

On March 21, a Meeting Took Place Between Representatives of Leading Economic Analytical Centers of Ukraine and Priscilla Toffano, the Permanent Representative of the International Monetary Fund in Ukraine, Alongside with Economists from the Local IMF Office.

The purpose of the meeting was to exchange views between Ms. Toffano, IMF specialists, and Ukrainian economic analytical centers on the current economic situation in the country and the key challenges facing Ukraine in 2025.

Representatives of the economic expert community shared their views with IMF specialists on this year's risks, possible sources of budget deficit coverage, and priority institutional changes.

Experts from the analytical centers highlighted several key priorities, according to the expert community – the overhaul of the most problematic agencies (according to surveys) – the Customs and Tax Services (for this, it is necessary to adopt draft law No. 9243), with the prerequisite of selecting the leadership by commissions of international experts. They thanked the IMF staff for facilitating the overhaul of the Bureau of Economic Security with the decisive vote of international experts.

Analysts also noted that for a long time, the government's measures to introduce performance criteria for the Tax and Customs Services, assess their work through the analysis of tax gaps, conduct electronic tax audits, and implement effective anti-corruption measures have remained unimplemented. The adoption of draft laws No. 12359 and No. 12360 is important.

Experts from the analytical centers stated that due to the ineffective work of these services and "gray schemes," the state loses 450-500 billion UAH annually, particularly through the three largest schemes: "gray imports" and smuggling (120-167 billion UAH per year), shadow schemes for the sale of excisable goods (35-38 billion UAH), and payments of wages "in envelopes" (115-230 billion UAH).

During the discussion, representatives of the Ukrainian economic community also emphasized the importance of reforming the judicial and law enforcement systems, addressing deficiencies in land tax administration, the uneven tax burden, particularly regarding wage taxation, unjustified budget expenditures during the war, and the need for legislative implementation of labor relations criteria to minimize the "sole proprietorship instead of employment" scheme.

Participants discussed the economic sentiments of businesses, the obstacles entrepreneurs face during wartime, and ways to overcome them, as well as the results of the World Bank survey on the quality of tax administration and trust in fiscal authorities in Ukraine.

The IMF representative noted the importance of such meetings and the exchange of ideas, emphasizing the critical need to continue efforts to de-shadow Ukraine's economy.

Following the discussion, participants agreed to continue further systematic communication on issues relevant to the country's economy.

