



EUROPEAN
COMMISSION

Brussels, 29.4.2026
COM(2026) 185 final

ANNEX

ANNEX

to the

Proposal for a Council Implementing Decision

**establishing the satisfactory fulfilment of the conditions for partial payment under the
seventh instalment of the Ukraine Plan of the Ukraine Facility and amending
Implementing Decision (EU) 2024/1447**

ANNEX

EXECUTIVE SUMMARY

On 14 April 2026, Ukraine submitted a request for payment of part of the fifth, sixth and seventh instalments of the Ukraine Plan, in accordance with Article 26 of Regulation (EU) 2024/792 of 29 February 2024 establishing the Ukraine Facility¹. To support the payment request, Ukraine provided justification of the satisfactory fulfilment of one step in the fifth instalment, two steps in the sixth instalment and eleven steps in the seventh instalment set out in the Annex to Council Implementing Decision (EU) 2024/1447 of 14 May 2024 on the approval of the assessment of the Ukraine Plan², as amended by Council Implementing Decision (EU) 2025/2157 ('the CID Annex')³. Ukraine also provided evidence for two steps in the eighth instalment and two steps in the ninth instalment.

Based on the information provided by Ukraine, 18 steps are considered to have been satisfactorily fulfilled.

As part of **Chapter 2** on public financial management, the medium-term state debt management strategy and amendments to the relevant legislation on state financial control were adopted.

As part of **Chapter 3** on the judicial system, at least 20% of judicial vacancies were filled in, the 20% of old disciplinary cases not considered as of end of 2023 were settled, the qualification evaluation (vetting) in respect of 50% of judges who still had to undergo it as of 30 September 2016 was completed, the law on the enforcement of court decisions related to monetary and non-monetary obligations and further digitalizing the enforcement proceedings entered into force and a data collection system on the enforcement of court decisions became operational.

As part of **Chapter 5** on financial markets, the resilience assessment in the banking system was published and the law on the improvement of the state regulation for capital markets and organised commodity markets entered into force.

As part of **Chapter 7** on human capital, the population employment strategy was adopted and the legislation on the basic principles of housing policy entered into force.

As part of **Chapter 8** on the business environment, the legislation in accordance with the Action Plan on deregulation in specific sectors entered into force.

¹ Regulation (EU) 2024/792 of the European Parliament and of the Council of 29 February 2024 establishing the Ukraine Facility (OJ L, 2024/792, 29.2.2024, ELI: <http://data.europa.eu/eli/reg/2024/792/oj>).

² Council Implementing Decision (EU) 2024/1447 of 14 May 2024 on the approval of the assessment of the Ukraine Plan (OJ L, 2024/1447, 24.5.2024, ELI: http://data.europa.eu/eli/dec_impl/2024/1447/oj). Annex to the Council Implementing Decision https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CONSIL%3AST_9492_2024_ADD_1&qid=1716536456361.

³ Council Implementing Decision (EU) 2025/2157 of 17 October 2025 amending Implementing Decision (EU) 2024/1447 on the approval of the assessment of the Ukraine Plan (OJ L, 2025/2157, 27.10.2025, ELI: http://data.europa.eu/eli/dec_impl/2025/2157/oj).

As part of **Chapter 10** on the energy sector, the law on the transposition of the electricity integration package entered into force and the state targeted economic programme for the energy modernisation of heat generating enterprises for the period up to 2030 was adopted.

As part of **Chapter 12** on the agri-food sector, the report on the implementation of the state support through the public Agricultural Register was published.

As part of **Chapter 13** on management of critical raw materials, a study on the legislation on ESG reporting was published.

As part of **Chapter 14** on digital transformation, the legal act on the functioning of the Integrated Electronic Identification System entered into force.

As part of **Chapter 15** on green transition and environmental protection, the resolution on the Scientific and Expert Council on Climate Change and Preservation of the Ozone Layer was adopted.

Step 2.6

Name of the step: Adoption of the medium-term state debt management strategy
Related reform/investment: Reform 3. Improved public debt management
Financed from: loan
Context The requirement for step 2.6 described in the CID Annex is: <i>‘Adoption of the medium-term state debt management strategy (MTDS) for 2026-2028. The MTDS focuses on these main areas:</i> - <i>analysis of current public debt structure and trends;</i> - <i>targets to ensure debt sustainability;</i> - <i>measures for the development of domestic government securities market.</i> Step 2.6 is the only step in the implementation of Reform 3 of Chapter 2 (public financial management).
Evidence provided 1) Summary document duly justifying how the step was satisfactorily fulfilled, in line with the requirements set out in the CID Annex; 2) Copy of the Resolution of the Cabinet of Ministers No. 1716 ‘On Approval of the Medium-Term Public Debt Management Strategy for 2026-2028’ dated 24 December 2025; 3) Copy of the ‘Medium-Term Public Debt Management Strategy for 2026-2028’ as an attachment to the Resolution No. 1716 of 24 December 2025.
Analysis The justification and substantive evidence provided by the Ukrainian authorities cover all the constitutive elements of step 2.6. The objective of reform 3 is to increase the transparency of state debt management policy and the efficiency of state debt management. The Medium-Term Public Debt Management Strategy for 2026–2028 establishes a framework for managing Ukraine’s public debt, focusing on debt sustainability, risk management, and the development of domestic financing capacity. The analysis of current public debt structure and trends provides a comprehensive assessment of the evolution of Ukraine’s public debt, highlighting a higher share of external and concessional financing, increased foreign currency exposure, and an extended maturity profile. It identifies key structural shifts underpinning the current debt structure. The targets to ensure debt sustainability provide for maintaining access to concessional financing and applying active debt management operations to mitigate refinancing and cost risks. The objective is to improve debt resilience through longer maturities and a gradual

increase in domestic financing.
The measures for the development of the domestic government securities market provide for strengthening domestic financing capacity through improved issuance arrangements, development of market infrastructures, and expansion of the investor base. The objective is to reduce structural reliance on external financing over time.
Commission assessment: satisfactorily fulfilled

Step 2.9

Name of the step: Adoption of the amendments to the relevant legislation on state financial control
Related reform/investment: Reform 5. Improved audit and financial control system
Financed from: loan
Context The requirement for step 2.9 described in the CID Annex is: <i>‘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:</i> - <i>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;</i> - <i>strengthening measures for monitoring the procurement procedures.’</i> Step 2.9 is the only step in the implementation of reform 5 of chapter 2 (public financial management).
Evidence provided 1) Summary document duly justifying how the step was satisfactorily fulfilled, in line with the requirements set out in the CID Annex; 2) Copy of Resolution of the CMU dated September 6, 2024, No. 1031, ‘On Amending Resolutions of the Cabinet of Ministers of Ukraine No. 43 of February 3, 2016, and No. 1110 of October 25, 2017’; 3) Copy of Resolution of the CMU dated November 13, 2025, No. 1473, ‘On Amending Certain Resolutions of the Cabinet of Ministers of Ukraine Regarding the Activities of State Financial Control Bodies’; 4) Copy of Resolution of the CMU dated November 19, 2025, No. 1483, ‘On Approving the Procedure for Conducting State Financial Audit by the State Audit Service and its Interregional Territorial Bodies within the Framework of International Treaties of Ukraine’; 5) Copy of Order of the CMU dated December 3, 2025, No. 1390, ‘On Approving the Roadmap for Strengthening Control over Public Procurement and Approving the

Action Plan for its Implementation for 2025-2027’.
Analysis The justification and substantive evidence provided by the Ukrainian authorities cover all the constitutive elements of step 2.9. The objective of reform 5 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. This step has been fulfilled through the following amendments to resolutions of the Cabinet of Ministers: First, CMU Resolution No. 1473 expands the operational powers of the State Audit Service, including the authority to contact final recipients directly, conduct on-site follow-up checks and initiate inspections on the basis of requests from foreign authorities or reported non-compliance with EU financial rules. Second, CMU Resolution No. 1483 establishes a dedicated procedure for state financial audits under international agreements, including the Ukraine Facility, requiring adherence to internationally recognised standards such as International Standards on Auditing (ISAs). Third, CMU Resolution No. 1031 amends foundational resolutions governing state financial control and designates the State Audit Service as Anti-fraud Coordination Service (AFCOS), establishing a structured cooperation mechanism with OLAF. Fourth, Order No. 1390 approves a Roadmap for strengthening procurement control for 2025-2027, setting out concrete measures to enhance the capacity of the State Audit Service, including through improving digitalisation, risk-based monitoring and international cooperation. Together, these legal acts provide support to the State Audit Service 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, and strengthen measures for monitoring procurement procedures.
Commission assessment: satisfactorily fulfilled

Step 3.1

Name of the step: Filling of at least 20 % of judicial vacancies
Related reform/investment: Reform 1. Enhancing the accountability, integrity and professionalism of the judiciary
Financed from: loan
Context The requirement for step 3.1 described in the CID Annex is: <i>‘At least 20% of judicial vacancies available as of 16 October 2023 (a total number of 2 205</i>

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.'

Step 3.1 is the second of six steps in the implementation of reform 1 of chapter 3 (judicial system), together with step 3.2 on the entry into force of the law establishing a new court to hear administrative cases. It was preceded by step 3.5 on the entry into force of the legislation revising the declarations of integrity of judges and their verification process, which remains unfulfilled from Q2 2025. It is followed by step 3.15 (due by Q4 2026) on the operationalisation of the Specialised District Administrative Court and the Specialised Administrative Court of Appeal.

Evidence provided

- 1) Summary document duly justifying how the step was satisfactorily fulfilled, in line with the requirements set out in the CID Annex;
- 2) Copies of the decisions of the President of Ukraine on the appointment of judges to local and appeal level courts;
- 3) Copies of explanation on the involvement of Public Integrity Council;
- 4) Copy of the Law of Ukraine No. 3511-IX 'On Amendments to the Law of Ukraine 'On the Judicial System and Status of Judges' and Some Legislative Acts of Ukraine on Improving the Procedures of Judicial Career' dated 9 December 2023;
- 5) Copy of the Decision of the High Qualifications Commission of Judges of Ukraine amending the regulations on holding a competition for the vacant position of a judge No. 72/zp-24 dated 29 February 2024;
- 6) Copy of the Decision of the High Qualifications Commission of Judges of Ukraine No. 95/zp-23 of 14 September 2023 (competition for judges in local courts);
- 7) Copy of the Decision of the High Qualifications Commission of Judges of Ukraine No. 94/zp-23 of 14 September 2023, as amended by the Decision on 14 December 2023 (competition for judges in courts of appeal).

Analysis

The justification and substantive evidence provided by the Ukrainian authorities cover all the constitutive elements of step 3.1.

The objective of reform 1 is to enhance the accountability, integrity and professionalism of the judiciary and to build 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 Ukrainian Parliament adopted on 9 December 2023 Law of Ukraine no. 3511-IX 'On Amendments to the Law of Ukraine 'On the Judicial System and Status of Judges' and Some Legislative Acts of Ukraine on Improving the Procedures of Judicial Career'' which streamlined stages of selection and shortened mandatory judicial training periods. Furthermore, the Decision of the High Qualification Commission of Judges (HQCJ) No.

72/zp-24 sets out clear and duly published assessment criteria and scoring methodology. In line with the amended legislation, on 14 September 2023 the High Qualification Commission of Judges (HQCJ) announced a competition for 560 judges in local courts and another competition for 550 judges in courts of appeal. Based on the results of the competitions, at the time of the reporting, HQCJ had submitted recommendations for 393 candidates for appointment as judges in local courts and 178 candidates for appointment as judges in appeal courts (571 recommendations in total). The Public Integrity Council was involved in assessing the integrity of the candidates where required by law. Following the competition, the High Council of Judges gave recommendations of the selected judges for the appointment by the President. At the time of reporting, the President had appointed in total 451 judges to local and appeal level courts. The appointments represent over 20 % of the 2 205 available positions as of 16 October 2023. Based on the spreadsheet provided by the Ukrainian authorities listing all the appointed judges, the Commission services randomly drew a sample of 60 units. For each sampled unit, the Ukrainian authorities provided links to the decisions of the President of Ukraine on the appointment of the judges, published on the official website of the President's Office. The analysis of the provided evidence confirmed that all 60 judges were appointed in the vacancies in local and appeal level courts. Therefore, the sampling exercise was considered successful and the requirement met.
Commission assessment: satisfactorily fulfilled

Step 3.3

Name of the step: Settlement/adjudication of 20% of old disciplinary cases not considered as of end of 2023
Related reform/investment: Reform 1. Enhancing the accountability, integrity and professionalism of the judiciary
Financed from: loan
Context The requirement for step 3.3 described in the CID Annex is: <i>‘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 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.’</i> Step 3.3 is the fourth of six steps in the implementation of reform 1 of chapter 3 (judicial system). It is implemented in parallel with step 3.4 on the completion of 50% of the qualification evaluation of judges. It was preceded by step 3.2 on the establishment of the Specialised District Administrative Court and the Specialised Administrative Court of Appeal, positively assessed as part of 6th payment request (Q3 2025) and step 3.5 on the entry into force of the legislation revising the declarations of integrity of judges and their verification

process which remains unfulfilled from Q2 2025 and step 3.1 on the filling of at least 20% of judicial vacancies from Q3 2025, positively assessed as part of this payment request. It is followed by step 3.15 (due by Q4 2026) on the operationalisation of the Specialised District Administrative Court and the Specialised Administrative Court of Appeal.

Evidence provided

- 1) Summary document duly justifying how the step was satisfactorily fulfilled, in line with the requirements set out in the CID Annex;
- 2) Copy of the decision of the High Council of Justice No. 3582/0/15-24 ‘On the start of the work of the Disciplinary Inspectors Service of the High Council of Justice’ dated 10 December 2024;
- 3) Copies of the decisions on settled complaints by High Council of Justice, with the involvement of Disciplinary Inspectors Service.

Analysis

The justification and substantive evidence provided by the Ukrainian authorities cover all the constitutive elements of step 3.3.

The objective of reform 1 is to enhance the accountability, integrity and professionalism of the judiciary and to build 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.

A Disciplinary Inspectors Service (DIS) was set up as an independent structural unit under the High Council of Justice (HCJ) by the decision of the HCJ No. 3582/0/15-24 ‘On the start of the work of the Disciplinary Inspectors Service of the High Council of Justice’ dated 10 December 2024. The decision mandates the DIS to process disciplinary complaints against judges. DIS started its operations on 23 December 2024. It consists of a head, deputy head and disciplinary inspectors.

As of 31 December 2023, the HCJ had 12 106 unresolved disciplinary complaints. In line with the legal framework in force at the time, HCJ continued to consider these cases throughout 2024, until the establishment of the DIS. When DIS started to operate, from 23 December 2024 until 22 January 2025, 10 906 old disciplinary complaints were transferred from HCJ to disciplinary inspectors through an automated distribution system. Out of these complaints, 6 054 had been submitted to the HCJ before the end of 2023, and, consequently, 4 852 over the course of 2024. At the time of the assessment, 2 741 out of the 6 054 complaints that were submitted before 31 December 2023 had been settled with the involvement of DIS. This represents 23% out of the old cases not considered as of 31 December 2023. The criteria for prioritisation of disciplinary complaints consideration, provided for in clause 13.7 of the Rules of Procedure of the High Council of Justice, was applied in the processing of cases.

Based on the spreadsheet provided by Ukrainian authorities listing all the resolved complaints, the Commission services randomly drew a sample of 60 units. For each sampled unit, Ukrainian authorities provided links to the decisions on the disciplinary complaints, published on the official website of the HCJ. The analysis of the provided evidence confirmed that all 60 complaints were settled with the involvement of DIS. Therefore, the sampling exercise was considered successful, and the requirement met.

Commission assessment: satisfactorily fulfilled
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Step 3.4

Name of the step: Completion of the qualification evaluation (vetting) in respect of 50% of judges who still had to undergo it as of 30 September 2016

Related reform/investment: Reform 1. Enhancing the accountability, integrity and professionalism of the judiciary
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Financed from: loan

Context

The requirement for step 3.4 described in the CID Annex is:

‘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.’

Step 3.4 is the fifth of six steps in the implementation of Reform 1 of Chapter 3 (judicial system). It is implemented in parallel with Step 3.3 on the settlement/adjudication of 20% of old disciplinary cases not considered as of end of 2023, and Step 3.1 on the filling of at least 20% of judicial vacancies which was unfulfilled in Q3 2025. It was preceded by Step 3.5 on the entry into force of the legislation revising the declarations of integrity of judges and their verification process which remains unfulfilled from Q2 2025, and Step 3.2 on the law establishing a new court to hear administrative cases which was fulfilled in Q3 2025. It is followed by Step 3.15 which requires the new court to hear administrative cases to be operational due in Q4 2026.

Evidence provided

- 1) Summary document duly justifying how the step was satisfactorily fulfilled, in line with the requirements set out in the CID Annex;
- 2) Letter of the High Qualification Commission of Judges No. 28-5719/24 dated 11 October 2024;
- 3) Letter of the High Qualification Commission of Judges No. 28-1624/26 dated 17 March 2026.
- 4) Copies of the decisions of the High Qualification Commission of Judges on the completion of qualification assessments.

Analysis

The justification and substantive evidence provided by the Ukrainian authorities cover all the constitutive elements of step 3.4.

The objective of reform 1 is to enhance the accountability, integrity and professionalism of the judiciary and to build 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.

As of 30 September 2016, a total of 6 958 judges in Ukraine’s court system were required to undergo the qualification assessment (vetting). As a result, the indicator requires the completion of the vetting process for 3 479 judges. In line with established procedures, the High Qualification Commission of Judges (HQCJ) completed the assessment of 3 350 judges, who were either confirmed as qualified for their positions or did not comply with the position held. In addition, the HQCJ reported that 29 of the judges refused to undergo the assessment; a submission for dismissal was filed in those cases. In a further 977 cases, the qualification assessment was terminated during its conduct for reasons that did not depend on the HQCJ, primarily due to the resignation of judges or their retirement. The Public Integrity Council (PIC) was involved in the assessment where legally mandated. Taking into account these cases, a total of 4 356 cases of judges were considered in total.

Although there is a minimal deviation between the number of judges who fully completed the vetting by the time of reporting and the numerical target set by the Council Implementing Decision, the overall objective of this indicator was achieved. Furthermore, the early conclusion of the assessment of some judges was due to the circumstances not in the control of HQCJ.

Based on a spreadsheet provided by Ukrainian authorities, which listed all 3350 judges who had fully completed the vetting, the Commission services randomly selected a sample of 60 cases. For each of these, the authorities supplied links to the HQCJ’s published decisions on its official website. An examination of the evidence confirmed that all 60 judges in the sample had indeed completed the vetting process. Therefore, the sampling exercise was deemed successful.

Commission assessment: satisfactorily fulfilled

Step 3.8

Name of the step: Entry into force of the legislation on improving the enforcement of court decisions related to monetary and non-monetary obligations and digitalisation

Related reform/investment: Reform 2. Reforms of insolvency and enforcement of court decisions

Financed from: loan

Context

The requirement for step 3.8 described in the CID Annex is:

‘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.’

Step 3.8 is the second of five steps in the implementation of reform 2 of chapter 3 (judicial system). It was preceded by step 3.6 on the entry into force of the legislation on the improvement of the insolvency regime, positively assessed as part of 3rd payment request (Q4 2024). It is followed by step 3.9 (due by Q4 2025) according to which a data collection system on the enforcement of court decisions is operational.

Evidence provided

- 1) Summary document duly justifying how the step was satisfactorily fulfilled, in line

with the requirements set out in the CID Annex; 2) Copy of the Law No. 4833-IX ‘On Amendments to Certain Laws of Ukraine on Simplification of Enforcement Proceedings Through Digitalisation’; 3) Copy of the Law of Ukraine No. 4094-IX ‘On Improvement of Judicial Control Over Enforcement of Court Judgements’, dated 21 November 2024.
Analysis The justification and substantive evidence provided by the Ukrainian authorities cover all the constitutive elements of step 3.8. The objective of reform 2 is the improvement of insolvency and enforcement procedures by aligning the relevant legislation with the EU <i>acquis</i> and building institutional and other capacities to properly apply it. To this end, the Ukrainian parliament adopted the Law of Ukraine No. 4833-IX ‘<i>On Amendments to Certain Legislative Acts of Ukraine on Improving the Procedure for Enforcement of Court Decisions, Decisions of Other Bodies and Digitalization of Certain Stages of Enforcement Proceedings</i>’ on 7 April 2026 and the Law of Ukraine No. 4094-IX ‘<i>On Improvement of Judicial Control Over Enforcement of Court Judgements</i>’, on 21 November 2024. Law No. 4833-IX improves the digitalisation of enforcement proceedings and is expected to make enforcement of court decisions faster and more effective. Law No. 4833-IX is expected to improve especially the enforcement of monetary court decisions by introducing amendments to the process of foreclosure of property, automation of some stages of enforcement procedures and by enhancing the verification of debtors’ assets. The law is expected to improve the collection of debts, while providing safeguards to debtors, such as restrictions on the seizure of the sole residence. Law No. 4833-IX provides upgrades to the main components of digital enforcement infrastructure and improves the interaction between enforcement officers and government bodies, banks, financial institutions, and nonbank payment service providers. It improves the functioning of the Automated System of Enforcement Proceedings (ASEP), which facilitates electronic document management. The new functions of the ASEP improve the exchange of information with banks and financial institutions. The law also introduces automatic interaction with other state registers. Changes are also introduced to the Unified Register of Debtors, which contains information on outstanding obligations of debtors, both legal entities and individuals, and is designed to prevent the alienation of property. The law No. 4833-IX provides that debtors listed in the Unified Register of Debtors will be unable to conclude certain transactions, such as to register a pledge on their real estate, except in cases provided for by law. For this purpose, verification of a debtor’s status will become mandatory for certain transactions. At the same time, the process of lifting the restrictions on debtor’s property becomes more automatic and transparent. Law No. 4833-IX also introduces interaction between the Register of Debtors and other state registers, offering additional tools for enforcement officers to trace debtors’ assets. The final provisions of Law No. 4833-IX introduce a staggered approach to the application of the new rules, with the law starting to enter into force on 24 April 2026, while the main body of the law will only apply six months from the date of publication in order to implement the necessary changes to the IT systems for the application of the new provisions. Law No. 4094-IX entered into force on 19 December 2024. It is aimed at improving control over the enforcement of court decisions in administrative cases. It will also improve the enforcement of certain categories of claims in civil and commercial proceedings. Its provisions are expected to improve mainly the enforcement of non-monetary obligations. The

law introduces a possibility for the court to require a report on the enforcement of the decision. It also stipulates fines for the non-enforcement of court decisions and provides that in case the debtor is a collegiate body, a fine may be imposed on each member of the body who failed to ensure the enforcement of the court decision within their authority. It also introduces the possibility for the creditor to apply to the court with a request to change the method of enforcement, if the debtor fails to enforce the court decision.

Commission assessment: satisfactorily fulfilled

Step 3.9

Name of the step: A data collection system on the enforcement of court decisions is operational

Related reform/investment: Reform 2. Reforms of insolvency and enforcement of court decisions

Financed from: loan

Context

The requirement for step 3.9 described in the CID Annex is:

‘A data collection system on the enforcement of court decisions is operational.’

Step 3.9 is the third of five steps in the implementation of reform 2 of chapter 3 (judicial system). It was preceded by step 3.6 on the entry into force of the legislation on the improvement of the insolvency regime, positively assessed as part of 3rd payment request (Q4 2024) and step 3.8 on the 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, outstanding from the fifth (Q2 2025) instalment and positively assessed as part of the current payment request. It is followed by step 3.7 (due by Q1 2026) on the entry into force of the legislation for simplified insolvency procedures for Micro, Small, and Medium Enterprises (MSMEs) and step 3.10 (due by Q2 2026) according to which the upgraded IT system for enforcement of court decisions is operational.

Evidence provided

- 1) Summary document duly justifying how the step was satisfactorily fulfilled, in line with the requirements set out in the CID Annex;
- 2) Link to the dashboard at the website of the Ministry of Justice: https://minjust.gov.ua/other/data_collection_system_on_enforcement_proceedings;
- 3) Copy of the order of the State Secretary of the Ministry of Justice on the measures for the implementation of step 3.9 in the Ukraine Plan.

Analysis

The justification and substantive evidence provided by the Ukrainian authorities cover all the constitutive elements of step 3.9.

The objective of reform 2 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. To this end, the Ministry of Justice developed a data collection

system compiling data on enforcement proceedings. The data collection system is publicly available at the website of the Ministry of Justice and is based on official statistics. It provides statistical information on the enforcement of court decisions by different categories of decisions. It also provides information on the activities of public and private enforcement officers and of the enforcement of the decisions of the European Court of Human Rights. The system compiles information from different sources and provides it on the public platform. Better access to this information is expected to improve evidence-based policy making and public scrutiny of the enforcement of court decisions. The Ministry of Justice plans to further upgrade the system based on the experiences and user feedback after the first months of operation of the new system.
Commission assessment: satisfactorily fulfilled

Step 5.6

Name of the step: Entry into force of the law on the improvement of the state regulation for capital markets and organised commodity markets
Related reform/investment: Reform 4. Improved capacity of the financial supervisory authority
Financed from: loan
Context The requirement for step 5.6 described in the CID Annex is: <i>‘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.’</i> Step 5.6 is the only step in the implementation of reform 4 in chapter 5 (financial markets).
Evidence provided 1) Summary document duly justifying how the step was satisfactorily fulfilled in line with the requirements set out in the CID Annex; 2) Copy of the Law of Ukraine No. 3585-IX ‘On Amendments to the Law of Ukraine ‘On State Regulation of Capital Markets and Organised Commodity Markets’ and Certain Other Legislative Acts of Ukraine on Improving State Regulation and Supervision of Capital Markets and Organised Commodity Markets’, dated 22 February 2024.
Analysis The justification and evidence provided by the Ukrainian authorities cover all constitutive elements of step 5.6. The objective of reform 4 is to improve the state regulation for capital markets and organised commodity markets.

To this end, the Ukrainian parliament adopted Law of Ukraine No. 3585-IX ‘On Amendments to the Law of Ukraine “On State Regulation of Capital Markets and Organised Commodity Markets” and Certain Other Legislative Acts of Ukraine on Improving State Regulation and Supervision of Capital Markets and Organised Commodity Markets’ of 22 February 2024. The Law entered into force on 27 September 2024, while certain provisions took effect on 1 January 2026, notably those on the competitive selection of the Chairperson and Commissioners, restrictions applicable to employees of the National Commission on Securities and Stock Market (NSSMC), the status of authorised persons, strengthened investigation and sanctioning powers, procedural rules for enforcement proceedings, as well as provisions on self-regulatory organisations and countering market abuse.

In relation to IOSCO Principles Relating to the Regulator (Principles 1–8), the law defines the mandate and responsibilities of the NSSMC (Principle 1) and provides safeguards for operational independence and accountability in the exercise of its functions (Principle 2), including protection from unlawful external influence in supervisory, inspection, and enforcement activities. It establishes the basis for the NSSMC to be endowed with adequate powers, resources, and capacity to perform its functions (Principle 3), including rulemaking, supervision, and enforcement. The regulatory framework is based on clear procedures (Principle 4) and includes requirements on professional conduct, confidentiality, and conflict of interest prevention applicable to staff and market participants (Principle 5). The Law also integrates mechanisms for systemic risk identification and mitigation within the NSSMC mandate (Principle 6), requires periodic review of regulatory acts and the regulatory perimeter (Principle 7), and provides for the identification and management of conflicts of interest and incentive misalignments (Principle 8).

Regarding IOSCO Principles for Self-Regulation (Principle 9), the NSSMC exercises oversight over self-regulatory organisations, which are subject to regulatory supervision and required to comply with standards of fairness and confidentiality.

As regards IOSCO Principles for the Enforcement of Securities Regulation (Principles 10–12), the NSSMC is equipped with comprehensive supervisory, investigative, and sanctioning powers, including inspections, investigations, findings of breaches, and application of enforcement measures under established procedures.

Finally, in line with IOSCO Principles for Cooperation in Regulation (Principles 13–15), the Law authorises the NSSMC to exchange information, including confidential information, with domestic and foreign counterparts and to provide assistance in investigations and other regulatory cooperation activities.

These provisions collectively pave the way for the NSSMC to operate free from external influence, make decisions based on the law and the best interests of market integrity and investor protection, and to have strong enforcement mechanisms and international cooperation tools consistent with IOSCO standards.

Commission assessment: satisfactorily fulfilled

Step 7.8

Name of the step: Entry into force of the legislation on the Basic Principles of Housing Policy

Related reform/investment: Reform 7. Ensuring access to housing for people in need
Financed from: loan
Context The requirement for step 7.8 described in the CID Annex is: <i>‘Entry into force of the Law of Ukraine ‘On Basic Principles of Housing Policy’. The Law focuses on these main areas:</i> - <i>accessibility of housing for the most vulnerable categories of citizens should become the main principle in the provision of housing;</i> - <i>creation of various support mechanisms for citizens with different financial capacities and determination of criteria for access to them;</i> - <i>regulating the legal basis for the introduction of lease of communal housing, lease of communal housing with the right to buy;</i> - <i>creating a transparent system for registering the housing needs of citizens to ensure prompt response at the local level;</i> - <i>creating a transparent framework for monitoring by the public, civil society and the international community.’</i> Step 7.8 is the first step in the implementation of reform 7 in chapter 7 (human capital). It is followed by step 7.9 on entry into force of the legislation on the Social Housing Fund due in Q4 2026.
Evidence provided 1) Summary document duly justifying how the step was satisfactorily fulfilled in line with the requirements set out in the CID Annex; 2) Copy of Law of Ukraine No. 4751-IX ‘On the Basic Principles of Housing Policy’, dated 13 January 2026; 3) Copy of the publication of the law in the Official Gazette No. 51 dated 5 March 2026.
Analysis The justification and substantive evidence provided by the Ukrainian authorities cover all the constitutive elements of step 7.8. The objective of reform 7 is to develop the framework for a social housing system. This specific reform step concerns the adoption of legislation that establishes the key priorities for Ukraine’s housing policy, including access to housing for the most vulnerable. To this end, the Ukrainian Parliament adopted on 13 January 2026 Law No. 4751-IX ‘<i>On the Basic Principles of Housing Policy</i>’. The law entered into force on 6 March 2026, following its publication in the official journal on 5 March 2026. The law establishes ‘<i>accessibility and barrier-free housing</i>’ as a key principle of Ukraine’s housing policy. It identifies vulnerable and socially protected groups as priority beneficiaries and guarantees their access to affordable, social housing. The law introduces a broad spectrum of financial support mechanisms for people with different financial capacities. These include preferential long-term loans, subsidies, compensation, leasing, and ‘<i>rent-to-buy</i>’ linked to income and eligibility criteria. They also include cooperatives, public-private partnership mechanisms, and the option of allowing

communities to allocate land for development free of charge to make housing more affordable.
The law regulates the legal basis for the lease of communal housing. Including the lease of communal housing with the right to buy. This includes regulation of the lease of private and public housing, social rent housing, and service housing for public sector groups during the duration of official duties. It introduces an instrument of lease with the right to purchase (<i>'rent-to-buy'</i>) that, if certain conditions are met, will allow citizens to register the property they are leasing as their own after a minimum of 10 years of leasing. A key condition is the payment to a revolving fund at a price no lower than the cost of new social housing with a view to finance the construction of new social housing. The rent paid over the 10-year period will be counted towards this price.
The law creates a transparent system for accessing information about the housing stock and for registering the housing needs of citizens through the establishment of a <i>'Unified Information and Analytical Housing System'</i> . The system will work as a single digital information hub that will combine data in one place and automatically interact with other state registers.
The law introduces a <i>'Unified Information and Analytical Housing System'</i> that will facilitate monitoring by the public, civil society and the international community. The system will register housing needs, collect and provide open information on the housing stock in a transparent manner. It will include digitizing all apartment queues and making data publicly available for search and access. The system will work as a single digital hub, assembling all data in one place and automatically interact with other state registers, including available support programmes, housing cooperatives, financial institutions, and social housing operators.
Commission assessment: satisfactorily fulfilled

Step 8.2

Name of the step: Entry into force of the legislation in accordance with the Action Plan on deregulation in specific sectors
Related reform/investment: Reform 1. Improved regulatory environment
Financed from: loan
Context The requirement for step 8.2 described in the CID Annex is: <i>'Entry into force of the legislation on deregulation and simplification of business conditions. The legislation focuses on these main areas:</i> - <i>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;</i> - <i>reduction of business inspections by introducing voluntary insurance and audit;</i> - <i>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.'</i> Step 8.2 is the second step in the implementation of reform 1 in chapter 8 (business

environment). It follows step 8.1 on the adoption of the Action Plan on deregulation. Step 8.1 was due in Q3 2024 and was positively assessed as part of the second instalment.

Evidence provided

1. Summary document duly justifying how the step was satisfactorily fulfilled in line with the requirements set out in the CID Annex;
2. Copy of the Resolution of the Cabinet of Ministers No. 795 ‘On the implementation of the first stage of the pilot project on the introduction of the Unified State Electronic System of Permits’ dated 5 July 2024;
3. Copy of the Law of Ukraine No. 4017-IX ‘On Amendments to Certain Legislative Acts of Ukraine in Connection with the Adoption of the Law of Ukraine ‘On Administrative Procedure’ dated 10 October 2024;
4. Copy of the Law of Ukraine No. 4196-IX ‘On the specifics of regulating activities of legal entities of certain organizational and legal forms in the transition period and associations of legal entities’ dated 9 January 2025;
5. Copy of the Law of Ukraine No. 4840-IX ‘On the Basic Principles of State Supervision (Control)’ dated April 8 2026’.

Analysis

The justification and substantive evidence provided by the Ukrainian authorities cover all the constitutive elements of step 8.2.

The objective of reform 1 is to improve the regulatory environment by simplifying and digitising administrative procedures, in accordance with the Action Plan on deregulation in specific sectors.

The Cabinet of Ministers of Ukraine adopted Resolution No. 795 on 5 July 2024, approving a pilot project to introduce the Unified State Electronic System of Permits (e-Dozvil). This resolution designates the Ministry of Economy as the project coordinator and outlines the specific responsibilities of relevant ministries and public bodies in digitising permit procedures. By establishing standardised technical requirements and workflows, the pilot aims to streamline business licensing through the Diia portal and is to be completed within two years of the entry into force of the Resolution.

In order to regulate the issue of legal succession of permits and licenses, in cases of changes in the legal form of business entities, a set of legislative amendments have been adopted. The Law of Ukraine No. 4017-IX, which entered into force on 15 November 2024, harmonises the national permitting and licensing systems with the Law on Administrative Procedure by stipulating that reorganisation—including mergers, accessions, and transformations—does not constitute grounds for the termination of authorisations, thereby allowing legal successors to continue operations under existing documentation. In addition, the Law of Ukraine No. 4196-IX, which entered into force on 28 February 2025, establishes the structural framework for the mandatory modernisation of legacy legal entities, with Article 14 explicitly preserving the validity of all permits and licenses for successor entities until their original expiration. Together, these legislative acts safeguard economic activities from administrative disruption by ensuring that regulatory rights are seamlessly transferred during legal transitions.

The Law of Ukraine No. 4840-IX, which entered into force on 24 April 2026, transitions Ukraine’s state supervision to a risk-based model aligned with European standards. The reform introduces voluntary audits that allow businesses to correct deficiencies without sanctions and uses civil liability insurance to reduce inspection frequency. Key updates

include the mandatory audio and video recording of inspections, a prohibition on seizing original documents or hardware, and the automation of oversight through a digital risk-rating system. The law shifts the focus of state supervision from punishment to a preventative cycle of monitoring and compliance.

Commission assessment: satisfactorily fulfilled

Step 10.5

Name of the step: Entry into force of the Law on the transposition of the electricity integration package

Related reform/investment: Reform 3. Electricity market reform

Financed from: non-repayable support

Context

The requirement for step 10.5 described in the CID Annex is:

'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'*

Step 10.5 is the second step in the implementation of Reform 3 of Chapter 10 (energy). The first step 10.8 concerned the entry into force of the secondary legislation on the Regulation on Wholesale Energy Market Integrity and Transparency (REMIT). Step 10.5 is followed by Step 10.7 on the appointment of a new electricity market operator in Q4 2025 and by Step 10.6 on the entry into force of the legislation on changing the conditions of taxation of

participants in the electricity market in Q2 2026.
Evidence provided 1) Summary document duly justifying how the step was satisfactorily fulfilled in line with the requirements set out in the CID Annex; 2) Copy of the Law of Ukraine No. 4834-IX ‘On Amendments to Certain Laws of Ukraine Regarding the Implementation of European Union Law on Energy Market Integration, Enhancing Security of Supply, and Promoting Competitiveness in the Energy Sector’ dated 7 April 2026. 3) Copy of the letter from the Energy Community Secretariat (EnCS) to Anatolii Kutsevol, Deputy Minister of Energy of Ukraine for European Integration, on Law of Ukraine No. 4834-IX and progress in the transposition of the Electricity Integration Package, dated 24 April 2026.
Analysis The justification and substantive evidence provided by the Ukrainian authorities cover all constitutive elements of step 10.5. The objective of the reform 3 is to improve the regulatory framework for the energy sector in Ukraine, including to support the integration of the Ukrainian and European markets. To this end, the Ukrainian Parliament adopted the Law of Ukraine No. 4834-IX, which entered in to force on 23 April 2026. The Energy Community Secretariat (EnCS) supported the Ukrainian Parliament with the transposition of the Electricity Integration Package into Ukrainian law and provided comprehensive feedback to the competent Committee on the required level of approximation with the relevant EU legislation. The Law of Ukraine No. 4834-IX approximates Ukrainian legislation with the electricity integration package, as incorporated in the Energy Community acquis in December 2022. It requires that the secondary legislation (five network codes and guidelines which establish detailed rules for different market segments and system operations) enter into force 12 months following the entry into force of Law of Ukraine No. 4834-IX.
Commission assessment: satisfactorily fulfilled

Step 10.13

Name of the step: Adoption of the State targeted economic programme for the energy modernisation of heat generating enterprises for the period up to 2030
Related reform/investment: Reform 6. Improved efficiency in the district heating
Financed from: loan
Context The requirement for step 10.13 described in the CID Annex is: <i>‘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:</i> - <i>identifying measures to improve resilience, quality and availability of heat supply services;</i>

- *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.'*

Step 10.13 is the first of three steps of reform 6 of chapter 10 (energy sector). It is implemented in parallel with step 10.14 on entry into force of the legislation to support development of the efficient and more sustainable district heating. It is followed by step 10.12 on the cancelation of the moratorium on rising heat and hot water tariffs due in Q4 2026.

Evidence provided

- 1) Summary document duly justifying how the step was satisfactorily fulfilled in line with the requirements set out in the CID Annex;
- 2) Copy of the Resolution of the Cabinet of Ministers of Ukraine No. 1083-r 'On Approval of the State Targeted Economic Program for the Energy Modernisation of Enterprises - Producers of Thermal Energy in State or Municipal Ownership for the Period up to 2030' dated 1 October 2025.

Analysis

The justification and substantive evidence provided by the Ukrainian authorities cover all constitutive elements of step 10.13.

The objective of the reform 6 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 State Targeted Economic Programme for the Energy Modernization of Heat Energy Producing Enterprises in State or Municipal Ownership for the period up to 2030 was approved by the Resolution of the Cabinet of Ministers of Ukraine No. 1083-r on 1 October 2025.

The aim of the programme is to renew and increase the efficiency of the district heating sector by providing financial support to heat energy producers in state or municipal ownership to implement a set of measures.

The programme includes measures which will help improve the resilience, quality and availability of heat supply services such as measure 1 on the development and updating of heat supply schemes for settlements above 20,000 inhabitants. Measure 2 and 3 aim to achieve 100% coverage of commercial metering as well as modernising individual heat substations. Measures 4 and 5 provide for large-scale modernisation of infrastructure, including construction and repair of heating facilities.

Regarding support towards decarbonisation, the reduction of greenhouse gas emissions and expansion of renewable energy sources, measure 5 explicitly aims to promote decarbonisation by reducing the consumption and substitution of natural gas and to expand the use of renewable energy sources. Measures 2 and 3 also contribute to the aim of reducing of emissions as does measure 6 on energy management systems.

Measures to strengthen governance and management skills for local authorities in district heating sector include measure 6 which plans to introduce certified energy management systems at heat energy producers with local authorities among those in charge of the measure.

Commission assessment: satisfactorily fulfilled

Step 13.6

Name of the step: Publication of a study on the legislation on ESG reporting

Related reform/investment: Reform 3. Technologies and Integration of Ukraine into Modern Processing Value Chains

Financed from: loan

Context

The requirement for step 13.6 described in the CID Annex is:

‘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.’

Step 13.6 is the only step in the implementation of reform 1 of chapter 13 (management of critical raw materials).

Evidence provided

- 1) Summary document duly justifying how the step was satisfactorily fulfilled in line with the requirements set out in the CID Annex;
- 2) [Copy of the Study](#) on Environmental, Social, and Governance Reporting Requirements for the Ukrainian Subsoil Sector.

Analysis

The justification and substantive evidence provided by the Ukrainian authorities cover all constitutive elements of step 13.6.

The objective of reform 3 is to enhance transparency as regards environmental, social and corporate governance practices in the critical raw materials sector.

The report that was endorsed and published on the website of the Ministry of Economy of Ukraine is a dedicated study on ESG reporting requirements in the Ukrainian subsoil sector.

The study provides a comprehensive assessment of the existing regulatory framework governing ESG reporting in the mining and extractive sector. Furthermore, it identifies the key legislative gaps that remain to be addressed.

The study puts forward a set of concrete recommendations. These include updating legislation to progressively incorporate Corporate Sustainability Reporting Directive (CSRD) requirements, revising and further developing ESG guidelines to provide companies with a clear, step-by-step approach to structuring their ESG reports, and encouraging adoption of the International Council on Mining and Metals (ICMM) Ten Mining Principles in the Ukrainian subsoil sector.

Commission assessment: satisfactorily fulfilled

Step 15.3

Name of the step: Adoption of the resolution on the Scientific and Expert Council on Climate Change and Preservation of the Ozone Layer

Related reform/investment: Reform 2. Climate policy
Financed from: loan
Context The requirement for step 15.3 described in the CID Annex is: <i>‘Adoption of the Resolution of the Cabinet of Ministers of Ukraine ‘On Approval of the Regulation on the Scientific and Expert Council on Climate Change and Preservation of the Ozone Layer’. The Regulation focuses on these main areas:</i> - <i>consideration of scientific conclusions of the Intergovernmental Panel on Climate Change (IPCC) reports and scientific climate data and information, in particular, concerning Ukraine;</i> - <i>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;</i> - <i>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;</i> - <i>scientific substantiation of ways and means to achieve climate goals;</i> - <i>informing, raising awareness and educating on climate change and its consequences, as well as developing dialogue and cooperation between scientific institutions on climate change issues;</i> - <i>guarantees of independence for said Council in all its proceedings;</i> - <i>diverse, scientifically relevant composition of said Council.’</i> Step 15.3 is the third step in the implementation of reform 2, of chapter 15 (green transition and environmental protection). Step 15.2 on the entry into force of the legislation on the State Climate Policy was positively assessed as part of the fourth instalment (Q1 2025). Step 15.4 on the adoption of the second Nationally Determined Contribution of Ukraine to the Paris Agreement was due in Q3 2025 and was positively assessed as part of the sixth instalment.
Evidence provided 1) Summary document duly justifying how the step was satisfactorily fulfilled in line with the requirements set out in the CID Annex; 2) Copy of the Resolution of the Cabinet of Ministers ‘On Approval of the Regulation on the Scientific and Expert Council on Climate Change and Preservation of the Ozone Layer’ dated on 22 April 2026.
Analysis The justification and substantive evidence provided by the Ukrainian authorities cover all constitutive elements of step 15.3. The objective of reform 2 is to institutionalise robust scientific and expert support for the formation and implementation of Ukraine’s climate policy. To this end, the Cabinet of Ministers of Ukraine adopted the Resolution "On Approval of the Regulation on the Scientific and Expert Council on Climate Change and Preservation of the Ozone Layer" on 22 April 2026. This Regulation establishes the Council as an independent advisory scientific expert

body established under the Cabinet of Ministers of Ukraine, to provide the scientific support necessary for the formation, monitoring, and forecasting of state climate policy through the following key provisions:

- Consideration of scientific conclusions of the Intergovernmental Panel on Climate Change (IPCC) reports and scientific climate data and information, in particular, concerning Ukraine: Article 3(1) mandates the Council to consider scientific conclusions, IPCC reports, and climate data specifically relevant to Ukraine. This is supported by Article 4(1), which requires the Council to generalise these findings into analytical documents for integration into state climate policy.
- 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: Article 3(2) defines the provision of scientific support and the preparation of reports regarding the achievement of state climate policy goals. Article 4(2) further tasks the Council with assessing the alignment of national policies with international obligations, such as the Paris Agreement and the UN Framework Convention on Climate Change.
- 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: Article 3(4) defines the facilitation of the exchange of information on scientific achievements in the area of modelling, monitoring and assessment of climate risks, as well as research and innovation aimed at reducing anthropogenic greenhouse gas emissions at increasing the volume of removal of GHG by sinks. Article 4(3) also mandates the Council to facilitate dialogue on innovations and technologies aimed at reducing greenhouse gas emissions and increasing carbon removal.
- Scientific substantiation of ways and means to achieve climate goals: Article 3(5) requires scientific substantiation for forecasting and the methods used to achieve state climate policy targets. Furthermore, Article 4(10) empowers the Council to initiate scientific research involving national and international experts to address critical climate issues.
- Informing, raising awareness and educating on climate change and its consequences, as well as developing dialogue and cooperation between scientific institutions on climate change issues: Article 3(6) establishes the Council's role in the promotion of information, raising public awareness and promote education in the area of climate change and its consequences, developing a dialogue and cooperation between scientific institutions in the field of climate change. Article 4(4) encourages structured dialogue and cooperation between scientific institutions, government bodies, and civil society.
- Guarantees of independence for said Council in all its proceedings: Article 1 defines the Council as an independent advisory scientific expert body. Article 9 establishes that the Chairman of the Council carries out general management and that the power to terminate the Chairman's authority rests solely with the Council. Procedural independence is reinforced by Article 14, which mandates that the Council shall develop its own proposals and recommendations on matters within its competence. The Council maintains the ability to communicate its findings autonomously by

sending proposals directly to the Cabinet of Ministers, and ensuring public transparency through the publication of its proceedings under Articles 14 and 16. Operational support is secured through a designated secretariat at the National Centre for Greenhouse Gas Emissions Accounting in Article 18, providing the technical and analytical capacity necessary for autonomous functioning. Article 18 also allows for reinforcing the secretariat by enlisting help by experts, scientific institutions, and international technical assistance. Article 11 further ensures institutional accountability by requiring the Council to submit an annual report on the implementation of its work program to the Cabinet of Ministers by 15 March each year. Article 19 stipulates for periodic revisions, after the end of the martial law, of the Regulation on the Council, creating an opportunity for evaluation and adjustment, including in independence and impartiality in the performance of its functions. • Diverse, scientifically relevant composition of said Council: Article 7 stipulates that the personal composition of the Council and the procedures for its competitive selection are approved by the Cabinet of Ministers. Additionally, Article 5(1) grants the Council the right to involve representatives from specialised scientific institutions, higher education institutions, and independent experts to ensure high-level technical expertise.
Commission assessment: satisfactorily fulfilled

Assessment of the satisfactory fulfilment of two steps in the eighth instalment and two steps in the ninth instalment proposed as mitigating factors in line with the methodology for handling the partial fulfilment of steps in the Ukraine Plan, and solely for the purpose of its application

Step 5.1

Name of the step: Published Resilience assessment in the banking system
Related reform/investment: Reform 1. Assessment of the banking sector
Context The requirement for step 5.1 described in the CID Annex is: <i>‘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’</i> Step 5.1 is the only step in the implementation of reform 1 in chapter 5 (financial markets).
Evidence provided 1) Summary document duly justifying how the step was satisfactorily fulfilled in line with the requirements set out in the CID Annex; 2) Copy of the report ‘Resilience Assessment of Ukraine's Banks’, of 29 December 2025.
Analysis

The justification and evidence provided by the Ukrainian authorities cover all constitutive elements of step 5.1.

The objective of reform 1 is to return to the regular assessment process, identify potential vulnerabilities within major banks, and ensure the resilience of the banking system in Ukraine.

To this end, the National Bank of Ukraine published the report ‘Resilience Assessment of Ukraine's Banks’ of 29 December 2025.

The report provides a detailed and system-wide evaluation of banks’ financial soundness, based on both baseline and adverse macroeconomic scenarios. The adverse scenario incorporates severe but plausible shocks, including a deterioration in macroeconomic conditions, exchange rate pressures, and credit risk materialisation, thereby allowing for an assessment of banks’ capital adequacy under stress conditions.

The resilience assessment includes bank-by-bank stress testing results, evaluating the impact of the adverse scenario on capital positions, profitability and risk exposure. The methodology applied is consistent, ensuring comparability and robustness of results. The publication discloses aggregate and, where appropriate, individual bank outcomes, thereby enhancing transparency.

Due to Russia’s war of aggression against Ukraine and the associated limitations in conducting on-site inspections, conditions did not permit the execution of an independent Asset Quality Review (AQR). However, the assessment incorporates elements of an AQR, with a particular focus on credit portfolios, non-performing exposures, collateral valuation, and provisioning adequacy. This review is based on supervisory data and targeted diagnostics.

Overall, the published report confirms that the National Bank of Ukraine has conducted and disclosed a resilience assessment of the largest banks, including stress testing under an adverse scenario and an asset quality evaluation consistent with the requirements of the step.

Commission assessment: satisfactorily fulfilled

Step 7.7

Name of the step: Adoption of the Population Employment Strategy

Related reform/investment: Reform 6. Improved functioning of the labour market

Context

The requirement for step 7.7 described in the CID Annex is:

‘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.'

Step 7.7 is the second step in the implementation of Reform 6 of Chapter 7 (Human Capital) concerning the adoption of the Population Employment Strategy. It was preceded by Step 7.6 (adoption of the Demographic Development Strategy for the period up to 2040) which was positively assessed in Q3 2024.

Evidence provided

- 1) Summary document duly justifying how the step was satisfactorily fulfilled in line with the requirements set out in the CID Annex;
- 2) Copy of the Order No. 92-r of the Cabinet of Ministers 'On the approval of the Population Employment Strategy of Ukraine for the period up to 2030 and the approval of the operational action plan for its implementation in 2026-2028' dated 7 January 2026;
- 3) Copy of the 'Population Employment Strategy of Ukraine for the period up to 2030' as an attachment to the Order 92-r dated 7 January 2026;
- 4) Copy of the publication of the strategy in the Official Gazette No. 40 dated 18 February 2026.

Analysis

The justification and substantive evidence provided by the Ukrainian authorities cover all constitutive elements of step 7.7.

The objective of Reform 6 of Chapter 7 (human capital) is to contribute to the functioning of the labour market. To this end, the Cabinet of Ministers of Ukraine adopted Order No. 92-r from 7 January 2026 '*On the approval of the Population Employment Strategy of Ukraine for the period up to 2030 and the approval of the operational action plan for its implementation in 2026-2028*' (hereinafter the 'strategy'). The strategy is attached to the approved Order No. 92-r and is accompanied by the operational plan for 2026-2028.

The strategy aims to simplify access to the labour market while reskilling and upskilling key segments of the population. To achieve this, it introduces an integrated reform package designed to: minimise information gaps between jobseekers and employers; expedite job matching; and make employment pathways clearer, faster, and more inclusive. A central component of this approach is the rollout of Obrii, a Unified Information and Analytical System serving as a single digital gateway for citizens and businesses. This platform will consolidate job vacancies and CVs, enable competency-based matching and provide e-recruitment services.

Additionally, the strategy seeks to promote entrepreneurship as a key route to employment, with a particular focus on supporting women in business. Both the overarching strategy and its operational plan aim to bolster women's entrepreneurship through measures such as: reducing administrative and regulatory hurdles for starting and running a business, particularly for women-led enterprises; expanding financial support and access to capital to foster the growth of small and medium-sized enterprises (SMEs); evaluating the impact of government policies on women's entrepreneurship and providing recommendations to enhance targeted support and dismantle systemic barriers.

The strategy also includes the development of a dedicated Roadmap for the State

Employment Service (2026–2030), outlining a phased approach to institutional reforms and service modernisation. Key initiatives include: adopting a competency-based framework for human resource management across employment agencies to enhance performance tracking and ensure teams meet service effectiveness targets; updating training programmes to systematically upskill managers and staff in line with evolving labour market needs; strengthening cross-agency collaboration, led by the State Employment Centre, to improve coordination with other government bodies and frontline professionals.

To future-proof the labour market, the strategy proposes reforms in labour demand forecasting and attracting international talent, including foreign entrepreneurs, skilled workers, and students. This involves: establishing a robust system for analysing and forecasting labour demand, using standardised data collection, analytics, and indicators – broken down by age, gender, and locality; introducing an economic forecasting model with a 5-10 year outlook, accounting for macroeconomic trends, demographic shifts, and sectoral changes.

Finally, the strategy will deploy a mix of promotional, regulatory, and digital tools, including: targeted awareness campaigns; international promotion of Ukrainian education and research to draw foreign students and academics; analytical studies and a roadmap on managed labour migration, alongside regular reviews of the list of professions and qualifications eligible for immigration – including pathways to permanent residency.

Commission assessment: satisfactorily fulfilled

Step 12.6

Name of the step: Publication of report on the implementation of the state support through the public Agricultural Register

Related reform/investment: Reform 4. Improvement of the official public electronic farm register

Context

The requirement for step 12.6 described in the CID Annex is:

‘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).’

Step 12.6 is the second step in the implementation of reform 4 of chapter 12 (agri-food sector). Step 12.5 on entry into force of the legislation on the State Agrarian Register (SAR) was positively assessed as part of the third instalment (Q4 2024).

Evidence provided

- 1) Summary document duly justifying how the step was satisfactorily fulfilled in line with the requirements set out in the CID Annex;
- 2) Copy of report ‘On the implementation of step 12.6 "Implementing support through the SAR"’;
- 3) Copy of annex ‘Information on support provided to agricultural producers in 2025’ to the report ‘On the implementation of step 12.6 "Implementing support through the SAR”’.

Analysis

The justification and substantive evidence provided by the Ukrainian authorities cover all constitutive elements of step 12.6.

The objective of reform 4 is to formalise and improve the official public electronic farm register (i.e. State Agrarian Register). In the beginning of 2025, new legislation on the State Agrarian Register (SAR) entered into force which extended the coverage of the SAR across the entire agricultural value chain such as agricultural producers, processors and water user organisations. Furthermore, a registration in SAR was made a precondition for receiving public support in the agricultural sector. Ukraine submitted a report providing detailed information on the public support provided to agricultural producers in 2025. The report lists seven budget programmes through which the central government institutions provided public support in the agricultural sector in 2025. These programmes are as follows:

- Support for Farms and Other Agricultural Producers (budget code: 1201100)
- Financial Support for Agricultural Producers (budget code: 1201150)
- Provision of Loans to Farms (budget code: 1201200)
- Partial Compensation for the Cost of Domestically Produced Agricultural Machinery and Equipment (budget code: 1201310)
- Grant Program for Business Establishment or Development (budget code: 1201350)
- Compensation for Expenses Related to Humanitarian Demining of Agricultural Land (budget code: 1201420)
- Ensuring the Operation of the Entrepreneurship Development Fund (budget code: 1201450)

The report concludes that in 2025 a total of 37 785 entities in the agricultural sector received public support amounting to a total of UAH 5.944 billion (EUR 127 million). Out of this group, 37 523 entities corresponding to 99.3 percent of total entities are registered in the State Agrarian Register. The registered entities received a total amount of UAH 5.941 billion (EUR 127 million) in public support corresponding to 99.9 percent of the total support provided.

Given the specific nature and scope of support measure, where the financial assistance was provided to family farms in the form of additional payment towards state social insurance, 262 entities receiving support were not registered in the SAR. The concerned entities received a total of UAH 3.5 million (EUR 75 000) from the measure which is part of the programme ‘Financial support for agricultural producers’. The support measure was administered and managed by the State Tax Service of Ukraine.

Commission assessment: satisfactorily fulfilled

Step 14.4

Name of the step: 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

Related reform/investment: Reform 2. Digitalisation of public services

Context

The requirement for step 14.4 described in the CID Annex is:

‘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.’

Step 14.4 is the second step in the implementation of reform 2 of chapter 14 (digital transformation). Step 14.3 on the adoption of the Action Plan for digitalisation of public services until 2026 was positively assessed as part of the fourth instalment (Q1 2025).

Evidence provided

1. Summary document duly justifying how the step was satisfactorily fulfilled in line with the requirements set out in the CID Annex;
2. Copy of Resolution of the CMU dated 3 November 2023, No. 1150 ‘On approval of the Regulations of the Integrated Electronic Identification System’;
3. Copy of Resolution of the CMU dated 11 June 2025, No. 689 ‘On approval of requirements for the issue of wallets with digital identification’;
4. Copy of Resolution of the CMU dated 24 October 2025, No. 1400 ‘On Some Issues of the Implementation of an Experimental Project on the Formation and Use of Electronic Identification Data and Electronic Certificates of Attributes using a Wallet with Digital Identification as a Functional Feature of the Diia Mobile Application’.

Analysis

The justification and substantive evidence provided by the Ukrainian authorities cover all constitutive elements of step 14.4.

The objective of reform 2 is to simplify the interaction between the state and citizens via digitalisation.

Several Resolutions of the Cabinet of Ministers of Ukraine (CMU) constitute the legal framework for fulfilling this step. CMU Resolution No. 1150 is the foundational legal act that establishes a modern electronic identification infrastructure in Ukraine. CMU Resolution No. 689 and CMU Resolution No. 1400 are the relevant legal acts that are in line with the principles of Regulation (EU) 2024/1183.

CMU Resolution No. 689 lays down the functional, technical and technological conditions for the issuance of digital identity wallets, while CMU Resolution No. 1400 supports the system’s further development through an experimental project and the Diia Mobile Application.

Further, the legal acts focus on ensuring interoperability (technological compatibility) of electronic identification means, intermediate electronic identification nodes (hubs) and

electronic identification schemes by requiring wallets to support common protocols and interfaces for the formation, exchange and presentation of identity data. More importantly, the resolutions focus on the recognition of European digital identity wallets and certain electronic certificates for cross-border use.

Lastly, the resolutions focus on the protection of information resources processed in the system by extending certain safeguards to digital identity wallets, in particular through requirements on personal data separation and withdrawal in case of security breaches. These safeguards include access control, security monitoring, network protection and confidentiality, integrity and availability of information.

Commission assessment: satisfactorily fulfilled