average time for customs clearance of imported goods increased slightly compared with August 2024 – up by 2 minutes (146 minutes versus 144).

The processing time for export declarations, however, fell sharply, dropping to 62 minutes in August 2025 from 101 minutes in August 2024.

TECHNOLOGY OF PROGRESS

Keep up with the latest news

Subscribe to the digest



Digest archive