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UKRAINE REFORMS TRACKER WEEKLY

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IMF's benchmarks and soft commitments

Ukraine Parliament rejects advisory council appointment, delaying audit reform

Ukraine's parliament failed to approve draft law #13323 establishing an expert advisory council for the Accounting Chamber, with only 219 votes in favor – short of the required majority. The council was meant to oversee the selection of six new members of the Chamber, a key stage in the institution's reform. The proposed composition included three international experts alongside three candidates nominated by parliamentary factions.

Source: Verkhovna Rada of Ukraine

Verkhovna Rada passes revised 2025 budget bill, adds $1bn in spending

Ukraine's parliament approved amendments to the 2025 state budget (#13439-3), adding about UAH 40 billion ($1 billion) in expenditures. The measure passed with 229 votes. Initially introduced as a bill focused on defense and security financing, the legislation expanded to include cashback initiatives and other non-military spending.

Source: Verkhovna Rada of Ukraine

Obligations to the EU

Two Ukraine Facility bills rejected in parliament, one passed

Ukraine's parliament failed to pass two draft laws required under the EU's Ukraine Facility program: draft law #9363 on digitalization of enforcement proceedings and draft law #5837 on state inspections and control. Both were rejected in in the final reading.

At the same time, lawmakers approved draft law #13107-d on vocational education reform in the final reading.

Source: Verkhovna Rada of Ukraine

Other key issues

Draft law on Security Service's immunity raises fears of shielding corrupt officials

Ukraine's parliament is set to consider draft law #11228-1, which would grant sweeping immunity from criminal liability to Security Service (SBU) officers, intelligence operatives, and individuals cooperating with them while carrying out pre-approved counterintelligence or special operations.

The bill would exempt such individuals from prosecution for any harm caused in the course of operations. Experts of Anti-corruption Action Center (AntAC) warn that the measure could be extended to officials or business figures co-opted into cooperation, creating risks of abuse.

Despite significant concerns from legal experts and civil society, the parliamentary committee reviewing the bill rejected proposed amendments aimed at narrowing the scope of immunity.

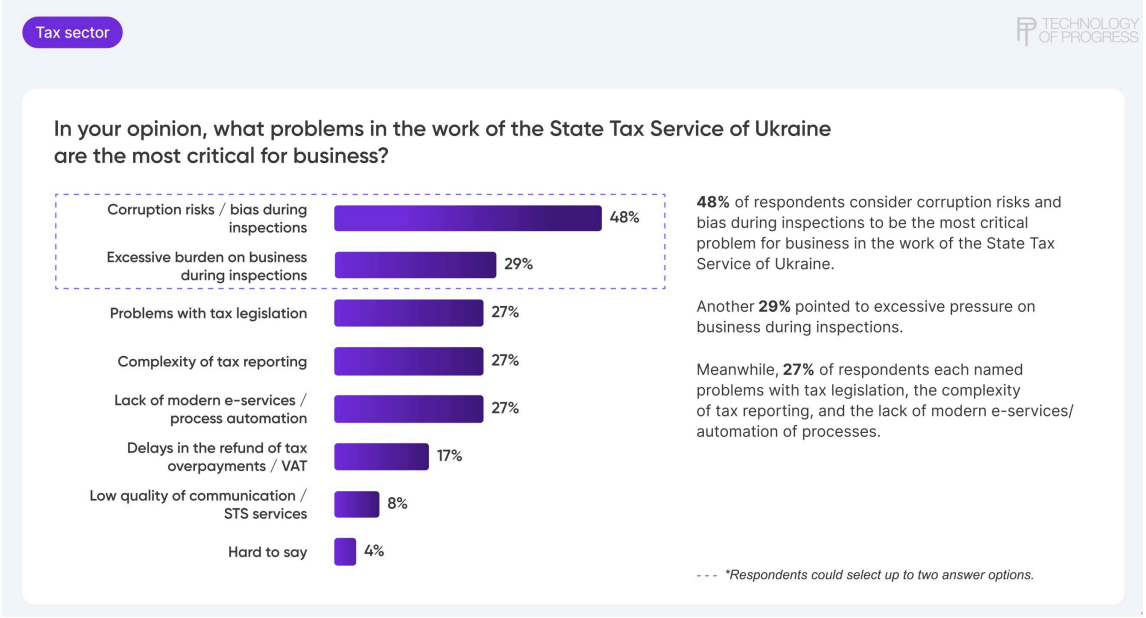
Lawmakers removed the draft law from the agenda during the last plenary week, but it has reappeared in the preliminary schedule for the next session beginning September 2.

Source: Verkhovna Rada of Ukraine, AntAC

Corruption risks and inspection burdens seen as main issues in Ukraine's Tax Service – business survey

Ukrainian businesses view corruption risks and excessive burdens during inspections as the key challenges in the work of the State Tax Service (STS), according to a new survey by NGO *Technology of Progress* and research agency *Gradus*.

Almost half of respondents (48%) identified corruption risks and bias during inspections as the most pressing problem. Another 29% pointed to excessive burdens on businesses during inspections. Meanwhile, 27% each cited issues with tax legislation, complexity of tax reporting, and the lack of modern e-services.



Despite these concerns, most executives expressed support for higher taxes to finance military needs, acknowledging the war as a top priority.

The poll was conducted among owners, executives, and top managers of large businesses in Ukraine.

You can find full report via the link.

Source: Verkhovna Rada of Ukraine, AntAC

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