

# Monthly overview of Intergrated Border Management in Ukraine

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January 2025

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# Introduction

This monthly information and analytical review covers events and initiatives related to integrated border management of Ukraine, development of the customs system and border infrastructure.

In January 2025, passenger traffic across the state border of Ukraine increased up to 2.49 million people and more than 554,000 vehicles.

In foreign trade, as the data was published in January, Ukraine's total 2024 annual turnover amounted to \$112.3 billion, which is 13% more than in 2023. Exports grew by 15%, imports grew by 11%.

The customs system was further reformed within the framework of harmonization with the EU norms. Ukraine officially acceded to the updated Regional Convention on Pan-Euro-Mediterranean Preferential Rules of Origin, which simplified the access of Ukrainian goods to the European market. The implementation of NCTS Phase 5 further affirmed the standards of the European Customs Union, as well as contributed to the digitalization of processes. In 2024, more than 94,000 transit declarations were issued within the NCTS, which indicates the effective use of new mechanisms.

Within the framework of the EU4IBM-Resilience project, customs posts were equipped with backup power systems helping avoid shutdowns due to power outages. Three of the five new mobile X-ray scanners purchased with USAID support arrived in Ukraine, and two more were scheduled for delivery in April. In addition, the mechanism of market supervision of imported goods was restored to ensure compliance with the European standards.

In the transport sector, infrastructure was further modernised, and new digital solutions were introduced. The European standards in the field of road transport were implemented, including the digitalization of documents and the introduction of a single electronic module for tracking international permits. At the same time, the possibility of the permanent liberalization of transportation between Ukraine and the EU was being discussed.

Ukraine faced new challenges with regard to international financing. In January, USAID continued to implement previously launched initiatives, in particular, the modernisation of Luzhanka and Rava-Ruska border crossing points. However, the suspension of all USAID support for 90 days posed serious risks for many infrastructural and social projects.

Tensions with Poland were still one of the main problems for Ukrainian carriers. New rules for mandatory registration in the SENT/RMPD systems and sizable fines for technical errors created hidden restrictions for Ukrainian transporters.

The work on updating the Integrated Border Management Strategy of Ukraine was underway. The new document, to be ready in summer, will determine further steps to adapt the Ukrainian border management system to the EU standards.

*This overview was created with the financial support of the European Union. The content of this overview is the sole responsibility of the authors and should not be regarded as reflecting the views of the European Union or the International Centre for Migration Policy Development. More information on integrated border management in Ukraine is available at [IBM.in.UA](https://ibm.in.ua)*

# Movement of Persons and Goods

## Movement of Persons and Transport



### Average Daily Border Crossings

Western border:	74,6 K	17,4 K
Southern border	12,6 K	3,2 K

### Highest activity

Western border: January 5	107 K	21,3 K
Southern border January 12	16,7 K	3,5 K

### Lowest activity

Western border: January 1	26 K	7,2 K
Southern border January 1	5,2 K	1,2 K



### Humanitarian Aid Trucks

Average daily number:  
Western border – 64  
Southern border – 8

During January 2025, almost 2.49 million people and more than 554,000 vehicles crossed the state border of Ukraine, which is twice as many as January last year. Most traffic was customarily observed at the western border—2.01 million people and 446,000 vehicles. The increase in freight traffic was accompanied by a redistribution of routes and a change in its structure.

For comparison, in January 2024, 970,000 people and 203,000 vehicles crossed the border<sup>1</sup>. Thus, in one year, the volume of crossings has more than doubled.

Around the New Year holidays, the traffic was relatively low, e.g. on 31 December 2024, 19.3K citizens and 3.9K vehicles crossed the border within the Lviv region, and on 1 January, there were 14.2K people and 2.9 thousand cars<sup>2</sup>.

After 10 January, the traffic intensity began to increase—the average daily indicators exceeded 80K people, and on some days, reached 120K. The highest figure was recorded on 5 January with 123.7K people.

Overall, in January, 2.01 million people crossed the western border of Ukraine, which exceeds the figures of previous months. In December 2024, there were 1.92 million, in November—1.89 million, and in October—1.81 million. Compared to December, the number of crossings increased by 4.7%, compared to November—by 6.3%, and compared to October—by 11%.

In addition to an increase in total passenger traffic, the transportation of humanitarian goods also intensified in January. While 28 to 50 trucks were registered daily in the first days of the month, this figure increased to 101 units per day in mid-January.

Ukraine's annual trade turnover in 2024 amounted to \$112.3 billion<sup>3</sup>, which is 13% more than in 2023<sup>4</sup>. Imports grew by 11% and reached \$70.7 billion, exports grew by 15%, amounting to \$41.6 billion. The share of taxed imports decreased to 81%, while in 2023, it was 83%.

China, Poland, and Germany remained the main trading partners of Ukraine. China increased the supply of goods to Ukraine by 38%—up to \$14.4 billion. Poland and Germany retained their positions with \$7 billion and \$5.4 billion, respectively. In exports, the largest volumes were shipped to Poland (\$4.7 billion), Spain (\$2.9 billion), and Germany (\$2.8 billion).

The structure of imports remains constant. The main share comprises machines and vehicles, products of the chemical industry, and fuel and energy products. Imports of machines grew by 26%, while purchases of energy resources decreased by 14%. The tax burden on imports increased to \$0.51/kg, which is 5% more than in the previous year.

Exports of food products increased by 13%—up to \$24.6 billion, exports of metals increased by 12%—up to \$4.4 billion, and exports of machinery increased by 20%—up to \$3.5 billion.

In 2024, freight traffic was characterized by the following trends: the overall increase in volume was accompanied by the redistribution of routes and a change in the structure. According to the Monthly Economic Monitoring of Ukraine from the Institute for Economic Research and Policy Consulting<sup>5</sup>, the total volume of shipments by Ukrzaliznytsia amounted to 174.9 million tons, which is 18% more than in 2023. At the same time, exports through the western border decreased by 9% (to 30.9 million tons) while the flow through the seaports grew 2.4 times, reaching 53.8 million tons.

## Goods Movement

(2024)



**\$112,3 billion**



Imports

**\$70,7 billion**  
(+10% vs 2023)



Exports

**\$41,6 billion**  
(+16% vs 2023)

### Top Trade Partners

China (\$14,4 billion)  
Poland (\$7 billion)  
Germany (\$5,4 billion)

Poland (\$4,7 billion)  
Spain (\$2,9 billion)  
Germany (\$2,8 billion)

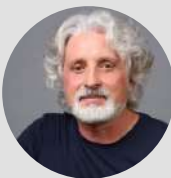
### Key Product Categories



Machinery and equipment  
Chemical industry products  
Fuel and energy products



Food products  
Metals and metal products  
Machinery and equipment



Yurii Shchuklin,  
Logistics Market Expert,  
Member of the Logistics Committee at the European Business Association

Overview comment

*I do not consider this an increase, because today's traffic figures are rather a return to previous levels after significant shocks caused by the war. Businesses are adapting, looking for alternative markets and routes, but these flows are mostly situational and unstable.*

*The structure of cargoes directly depends on the market situation. For example, decrease in the grain yields or changes in ore exports directly affect logistics processes. At the same time, the optimization of transportation is not a priority of the public administration now—there is almost no investment in reform or modernisation. The businesses continue to operate 'in manual mode' and use outdated mechanisms.*

*Construction materials will shape significant flows only in case of large-scale reconstruction after the end of hostilities and with the support of international partners. As for petroleum products, there is still dependence on imports, but it is difficult to predict their volumes at the moment.*

*The growth in 2025 is difficult to predict due to a number of external factors that have a greater impact than our internal processes. Key risks include: military actions and the threat of transportation corridors blockade, our internal political situation and elections, EU policies, in particular possible restrictions on certain goods, as was the case of grain exports..*

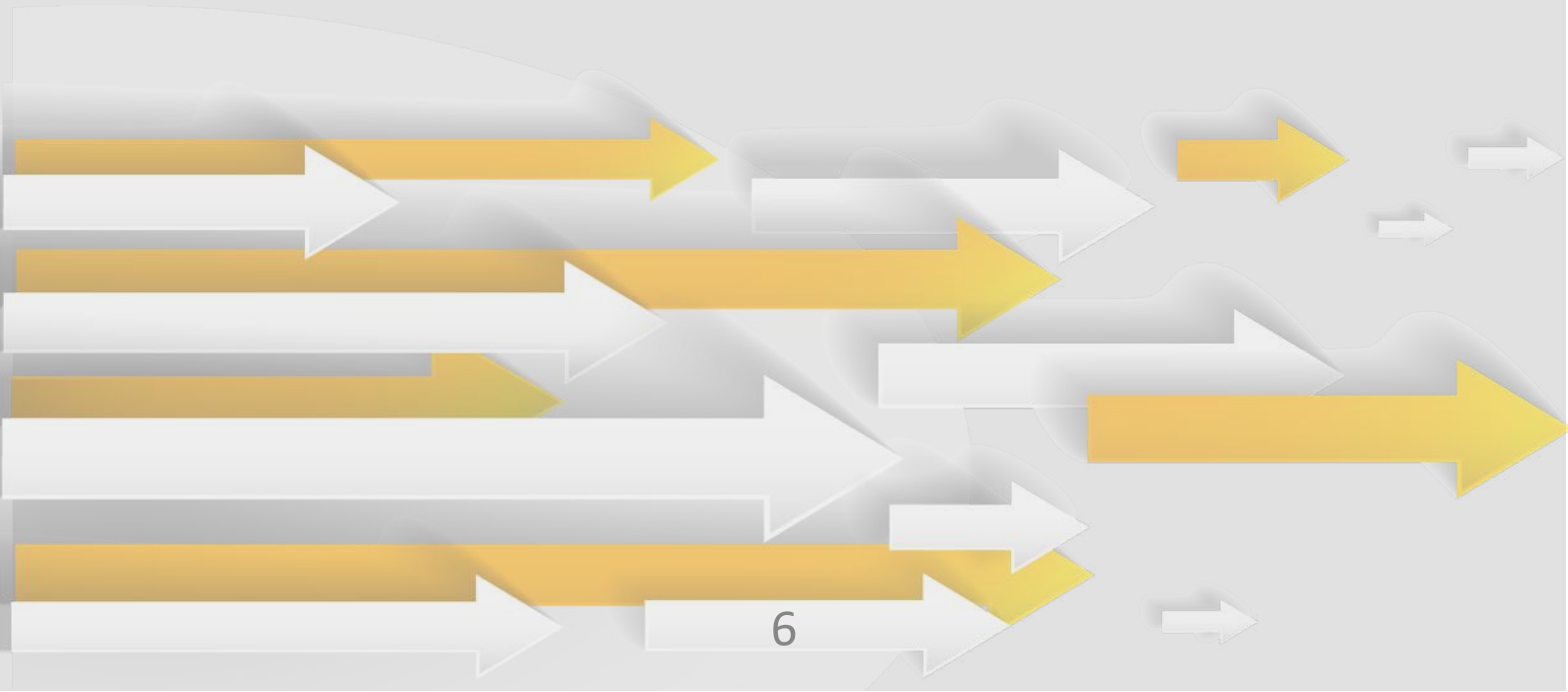
Seaports have become the key transit point for Ukrainian exports: in 2024, seaports handled 97.2 million tons of cargo (+57% to 2023). The basis of exports was grain (60.3 million tons) and ore (18.5 million tons). The largest volumes of transshipment were carried out by Pivdennyi port (35.55 million tons), followed by Chornomorsk port (26.04 million tons) and

Odesa port (18.30 million tons). The Ukrainian sea corridor, opened after the unblocking of the Black Sea, became the main route for export flows: 79.9 million tons of cargo passed through it, of which 76.4 million tons were for export. At the same time, 17.3 million tons were transported through the Danube ports, which is 46% less than in 2023.

The structure of cargo flows across the western border has also changed. Ore (5.1 million tons, +44%), petroleum products (2.6 million tons, +58%), and construction materials (2.3 million tons, +119%) were transported mostly across the Ukrainian-Polish border. At the same time, the transportation of grain decreased by 29%, and ferrous metals—by 42%.

The largest volume of cargo towards Poland went through Izov-Hrubieszow crossing (10.9 million tons, +11%)<sup>6</sup>. At the same time, the largest increase was recorded at Rava-Ruska-Werchrata crossing (+160%, up to 575K tons). In general, 20.8 million tons of cargo were transferred through Ukrainian-Polish railway crossings in 2024, which is 18% more than in 2023.

Transportation by road also showed an increase. For the year, cargo exports by cars amounted to more than 10 million tons for \$14.7 billion (+5% to 2023). At the same time, in 2025, the issue of permits remains crucial: there was no exchange with Poland and a number of other countries, while transportation to the EU is possible only under ECMT (European Conference of Ministers of Transport) licences.



# European Integration

*Ukraine continues to adapt transport legislation and logistics processes to comply with the requirements of the European Union. Progress is noted in two key areas: harmonization of the legislative framework in the field of road transport and further implementation of the provisions of transport liberalization with the EU.*

The Verkhovna Rada Committee on Transport and Infrastructure approved, for the second reading, the draft law No. 4560, aimed at reforming the road transport to comply with the European standards<sup>7</sup>. The main purpose of the document is to introduce 'clear rules for the licensing of carriers' and to bring the legislation in line with the Regulation (EC) No. 1071/2009. The adoption of this draft law will introduce three key requirements for road carriers: 'impeccable business reputation', 'professional competence', and 'financial capacity'. This means that transport companies must operate in accordance with transparent regulations and their managers and employees must comply with the EU professional standards.

The document also provides for the introduction of digital services in the field of transportation, which is part of the general policy of Ukraine on the digital transformation of public services. The draft law was discussed with the European Commission in November 2024, which is part of the technical dialogue under the upcoming 'official screening of national legislation in June 2025'.



Volodymyr Balin,  
Vice President of the Association  
of International Road Carriers

Overview comment

*Work on a new wording of the Law of Ukraine On Road Transport began in 2012. By the order of the Ministry of Infrastructure, a working group was created, which included representatives of AsMAP UA. At the same time, the legislative acts of the EU countries (Poland, Slovenia, Bulgaria, Estonia, Latvia) were examined to take into account the best practices.*

*At the initial stage, in addition to Regulation 1071/2009 on the admission of carriers to the market, the draft law contained the provisions of 11 more directives and regulations provided for by the Association Agreement with the EU (Annex 32 'Transport'). The document was burdened with technical content and had a significant volume (fines, classification of vehicles, speed limiters, technical control, etc.).*

*During 2015–2017, draft laws No. 3713, No. 4683, and No. 7386 were registered in the Verkhovna Rada, but they were returned for revision due to a significant number of technical regulations. Currently, the introduction of European market access conditions and the implementation of EU Regulation 1071 are relevant for international carriers.*

*To resolve this issue, the Government initiated a draft Law On Amendments to Certain Legislative Acts of Ukraine on the Regulation of the Market of Road Transport Services (No. 4560 dated 30.12.2020). It was adopted in the first reading on 19 October 2022, with a decision to reduce the period of preparation for the second reading.*

*The document is aimed at harmonizing legislation with European standards of admission to the transport market, in particular on the basis of criteria of integrity, financial capacity, and professional competence.*

*The positive aspects include the preservation of the indefinite validity of the licence (in contrast to European norms) and the abolition of outdated requirements for maintaining briefing logs.*

*After the adoption of draft Law No. 4560, new licensing conditions will be developed in accordance with its provisions..*

Another area of reform was the further implementation of the Agreement on the Liberalization of Freight Transport between Ukraine and the EU. On 17 January 2025, the third meeting of the Joint Committee of the Agreement on the Liberalization of Freight Transport with the EU was held, at which key decisions on its further implementation were approved<sup>8</sup>. According to Oleksii Kuleba, Deputy Prime Minister for Reconstruction of Ukraine, Minister of Development of Communities and Territories, “thanks to ‘visa-free transportation’, Ukraine’s exports by road to the EU increased by 42%, imports from the EU countries to Ukraine increased by 37%”. He stressed that the strategic goal is to turn the interim agreement into a permanent one: “The future of transport in Europe is about the lifting of permits, and we strive to ensure that the liberalization becomes permanent without the need to extend the Agreement”.



Iryna Kosse,  
Leading Researcher. Project Coordinator,  
Institute for Economic Research and Policy Consulting (IER)

Overview comment

*The ‘visa-free transportation’ between Ukraine and the EU, introduced in 2022, has significantly affected the field of road freight transportation. The abolition of permits facilitated logistics, and the abolition of quotas contributed to the growth of trade.*

*Seamless transportation allows businesses to optimize routes and reduce costs. However, the expected increase in the speed of transportation did not occur due to the insufficient capacity of border crossing points and border blockades by Polish farmers.*

*Despite this, the extension of the Agreement ensures the stability of the transportation market and contributes to the integration of Ukraine into the EU transport system. In June 2024, it was extended for another year, with the possibility of automatic extension until the end of 2025. At the same time, new requirements have been introduced: mandatory licence, marking of trucks, and cargo confirmation for empty flights.*

*The Agreement is valid at least until the end of June 2025, with the possibility of extension for another six months. However, Poland and some neighbouring countries oppose its permanent validity, referring to competition with Ukrainian carriers.*

*The work of the joint working group and the analysis of the impact of the Agreement on the EU market are key factors for its subsequent extension. Additionally, the stable operation of the Ukraine’s Sea Corridor can reduce the volume of agricultural products transported through Poland and Romania and thus reduce tension among EU farmers.*

*Prospects for further extension of the Agreement remain positive, but its open-ended implementation will depend on the results of negotiations and assessment of its impact on the market of transportation between Ukraine and the EU.*

As part of the meeting of the Joint Committee of the Agreement on the Liberalization of Freight Transport with the EU, a Working Group was established to monitor the effectiveness of the Agreement and resolve problematic issues<sup>9</sup>. Its conclusions may become the basis for further extension of liberalized transportation. ‘The working group will monitor the effectiveness of the Agreement, work on problematic issues, and look for mutually beneficial solutions’, Serhii Derkach, Deputy Minister of Development of Communities and Territories of Ukraine, said.

The issue of recognizing smart tachographs that monitor compliance with the regime of work and rest of drivers was also resolved. According to Serhii Derkach, this issue remained unresolved for a long time and, in fact, carriers raised it at every meeting. Thanks to agreements with the European Commission, Ukraine has been able to fully use

this equipment, which will make it possible to avoid additional technical barriers in the operation of new trucks in EU countries.

In accordance with the international standards, Ukrainian carriers must comply with the provisions of the European Agreement concerning the work of crews of vehicles engaged in international road transport (AETR). Starting from 2010, vehicles transporting within the EU must be equipped with digital tachographs.

Overview comment



Volodymyr Balin,  
Vice President of the Association  
of International Road Carriers

*Many carriers ask AsMAP UA whether Ukrainian carriers should install 2nd generation smart tachographs on vehicles if they carry out transportation on EICMT (European Conference of Ministers of Transport) within the European Union.*

*Indeed, EU legislation obliges the installation of a version 2 smart tachograph (G2V2) on all heavy-duty vehicles (trucks and intercity buses) registered in EU Member States and intended for cross-border operations. Depending on the type of tachograph currently installed in the vehicle, there are two applicable terms:*

- *Term 1—replacement of analogue tachograph and non-smart digital tachograph (G1)—until 31 December 2024.*
- *Term 2—replacement of a version 1 Smart tachograph (G2V1) with a 2nd generation Smart tachograph (G2V2)—until 19 August 2025.*

*There have been some delays in the Implementation of Smart-2 tachographs on the territory of the European Community (we are talking about Term 1). At the end of December 2024 in Brussels, EU Member States reached a consensus on a two-month postponement of the period for the modernisation of tachographs until 28 February 2025.*

*Thus, the obligations to replace tachographs apply to EU Member States and are defined by EU legislation, in particular the Mobility Package.*

*At a meeting of the Joint Committee of the Agreement on the Liberalization of Freight Transport with the EU, the decision to recognize Smart tachographs in Ukraine was approved. Previously, when buying new vehicles equipped with smart tachographs, carriers did not have the technical capabilities to use them. From now on, the European Commission will provide the relevant authorities of Ukraine with cryptographic material for issuing Smart tachograph cards for drivers, workshops, companies, and regulatory authorities, which will allow the full use of the relevant equipment.*

*With regard to transport under EICMT permits, the rules of the International Transport Forum, which sets requirements for international carriers of all countries participating in the EICMT system, currently do not provide for any additional requirements for the equipment of non-EU carriers with 2nd generation smart tachographs (G2V2 version).*

# Reform of the Ukrainian Customs

Ukraine continues to adapt customs legislation to the norms of the European Union, which includes both regulatory changes and technological improvement of procedures. One of the steps was Ukraine's accession to the updated Regional Convention on Pan-Euro-Mediterranean Preferential Rules of Origin. The relevant decision was made on 7 December 2023, and Law of Ukraine No. 4148-IX dated 17 December 2024 officially ratified the amendments<sup>10</sup>. This accession will be in line with the free trade provisions of the association agreement between Ukraine and the EU, creating favourable conditions for Ukrainian exports. In particular, the new wording of the Convention provides for the facilitation of documentary evidence of the origin of goods, the liberalisation of the mechanism for granting the status of authorised exporter and the possibility of breaking up consignments in transit countries.

Digitisation of processes and implementation of European IT solutions is one of the areas of integration of the Ukrainian customs system. In January 2025, the State Customs Service of Ukraine presented to the representatives of the Directorate-General for Taxation and Customs Union of the European Commission (DG TAXUD) the architecture and functionality of new customs IT systems, including the automated customs clearance system (Center ACCS) and the Customs Decisions System (CDS)<sup>11</sup>. Oleh Nikolaichuk, Deputy Head of the SCS for Digital Transformation, stressed that one of the key priorities is further integration with European systems, as well as testing of interaction. Representatives of DG TAXUD positively assessed the current state of digital modernisation, while stressing the importance of the wide functionality of the Single Window in facilitating interaction between businesses and government bodies.

The development of digital interaction is also manifested in the use of the NCTS common transit procedure. Ukraine officially switched to NCTS Phase 5 in April 2024, becoming one of the first countries to introduce updated transit rules simultaneously with its European partners<sup>12</sup>. In general, more than 94,000 transit declarations were issued within the framework of the Convention during the year, of which almost 60,000 were issued in the NCTS Phase 5 system.

The use of this procedure allows Ukrainian entrepreneurs to effectively move goods across borders using uniform customs standards. In addition, the customs transit guarantee system demonstrates active use: in 2024, 109 general and more than 10,000 individual guarantees were registered.



Oksana Kuziakiv,  
Executive Director, Head of the Centre for Study of Modern Society.  
Institute for Economic Research and Policy Consulting (IER)

*Overview comment*

*The introduction of NCTS Phase 5 was a key factor that influenced the EU's assessment of Ukraine's progress in the customs sphere, so it is certainly a very important factor from the point of view of moving toward the EU. The issue of alternative ways is no longer relevant for business,*

*because the use of the system will only expand in the future. Traditionally, the impact on business will be positive, but like any innovation, it requires investment in learning and mastering the processes. Whoever does it first will get the best result.*

*The main challenges in the field of customs clearance are difficult to separate from the general problems faced by business; these are the waiting time at the border when physically crossing the border and the import control procedures by partners in the EU.*

*Further steps that can contribute to the greater efficiency of the system and its adaptation to business needs are to follow the plans, transparently and clearly explain the changes to the public authorities responsible for policy implementation.*

Together with digital initiatives, the technical infrastructure of customs control is being modernised. As part of the framework of international assistance, Ukraine will receive five new mobile X-ray scanners for customs posts, which will faster vehicle inspections and the detection of hidden goods<sup>13</sup>. The USAID Economic Resilience Activity for Ukraine has funded the procurement of these scanners, which will be installed at key border crossing points with Romania, Slovakia, and Moldova. It is expected that due to the use of the latest equipment, the time of customs clearance will be reduced and the impact of the human factor on the control process will be minimised.



#### State Customs Service of Ukraine

*The State Customs Service of Ukraine reported on the continuation of large-scale equipment of border crossing points with the latest equipment, including mobile X-ray scanners, which enable non-intrusive control of vehicles and goods. This equipment will contribute to the acceleration of customs clearance and minimisation of the human factor, which is an important step in the reform of customs procedures.*

*As of 1 January 2025, specialised customs units responsible for the use, operation, technical supervision, and control of cargo scanning systems (CSCS) are fully staffed. In accordance with the current procedure, customs control of goods and vehicles using CSCS is carried out by at least three operators per shift, two of whom are officials of a specialised unit.*

*In 2024 and January 2025, four CSCS were received, of which one is ready for operation at Chop border crossing point (after obtaining a licence), and three are awaiting commissioning at Uzhhorod, Porubne, and Orlivka border crossing points.*

*For the proper operation of this equipment, the SCS increases the number of specialised units and conducts additional training for officials of the operational units of customs who perform control functions at the border crossing points where the CSCS are installed. Practical operation training is carried out by the manufacturer's representatives during the delivery of each system. In addition, each CSCS operator is trained every three years on the basis of the Department of Specialised Training and Canine Support of the SCS.*

*Over the past three years, 140 customs officials have been trained as operators of X-ray image analysis, and in 2025, such training is planned for about 100 employees of specialised and operational units.*

Another action to increase the efficiency of customs procedures was the provision of backup power systems to border crossing points. In January 2025, as part of the EU4IBM-Resilience project, seven uninterruptible power supply (UPS) units were installed at seven key customs points<sup>14</sup>. This equipment will make it possible to avoid shutdowns of stationary X-ray scanners due to power outages. Vyacheslav Toporov, EU4IBM-Resilience Project

Manager, noted that the systems delivered will help maintain the smooth operation of customs authorities, especially in conditions of a high workload.

Ukraine continues to strengthen control over the quality of products entering the market, restoring the mechanisms of state market supervision. In January 2025, the State Customs Service of Ukraine, together with the State Inspectorate of Architecture and Urban Planning (SIAUP), approved a mechanism for verifying the compliance of imported goods with European standards<sup>15</sup>. The governmental agency notes that the new approach is aimed at preventing the import of goods that do not meet safety standards and ensuring equal conditions of competition for Ukrainian producers.



The State Inspectorate of Architecture and Urban Planning of Ukraine

Overview comment

*The SIAUP reported that measures of state market supervision and control of products were resumed in accordance with Resolution No. 1511 of the Cabinet of Ministers of Ukraine dated 27.12.2024. This resolution was adopted in order to implement the recommendations of the European Commission presented in the Report on the progress of Ukraine in the framework of the Enlargement Package of the European Union in 2023.*

*The SIAUP confirmed that as part of the implementation of market supervision measures, a meeting was held with representatives of the State Customs Service of Ukraine. Among the key issues discussed were the risks of possible delays in the customs clearance of construction products and ways to minimise them. Currently, work is underway to establish interaction between the SIAUP and the SCS, which aims to minimise the time of suspension of customs clearance of non-food products.*

At the same time, the SIAUP response does not contain information on consultations with business or relevant construction companies on possible risks that may arise as a result of increased control. This leaves open the question of the level of business involvement in the decision-making in this area.

In general, the position of the SIAUP indicates the intention to balance control over the compliance of products with the established requirements with the minimisation of obstacles to business, in particular during customs clearance. However, the lack of mention of direct interaction with the business may raise questions about taking into account the real needs of the market.

In addition to customs control at the stage of importation of goods, post-customs control measures intensified in 2024. According to the results of such checks, UAH 62.8 million was voluntarily paid to the state budget, which indicates an increase in the effectiveness of this mechanism<sup>16</sup>. Post-customs control makes it possible to detect cases of violations of customs legislation after completion of customs clearance, which, according to the SCS, contributes to additional revenues to the budget.

In 2024, the customs authorities of Ukraine collected UAH 591.7 billion of customs payments<sup>17</sup>. In particular, import duties and excises are still key sources of filling the budget. At the same time, the SCS notes that only 10% of foreign economic activity entities provide 85% of customs revenues, which indicates the concentration of customs payments among the largest importers.

For comparison, in 2023, the SCS transferred UAH 459.8 billion to the budget, which was significantly less than in 2024<sup>18</sup>. Other taxes, including VAT and excise duties, also make up the total fiscal revenue to the budget in 2023<sup>19</sup>. Despite the increase in customs payments in 2024, the imbalance between large and small payers is still an urgent issue.

At the same time, corruption and transparency in the customs system remain key challenges. Roman Vashchuk, Business Ombudsman of Ukraine, stressed that one of the key factors contributing to corruption risks in the customs system is the low level of customs officers' salaries<sup>20</sup>. He stressed that 'a person living on \$500 a month cannot work with a flow of tens of millions of dollars'. Accordingly, in his opinion, the reform of the customs system should include not only technological changes, but also a revision of personnel policy and an increase in salaries.

*The increase in customs revenues, the active use of common transit procedures, and the strengthening of market supervision indicate a gradual movement towards European standards. At the same time, the issue of transparency in customs control, the need for personnel reform, and further integration with the EU remain key priorities for 2025.*

# New Initiatives

*Ukraine keeps implementing digital solutions in the field of international transport, while facilitating administrative procedures and increasing the transparency in the industry. Such changes in the regulation of international transport should eliminate bureaucratic barriers and create transparent working conditions for transport companies, as well as prevent possible abuses in this area.*

One of the areas of this transformation is the launch of a digital module for accounting and issuing logs for non-scheduled passenger operations. The implementation of this mechanism is aimed at eliminating paper procedures and reducing the risks of violations in the field of passenger transportation. 'Verified permits will be issued by one organisation, and information about them will be available in 'a unified database',' Serhii Derkach, Deputy Minister of Development of Communities and Territories, explained. This solution will help to eliminate situations where carriers carried out scheduled passenger operations under the guise of non-scheduled ones, thereby violating the rules of the international Interbus agreement. In addition, the module will provide automatic verification of permits in the eQueue system when crossing the border, which will reduce the number of permit-related manipulations. The initiative is implemented by the Ministry of Development of Communities and Territories, State Service of Ukraine for Transport Safety (Ukrtransbezpeka), and the Ministry of Digital Transformation with the support of the Digital Transformation Activity project funded by USAID and UK Dev.

Another step in the reform of the industry was the creation of an online cabinet of international routes. This service allows carriers to independently extend permits, make changes to routes, or open new flights without the need to submit paper documents to the Ministry of Development. Previously, such processes required the participation of the commission, which significantly complicated the interaction of business with regulatory authorities. Now the procedure is automated, and it is expected to expand the functionality of the service in the future, which will enable all operations with routes online.

# Cross-Border Cooperation and Cross-Border Infrastructure Development

Ukraine is facing challenges in financing international development projects due to the suspension of USAID financing. As a result of the US State Department's audit directive, the allocation of funds for all projects, without exception, was suspended for 90 days in January, which causes concern among the organisations that implemented these initiatives. According to Uliana Movchan, Organisational Development Expert, 'within a three-month period, a lot of organisations will cease to operate if they fail, for example through fund-raising, to cover their needs'. This creates risks for the support of local government, veterans' social adaptation programmes and energy security, and can also affect the implementation of infrastructure projects at the border<sup>21</sup>.



In January, USAID reported on the implementation of a number of infrastructure projects in Ukraine aimed at improving logistics capabilities and modernising border infrastructure. In particular, the modernisation of Luzhanka border crossing point will help to optimise traffic flows on the Ukrainian-Hungarian border. As part of the renovation, the road surface was repaired, new lighting was installed, navigation marks were updated, and modern equipment for customs and border control was provided. This is the only border crossing point with Hungary without weight restrictions for empty trucks weighing more than 7.5 tons, which contributes to the unloading of other border crossing points<sup>22</sup>.

Similar works were completed at Rava-Ruska-Hrebenne border crossing point. Upgrading the road infrastructure, installing modern security systems and additional equipment contribute to increasing the throughput capacity and reducing waiting time at the border<sup>23</sup>.



Ensuring the energy stability of border crossing points is one of the remaining problems. In response to Russia's constant attacks on critical infrastructure, USAID handed over generators for railway border crossing points on Ukraine's western border. Cameron Berkuti, Director of the USAID Border Crossing Point Infrastructure Development Programme, emphasized, 'These generators provide reliable backup power for critical infrastructure systems such as lighting, heating, alarms, and IT networks'<sup>24</sup>.

The USAID Project also invested in improving the working conditions of customs officers and border guards during the winter period. The installation of 62 modular buildings at six road border crossing points made it possible to create comfortable conditions even in extreme weather conditions. These structures are equipped with thermal insulation, heating and air conditioning systems, which makes the work of the staff more efficient<sup>25</sup>.

The issue of transport infrastructure development has become one of the topics of international negotiations. In the Quint format, which brought together representatives of Ukraine, Romania, Moldova, the EU, and the United States, the issue of expanding the capacity of Danube ports was considered<sup>26</sup>. The Ukrainian side presented plans for the modernisation of Orlivka-Isaccea border crossing point, which will make it possible to receive not only ferries, but also barges and containers. The possibility of opening a new ferry line between Reni and Braila is also being considered. According to Serhii Derkach, Deputy Minister of Development of Communities and Territories, ‘thanks to work in the Quint format, it was possible to launch a full-fledged ‘green corridor’ between Reni Giurgiulesti-Galati border crossing points’.



Фото: [Мінрозвитку](#)

As part of cooperation with the European Union, a project is being implemented to improve the logistics infrastructure at Yahodyn-Dorohusk border crossing point. The grant allocated under the Connecting Europe Facility programme provides for the construction of a parking area for 600 trucks and the overhaul of the M-07 road leading to the BCP. This will reduce congestion, improve traffic safety, and optimise cargo flows in one of the key export destinations<sup>27</sup>.



In parallel with international initiatives, local authorities are preparing to expand Yahodyn border crossing point. Ivan Rudnytskyi, Head of Volyn Regional Military Administration, confirmed during the offsite meeting that the clearance of the territory for the new terminal would begin in February. This project is expected to contribute to the economic development of the region and strengthen cross-border cooperation<sup>28</sup>.

Ukraine and Estonia are strengthening their cooperation in the transport sector. During the meeting of Oleksii Kuleba, Deputy Prime Minister for Reconstruction of Ukraine, Minister of Development of Communities and Territories, with Vladimir Svet, Minister of Infrastructure of Estonia, a Memorandum of Understanding was signed in Odesa<sup>29</sup>. The document provides for the attraction of international investments in the digitalisation of port infrastructure, the development of environmental technologies, and the modernisation of ship registers. Oleksii Kuleba noted, ‘We have discussed the restoration of port infrastructure with our Estonian colleague, which is critical for the stable operation of enterprises, transshipment of goods, and further implementation of the Ukrainian Corridor. We have also considered the mechanisms for protecting port facilities in the current war conditions’.



Against the background of reforms in the transport sector, Moldova is introducing new entry rules for Ukrainian drivers<sup>30</sup>. From now on, all vehicles must undergo a technical inspection, which may affect carriers. In addition, a pilot project of the pre-registration system for trucks will start in the country from 30 January, which is supposed to reduce the waiting time at the border to 90%<sup>31</sup>.

*Despite significant progress in the modernisation of logistics infrastructure and integration into the European transport system, risks remain that may complicate the implementation of these initiatives. Delays in the launch of critical infrastructure projects, such as the expansion of border crossing points, may lead to persistent problems with border capacity, which will limit the country's export opportunities.*

*An additional challenge is the gradual strengthening of transport regulation by neighbouring countries. Moldova's new vehicle inspection rules and pre-registration system for trucks indicate increased control over Ukrainian carriers. This can create additional administrative barriers and complicate the border crossing process.*

*In addition, the issue of port infrastructure security is still a critical factor. Despite the announced plans for the digitalisation and modernisation of Ukrainian ports, they are still being attacked, which may threaten the continuity of exports and the stability of logistics routes. Although the implementation of the announced initiatives contributes to improving logistics and integration into the European transport system, their effectiveness will depend on further stability of funding, addressing bureaucratic barriers and ensuring the security of critical infrastructure.*

# Ukrainian-Polish Border

*Ukraine continues to develop the border crossing infrastructure and adapt transport processes to European standards. At the same time, increased control by Poland creates additional difficulties for Ukrainian carriers.*

One of the key infrastructure projects was the opening of a train border control point at Mostyska II station, which allowed to significantly increase the capacity of railway communication with Poland. 'Previously, 6 freight trains could be inspected here for a day, but now it is up to 15', Oleksandr Pertsovskiy, Chairman of the Board of Ukrzaliznytsia, JSC, said<sup>32</sup>. The modernisation took place thanks to the support of the EU within the framework of the Connecting Europe Facility programme and the European Investment Bank.



Viktor Dovhan,  
Transport Expert,  
Deputy Minister of Infrastructure of Ukraine (2016–2019)

Overview comment

*The transfer of the border control point to Mostyska II station can be considered as one of the steps to optimise logistics, but the 2.5-fold increase in capacity seems doubtful, since UZ did not build the station itself. There are already several multimodal terminals that handle grain, mineral fertilisers, and containers, so they actually load the station at 100%.*

*The completion of the Eurotrack (1,435 mm) to Sknyliv station (Lviv) is what could really significantly improve freight and passenger logistics. The corresponding project, worth \$225 million, was to be 50% financed by USAID, the UZ planned to obtain the remaining 50% in the form of a grant from the EU, without attracting credit funds. Unfortunately, both sources of funding are now at risk.*

At the end of 2024, Nyzhankovychi-Malhowice, a new international road border crossing point, was opened<sup>33</sup>. Previously, it was used for passing of empty trucks, now it provides full-fledged flow of passenger and freight transport. During the first month of operation, more than 24.5 thousand people and 6.2 thousand vehicles crossed the border crossing point. At the same time, cases of illegal movement of goods have already been recorded, including the transportation of 61 gold bars worth UAH 6 million. The point operates under the procedure of joint control of customs officers and border guards of both countries, and the eQueue system is in place for bus transportation.

At the same time, the Polish side is tightening control over cargo transportation<sup>34</sup>. From 13 January 2025, the National Tax Administration of Poland began a comprehensive audit of transport messages in the RMPD register. This requires drivers to carefully fill in all system fields and correctly transmit GPS data to avoid penalties.

However, the practical application of these rules causes significant difficulties for Ukrainian carriers. 'Fines are imposed for minor technical errors, for example, the absence of a separating character or interruptions in the GPS signal', Serhii Derkach, Deputy Minister of Development of Communities and Territories, said<sup>35</sup>. He stressed that the sanctions amount

to 12 thousand zlotys (about 120 thousand hryvnias), which is a serious financial burden for carriers. The Ukrainian side appealed to the Ministry of Finance of Poland, the Ministry of Infrastructure of Poland, and the European Commission with a request to handle this situation.

Problems with registration in the RMPD have been the subject of sharp criticism from the Ukrainian transport community<sup>36</sup>. Carriers emphasise that the Polish customs authorities fine drivers even for the smallest technical errors or short-term GPS signal failures. 'They are doing everything to keep us out of their market', Volodymyr Balin, AsMAP UA Vice President, said. He also drew attention to the fact that this situation affects not only Ukrainian carriers, but also Moldovan and Turkish companies, which have already sent official complaints to the Polish authorities.

In January, it was reported in the media that the Polish government had decided to restrict protest actions at the border<sup>37</sup>. Border crossing points were included in the list of critical infrastructure, which significantly complicates the possibility of traffic blocking by protesters. According to the media, this was reported by Paweł Kowal, Chairman of the Council for Cooperation with Ukraine and the Foreign Affairs Committee of the Sejm of Poland.



Pavlo Kravchuk,  
Migration and Border  
Management Expert

Overview comment

*Це, по суті, не є великою новиною, оскільки повідомлення про намір внести пункти пропуску на кордоні до польського списку критичної інфраструктури «у найближчі години» з'явилися ще в лютому 2024 року. Вже у березні той самий Павел Коваль говорив про це, як про доконаний факт.*

*Сам список не є публічно доступним документом, тому перевірити точну дату внесення неможливо. У будь-якому разі, відсутність блоkad після весни 2024 року, за винятком однієї одноденної на ПП Шегині-Медика, свідчить про ефективність такого підходу. Це не лише забезпечує належну роботу кордону, а й усуває щонайменше один негативний фактор у ширших українсько-польських взаєминах.*

At the same time, the demand for border crossing is still high. At some border crossing points, according to the SBGS, significant queues were recorded in early January<sup>38</sup>. In particular, there was an accumulation of transport at Krakivets point, which made it difficult to enter and exit Ukraine.

*The strengthening of border infrastructure and the integration of Ukraine into the European transport system take place against the background of a regulatory pressure from Poland, which limits the access of Ukrainian carriers to the EU market. To solve this problem, comprehensive negotiations at the level of the European Commission are needed, aimed at eliminating discriminatory barriers and creating fair conditions for transit.*

# Development and Training

At the beginning of 2025, work on a new Integrated Border Management Strategy of Ukraine was underway<sup>39</sup>. On 22 January, an interim working group met to discuss, in particular, the analysis of threats in the field of border security. The EU requirements for the preparation of the strategic risk analysis were presented by Adrian Lazaroaia, the FRONTEX Agency. In turn, Colonel Andrii Vikhtiuk, Deputy Chairman of the Working Group, stressed the importance of timely and high-quality elaboration of materials and effective coordination of efforts.

The strategy updating process takes place in close cooperation with European partners, but the issue of adapting European standards to Ukrainian realities is still open. Iryna Sushko, Executive Director of the Europe Without Barriers Analytical Centre, stressed during an interview on Radio Kordon<sup>40</sup> that the work was not limited to the mechanical transfer of European norms: 'We do not just translate it thoughtlessly, so to speak, to Ukrainian soil. We discuss, think whether this particular goal, for example, is relevant for Ukrainian realities, and try to reflect these goals in the strategy in an adapted way'.

The SCS keeps reforming the personnel policy. On 24–25 January, a seminar was held for HR departments, where the results of work in 2024, strategic directions for 2025, and the competence approach to personnel management were discussed. The event also included a Leaders of Change training to train professionals to work in the context of reforms<sup>41</sup>.

Improving the security of digital infrastructure is still one of the priorities in the field of border management. Within the framework of the EU4IBM-Resilience project, the SBGS received a specially designed semi-trailer as the basis for the placement and transportation of a modular data centre<sup>42</sup>. 'By effectively integrating modern mobile infrastructure, we strengthen the ability of the SBGS to be flexible and adaptive to the challenges of the modern security landscape', Viacheslav Toporov, EU4IBM Resilience Project Manager, says. In the context of cyberattacks and physical threats to infrastructure, it is necessary to expand such projects.

Gender equality in the border guard service has become another aspect of reforms. The EU Advisory Mission, together with the SBGS, is working on training programmes to train trainers on gender issues. It is planned to introduce mentoring programmes and training of management on combating discrimination.

# Regulatory Changes.

## Other Issues

President Volodymyr Zelenskyy signed Decree No. 16/2025, which provided for changes to the National Security Strategy of Ukraine in terms of integrated state border management<sup>43</sup>. According to the document, the priorities are the development of border management, ensuring a balance between security and openness to legitimate cross-border cooperation and travellers.

The Government introduced Oleksandr Semyrha, the new Head of the Ukrainian Sea Ports Authority (USPA)<sup>44</sup>. During the presentation, Oleksii Kuleba, Deputy Prime Minister, noted that 'the effective work of the USPA is crucial not only for the economy, but also for the national security of our country'. The main tasks identified for the new management include ensuring the sustainable operation of ports, developing infrastructure, and increasing the level of transparency in management.

The State Border Guard Service of Ukraine continues cooperation with the United States in the field of defence<sup>45</sup>. Serhii Deyneko, Head of the SBGS, held a meeting with Keith Phillips, Defence Attaché of the United States Embassy in Ukraine. They discussed the issues of functioning of the border agency under martial law and further areas of cooperation. Keith Phillips stressed that 'the SBGS is a special-purpose law enforcement agency, and at the same time, Ukrainian border guards are servicemen who defend Ukraine as part of the Defence Forces'.

Ukrzaliznytsia is adjusting the tariff policy for international transport<sup>46</sup>. From 1 February, discounts on trains to Poland and Hungary will be reduced. This decision is associated with an increase in the company's expenses and losses of UAH 18 billion in 2024. The most noticeable changes will affect Kyiv-Warsaw (+37%) and Kyiv-Budapest routes (+17–21%).

## Лінки на публікації

- 1 About 970,000 citizens crossed the border of Ukraine during January – SBGS (Suspilne)
- 2 In the New Year period, passenger traffic at the Ukrainian-Polish border decreased (SBGS)
- 3 For 2024, Ukraine’s trade turnover amounted to \$112.3 billion (SCS)
- 4 For 2023, trade turnover amounted to \$99.4 billion (SCS Facebook page)
- 5 Transport: Seaports lead in the export transportation of goods in 2024 (Monthly Economic Monitoring of Ukraine, No. 240, January 2025, Institute of Economic Studies)
- 6 Last year, the volume of cargo transfer through Ukrainian-Polish railway crossings exceeded 20 million tons (Rail.insider)
- 7 European integration draft law No. 4560 was approved for the second reading (Ministry of Development)
- 8 Meeting of the Joint Committee of the Agreement on the Liberalization of Freight Transport with the EU: important decisions were approved (Ministry of Development)
- 9 The third meeting of the Joint Committee of the Agreement on the Liberalization of Freight Transport with the EU (Serhii Derkach. Facebook page)
- 10 From 01 January 2025, Ukraine acceded to the updated Regional Convention on Pan-Euro-Mediterranean Preferential Rules of Origin (SCS)
- 11 Ukraine and the EU: how the modernisation of customs IT systems will contribute to European integration (SCS)
- 12 Results of ‘customs visa-free travels’ for 2024: Ukrainian business willingly uses the common transit procedure (SCS)
- 13 New level of control: five more modern mobile scanners will help customs officers to detect hidden goods (SCS)
- 14 EU4IBM-Resilience provides backup power systems to prevent disruptions at borders (IBM.in.ua)
- 15 Market supervision and product control resumed: the SCS and the SIAUP agreed on actions to implement control of non-food products (SCS)
- 16 According to the results of post-customs control, UAH 62.8 million was voluntarily paid to the State Budget (SCS)
- 17 Results of fulfilment of the fiscal function by customs authorities in 2024 (SCS)
- 18 In 2023, the SCS transferred UAH 459.8 billion to the budget (SCS)
- 19 Execution of the state budget – 2023 (MoF)
- 20 Business Ombudsman named ways to overcome corruption at customs (Ukrinform)
- 21 USAID suspends project funding: the implications for Ukraine (Suspilne)
- 22 The modernisation of Luzhanka border crossing point contributes to the improvement of logistics between Ukraine and Hungary (USAID Project)
- 23 The USAID Project completes modernisation of Rava-Ruska-Hrebenne road border crossing point in Lviv region (USAID Project)
- 24 The USAID Project generators ensure the operation of railway border crossing points during power outages (USAID Project)
- 25 How the USAID Project creates comfortable conditions for working in winter at border crossing points of Ukraine (USAID Project)
- 26 Strengthening the export capacity of the Danube region: a meeting was held in the Quint format (Ministry of Development)
- 27 Truck parking and repair of the road to Yahodyn-Dorohusk border crossing point: a joint project with the European Union (Agency for Restoration)
- 28 Development of Yahodyn border crossing point: working visit of the head of the region and further steps (Volyn DMA)
- 29 Ukraine and Estonia signed a Memorandum of Understanding to deepen cooperation in the transport sector (Ministry of Development)
- 30 The rules of entry into Moldova changed (SBGS)

- 31 Moldova introduces a pre-registration system for crossing the border by trucks (Centre for Transport Strategies)
- 32 To increase freight traffic, Ukrzaliznytsia, with the support of the EU, opened an updated train border control point on the border with Poland (Ukrzaliznytsia)
- 33 Month of operation of Nyzhankovychi-Malkhovychi border crossing point on the border with Poland (SBGS)
- 34 From 13 January 2025, the National Tax Administration of Poland begins a comprehensive audit of transport messages in the RMPD register (SCS)
- 35 Regarding the SENT/RMPD system for registering trips through Poland (Serhii Derkach. Facebook page)
- 36 How to deal with the Poles (UkrAvtoKontinent video No. 914)
- 37 Poland made a decision to limit attempts to block the Polish-Ukrainian border (Interfax-Ukraine)
- 38 To the attention of citizens crossing the border at the Krakovets border crossing point (SBGS)
- 39 The process of preparing the draft of the new Strategy for Integrated State Border Management of Ukraine is ongoing (SBGS)
- 40 Current interview with Iryna Sushko on Radio Kordon (Facebook page of Radio Kordon)
- 41 Challenges and solutions for personnel management services in the context of restarting customs authorities (SCS)
- 42 The EU helps SBGS to strengthen the protection of IT systems to strengthen the management of Ukraine's borders in times of war (IBM.in.ua)
- 43 Guarding the state border: Zelenskyy makes changes to the National Security Strategy (Ukrinform)
- 44 Oleksii Kuleba introduced the new head of the USPA (Ministry of Development)
- 45 The Head of the SBGS held a working meeting with the Defence Attaché of the United States Embassy in Ukraine (SBGS)
- 46 Ukrzaliznytsia adjusts discounts on some international trains (Ukrzaliznytsia)