

EU4PFM

EU Public Finance Management
Support Programme for Ukraine

**"EU4PFM STRIVES
FOR COMPETITIVE,
SOUND AND THRIVING
UKRAINE"**



MOVING FORWARD
TOGETHER

THIS PROJECT IS FUNDED BY THE EUROPEAN UNION



Central project
management
agency



The EU Public Finance Management Support Programme for Ukraine (EU4PFM Project) supports the enhancement of Ukraine's public finance management system to improve public service delivery, strengthen the business environment, and boost national resilience amid the ongoing challenges of Russia's full-scale war against Ukraine.

MAIN PROJECT BENEFICIARIES



MINISTRY OF
FINANCE OF
UKRAINE



Ministry of Economy,
Environment and Agriculture
of Ukraine



State
tax service
of Ukraine



State
Customs Service
of Ukraine



The Accounting Chamber
Supreme Audit Institution of Ukraine

EU INSTRUMENTS



European Neighbourhood
Instrument (ENI)



Neighbourhood, Development and International
Cooperation Instrument – Global Europe
(NDICI – Global Europe)

IMPLEMENTATION MODALITY

Indirect management with Central Project Management
Agency (CPMA)

BUDGET

Total budget: 50,485 MEUR (EU4PFM
budget 36,985 MEUR and Extension
of EU4PFM budget 13 MEUR)

EU contribution: 49,985 MEUR

**CPMA (Ministry of Finance of the
Republic of Lithuania) contribution:**
0,5 MEUR

COMPONENTS

01

Budget process mod-
ernisation,
improved control and
accountability

02

Public
procurement

03

Revenue mobili-
sation

04

Horizontal
functions and
governance

05

External audit
and parliamen-
tary oversight



DURATION 2018-2026



LOCATION: Ukraine

SCOPE OF COMPONENTS' ACTIVITIES

COMPONENTS 1, 3, & 4



BUDGET PROCESS MODERNISATION



- Strengthening capacities in MoF and key spending units in medium-term budgetary planning including macroeconomic forecasting and risk management
- Implementation of capacity building tools in the field of public internal financial control
- Improvement of the Ukrainian public sector accounting regulatory framework in line with international standards
- Raising awareness of the budget process reform agenda

CUSTOMS



- Development of Computerised Transit System (NCTS) in Ukraine
- Aligning the Ukrainian customs legislation with the Customs Union acquis
- Implementation of the best EU practices in the field of risk management process, post clearance control, customs audit, etc.
- Customs enforcement of intellectual property rights
- Raising awareness of the customs reform agenda

TAX



- Aligning the Ukrainian tax legislation with EU legislative and administrative framework
- Implementation of international initiatives for fighting tax avoidance and evasion
- Facilitation of voluntary tax compliance for taxpayers
- Implementation of the most advanced tax administration practices, in particular: e-audit, transfer pricing control, risk management-based approach
- Raising awareness of the tax reform agenda

HR/ANTI-CORRUPTION POLICY



- Development of relevant tools to design and implement modern Human resources management (HRM) practices in PFM institutions, in particular: Competency Framework, staff engagement survey, adaptation system for new employees, mentorship, etc.
- Enhancing training and professional development system
- Development of HRM training courses
- Enhancing anti-corruption policy of Partner Institutions

COMPONENT 2

PUBLIC PROCUREMENT

- Aligning the public procurement legal framework with EU acquis
- Strengthening institutional and organisational framework in public procurement, including Public-Private Partnerships/ concessions and defence procurement
- Strengthening capacities of the relevant public bodies in control, audit and review of public procurement procedures
- Strengthening framework for professionalisation of public procurement officers and enhancing outreach to the participants of the public procurement market
- Raising awareness of the public procurement reform agenda



COMPONENT 5



- Supporting capacity building and implementation of a financial audit of consolidated financial statements and submission of the audit report
- On the job assistance to all compliance and performance audit teams to apply ISSAI-based methodology in all audit stages - planning, testing, conclusions, recommendations
- Professional support for the development of new ACU Development Strategy, operational planning and performance management framework
- Strengthening the capacity of the Parliament in budgetary and external audit issues
- Strengthening the chain of accountability in Ukraine, especially the linkages between the Parliament and the supreme audit institution

MAJOR RESULTS IN SUPPORT AREAS

COMPONENTS 1, 3, & 4



- Expert assistance to the Partner Institutions during the screening process on PFM-related Chapters provided



- Ukraine has joined the Conventions on a Common Transit Procedure and Simplification of Formalities and the international use of a common transit procedure has started
- Phase 4 and 5 of the New Computerised Transit System (NCTS) launched; NCTS Phase 6 under development
- The draft of the new Customs Code, based on the Union Customs Code (UCC), developed
- The Law on amending the Customs Code on granting of special authorisation adopted
- Risk-based management and post-clearance control introduced
- Enforcement of intellectual property rights at the border strengthened



- Public Finance Management Strategy developed and approved by the Government
- Strategy for Digital development and digitalisation of the PFM system developed and approved by the Government
- SCS and STS Digital Development Plans approved
- People Management Strategies for MoF, STS, and SCS approved



- Range of tools and respective guidelines to run a modern HRM system and organisational development elaborated and implemented (on staff engagement, adaptation system for new employees, training and development, mentorship etc.)
- Competency Framework for the MoF, STS and SCS developed
- Anti-corruption policy and practices enhanced
- Training programme on mental health and emotional well-being, as well as diversity and inclusion at workplace implemented



- Contact Centre of the STS modernised implementing new service delivery model developed
- A platform for the tax disputes (e-case management) launched
- E-cash registers free tool for small business developed
- First automatic exchange of information under the Common Reporting Standard (CRS) introduced
- Draft law transposing Directive on Administrative Cooperation (reporting rules for digital platforms) developed and submitted to the Parliament
- Big Data Transfer Pricing IT solution for the State Tax Service (STS) launched
- CRS Compliance Strategy for the STS in line with OECD guidance developed
- Legal framework aligned with EU and OECD standards (CRS/CbC, VAT, Excise, Corporate Income Tax)
- E-audit instruments implemented



- IT system for budget planning and monitoring launched and used for development of 2025 and 2026 State Budgets
- Capacities of the MoF on EU experience in budgetary system and alignment with EU requirements strengthened
- Dialogue with the Ukrainian audit community enhanced on possible pathways to strengthen and optimise internal audit function
- The pilot project on internal control in the Ministry of Justice launched
- The scope of the automatization of Public Internal Financial Control processes defined (PIFC Concept Note)
- Development of NPSAR(s) according to the IPSAS supported
- Documentation for a new digital solution on e-Accounting and Reporting developed



- Emergency assistance for Partner Institutions provided in establishment of recovery data centres, enhancement of general infrastructure and improvement of safety

COMPONENT 2

- Assistance in drafting and revision of the laws on Public Procurement, Public-Private Partnerships, and Concessions in line with EU requirements for the Ministry of Economy, Environment and Agriculture
- Online course "Public Procurement Management" on Prometheus platform developed
- Online course "Consideration of Public Procurement Disputes by Administrative and Commercial Courts" for Ukrainian judges developed
- A series of training sessions on professionalisation of procurement officers across Ukraine conducted
- Support to the Ministry of Economy, Environment and Agriculture in representing Ukraine as a Party to the WTO Government Procurement Agreement (GPA) and in other international initiatives provided
- A series of country-specific guidelines to help Ukrainian businesses access procurement markets in EU Member States and candidate countries developed and released

COMPONENT 5

- On-the-job support to ACU audit teams, including assistance with the audits of consolidated financial statements, provided
- Competences in risk assessment, analytical procedures, audit approach, documentation, report writing, and evidence gathering improved
- Annual Quality Report, which addresses key quality metrics and evaluates the effectiveness of audit processes, completed
- Comprehensive recommendations for establishing a modern and effective personnel developed
- Strategic and operational support to the ACU, contributing to the development and implementation of the Strategy 2025-2029
- A Guidance Note on strengthening operational collaboration between the Verkhovna Rada and the ACU developed
- Functional and organizational models for the Secretariat of Parliamentary Budget Committee to enhance parliamentary oversight and financial transparency elaborated

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