

## DIAGNOSTICS AND PREDICTING OF CUSTOMS PAYMENTS AS A TOOL FOR ENSURING NATIONAL SECURITY IN THE CONDITIONS OF MARTIAL LAW IN UKRAINE

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**Abstract.** In light of the challenges posed by the full-scale war, the issue of Ukraine's national security has assumed a new strategic significance that extends far beyond the military sphere. In the context of armed aggression, a key element in ensuring national stability and sovereignty is the regulation and management of customs payments. These have evolved into a powerful tool for supporting both economic and border security. Prior to the full-scale invasion, Ukraine's customs system was undergoing a process of modernisation, with a focus on aligning with European standards of administration, transparency, and digital integration. Concurrently, during wartime, the role of customs authorities in ensuring national security underwent significant expansion, primarily through the implementation of stringent controls over the movement of dual-use goods, the reduction of illegal imports, the combatting of smuggling, and the prevention of the financing of terrorist organisations. Despite the attention paid to the fiscal function of customs payments by both domestic and foreign researchers, the analysis of the security potential of the customs system in conditions of martial law requires closer consideration. In particular, the specifics of customs policy should be considered as a factor in mobilising resources to support the Armed Forces of Ukraine, stabilise the state budget, strengthen trade borders, and counteract the destructive effects of external economic threats. In this context, research into the relationship between customs policy, economic security, and Ukraine's national interests in wartime becomes particularly important. The *subject* of the present study is the functioning of the customs payment system as an instrument of national security support during armed conflict. The *aim* of the present study is twofold: firstly, to ascertain the potential of the customs system as a means of strengthening national security, taking into account the challenges of wartime; and secondly, to develop proposals for the effective use of customs revenues for post-war recovery. The study employed a combination of general scientific and applied methods. In particular, system analysis was used to study the functions of the customs authorities under martial law; economic and statistical methods were used to assess the dynamics of customs revenues; and methods of analysis and synthesis were used to draw conclusions about the effectiveness of the security functions of the customs system. Additionally, graphical methods were employed to visualise changes in the structure of customs payments. This article examines the peculiarities of Ukraine's customs policy in the context of the challenges posed by the war. It notes that customs payments are crucial for maintaining financial stability, defence potential and economic security. The article emphasises that post-war recovery should be based on the effective use of the customs system as a tool for not only filling the budget, but also mitigating the risks associated with the shadow economy, illegal transit and smuggling. *Conclusion.* Under martial law, the customs system performs a dual function of fiscal and security measures, enabling the state to respond quickly to internal and external challenges. Customs payments provide a reliable source of funding for defence, logistics and critical infrastructure. In the post-war period, customs policy should be strengthened and modernised to focus

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on strategic national security goals. Thus, a new security architecture for Ukraine is being formed through the prism of customs payments, based on the principles of transparency, efficiency, and European management standards.

**Keywords:** budget revenues, state security, national security, logistics, customs payments, taxation.

**JEL Classification:** H25, H32, E69, G18, G20

## 1. Introduction

During the second year of the war on a large scale, Ukraine is facing not only military challenges, but also profound economic transformations. In this new reality, traditional financial and economic models are becoming obsolete, and there is an increasing need to reconsider the role of fiscal policy instruments. Among these, customs duties occupy a strategic position. These instruments are evolving from purely fiscal tools into vital components of national security, economic stability, and financial resilience.

Despite the war, not only has the customs system retained its functionality, it has also demonstrated its ability to adapt and transform procedures to facilitate the mobilisation of resources. Revenues from customs duties play a vital role in funding the army, providing humanitarian support, maintaining critical infrastructure, and making social payments. In this context, customs policy has become an indicator of both economic and state stability.

Customs payments are not only a source of revenue for the state budget; they also act as a security filter, controlling the movement of goods and helping to prevent smuggling, terrorist financing and the movement of strategically dangerous resources. During wartime, the customs service acts as a platform for analysis and operations to ensure the country's economic sovereignty.

A comprehensive strategy for modernising the customs system must be an integral part of the national security doctrine. This should include the digitisation of customs procedures, integration into the European legal framework and enhancing the analytical capabilities and effective interaction of customs authorities with other law enforcement and fiscal bodies.

A review of recent studies and publications suggests that there is a growing interest among scholars in the role of customs during emergencies, especially in wartime. In her study, T. Melnyk (2023) emphasises the importance of customs policy within the framework of European integration and standardised transit procedures. The author emphasises that the customs system plays a pivotal role in ensuring transparency in a state's foreign economic activities, serving as both an economic and security instrument, particularly under martial law.

Meanwhile, R. Myroniuk and E. Kobko (2024) emphasise the importance of public oversight of the performance of law enforcement agencies, including customs. They argue that customs should be considered a component of the security sector and should therefore be as transparent, accountable and effective as possible in the context of national threats. The research conducted by A. Molokova and I. Bukhtiyarova (2024) explores the operational dynamics of the patrol police within a martial law context, with a particular focus on the imperative for inter-institutional coordination among various state security entities. It is evident that this approach encompasses customs authorities, which are charged with the responsibility of regulating the flow of goods, particularly within border regions. In the context of the legal aspects of demining, Porynos, Dmytriienko and Bohdan (2024) emphasise the importance of a comprehensive approach to security, in which customs plays the role of regulator of the circulation of strategic goods and dual-use items.

The work of foreign researchers who touch upon the topic of customs policy in the security dimension deserves special attention. For instance, S. Bell (2025) examines the effect of crises on border control, highlighting the increasing importance of customs services in preventing the illegal transportation of weapons, sanctioned goods, and military-strategic equipment. In the context of armed aggression, her conclusions are particularly relevant for Ukraine. S. Kaufmann (2025) focuses on the role of customs administration in tackling shadow capital flows and terrorist financing. He emphasises that the effectiveness of customs structures is essential for national security in today's globalised world.

Despite all the research available, the impact of customs duties on Ukraine's national security during wartime has not been sufficiently studied. The impact of changes in customs policy on the state's strategic stability, particularly with regard to budgetary capacity, the protection of the domestic market and the minimisation of corruption risks within the state control system, requires further analysis.

Therefore, special attention should be paid to studying how the customs authorities function during martial law, developing adaptive scenarios for their activities in crisis conditions and forming a systematic view of the role of customs in Ukraine's economic and security systems.

## **2. The Economic Essence of Customs Payments as a Tool to Ensure National Security in Conditions of Martial Law in Ukraine**

The military conflict between Ukraine and Russia has had a significant impact on all aspects of public life, underscoring the critical role of customs policy in ensuring the country's economic security. In these extreme conditions, the customs service is at the forefront of the economic battle, facing serious challenges that require an immediate response and the implementation of effective operational solutions.

The current circumstances highlight the need for a thorough and comprehensive analysis of the factors influencing the effectiveness of customs policy. This analysis should consider not only the customs system's ability to respond quickly to external threats, but also the need for systematic customs security and the protection of national interests in foreign economic activities. This, in turn, requires the regulatory framework to be updated, customs priorities to be clearly formulated, indicators to be developed for assessing the state of customs security, and a set of effective measures to be implemented in support of this.

In the context of martial law, the customs system has exhibited a capacity for expeditious transformation and adaptation to novel challenges. It has become a pivotal instrument for the regulation of the movement of goods, services and resources of strategic importance across state borders. The marked deterioration of the geopolitical situation has compelled customs authorities to reconsider their approaches, revise their strategic guidelines, and mobilise available resources to the maximum extent possible to ensure stable functioning in challenging conditions of economic instability.

In the contemporary era, the customs service continues to fulfil its conventional duties concerning the regulation of foreign trade operations. However, it also plays an active role in the monitoring of humanitarian aid flows and the counteraction of the illicit transfer of goods, particularly weapons and critical materials. Consequently, Ukraine's customs system has evolved into a pivotal component within both the economic and national defence infrastructure.

In her works, N. M. Tymoshenko (2022) examines the impact of military actions on the functioning of the customs system and focuses on the transformation of its strategic priorities. The author emphasises that the customs service has become a key institution in ensuring the economic security of the state in the context of armed conflict. She highlights the importance of flexible customs policies and regulatory changes, as well as the development of systems to control the movement of strategically important goods.

Y. Holynskiy and O. Vikhot (2021) explore a similar topic, examining the role of customs authorities in countering economic threats during emergencies.

The authors note that, in addition to ensuring an adequate level of fiscal control, customs policy should serve as a tool to protect the domestic market from illegal imports and critical violations of the customs regime.

In her work, K. Blishchuk (2023) explores the key areas in which Ukraine's customs policy should be harmonised with European standards. She emphasises the importance of institutional reform and integration into the EU customs system. The author justifies the implementation of international practices in customs administration in order to increase the transparency, efficiency and predictability of customs procedures. In the context of this research, the provisions set out in Blishchuk's article are of particular pertinence. In particular, improving customs policy based on the European model creates conditions that stabilise budget revenues and minimise the shadow sector of foreign trade. This, in turn, enhances the effectiveness of the customs authorities in ensuring the financial security of the state. In addition, the publication's proposed European vector for the development of customs policy is harmoniously combined with analytical monitoring and predictive analysis approaches for customs payments. These tools are pivotal to this study, as they facilitate the prediction of fiscal revenues in crisis conditions.

In their 2024 publication, Skybinskiy and Syvokhip consider customs policy in the context of the overall national security strategy. The authors emphasise the importance of the customs service in preventing economic destabilisation, reducing the risk of smuggling, and ensuring Ukraine's strategic autonomy amid military confrontation.

An effective customs policy is essential for maintaining economic stability, developing foreign economic relations and strengthening national security. In the context of martial law, the state is confronted with new and unprecedented challenges that necessitate a swift response and the flexible reform of customs processes.

Today, the customs system is required to fulfil several critical functions simultaneously. On the one hand, there is a need to simplify and speed up customs procedures to enable the swift import of vital goods, humanitarian aid, medical supplies and military and dual-use products. Ensuring these goods can cross the customs border as quickly and smoothly as possible is crucial for maintaining the country's defence capability and humanitarian security.

Conversely, however, there is an increasing imperative to enhance customs control measures with a view to preventing the smuggling of goods and people, the movement of weapons and drugs, the financing of terrorist activities, and other threats that could have a destructive impact on internal stability. A particular emphasis is placed on the prevention of attempts at sabotage through the utilisation of logistics channels.

Furthermore, contemporary customs policy ought to acknowledge the hybrid nature of threats, encompassing not only the physical movement of goods but also the imperative to combat cybercrime, financial fraud, and illicit activities in the domains of import and export. In order to achieve this, there is a necessity for the utilisation of contemporary information technologies, digital solutions, and close interagency coordination.

Consequently, Ukraine's customs system, operating under martial law, performs not only its traditional fiscal functions but also serves as a multifunctional instrument of state security, thereby ensuring economic stability, rapid response to the needs of the front line, and protection of national interests.

In the context of Ukraine's post-war recovery, it is imperative to prioritise not only the reconstruction of destroyed infrastructure but also the effective functioning of state institutions, particularly those responsible for national security. In this particular context, a potentially efficacious instrument might be that of customs payments, which have been demonstrated to integrate fiscal, regulatory, and security functions. In view of the above, it is reasonable to propose a set of measures that will allow the customs potential to be used as effectively as possible for national security purposes.

### **3. Analysis of the Role of Customs Payments in Ensuring National Security in the Context of Armed Aggression against Ukraine by the Russian Federation**

During the period of martial law, Ukraine's customs system proved its ability to adapt quickly and respond swiftly to new challenges. Radical changes in the geopolitical environment forced the customs authorities to review their functional approaches, update their strategic guidelines and focus their efforts on protecting the state's economic and security interests. The customs service has become a vital part of the national system for controlling the movement of goods, services, and resources across the state border.

Under the new conditions, the customs authorities continued to perform their main tasks relating to fiscal control and the regulation of foreign trade. They also took on additional functions relating to ensuring the security of supplies of strategically important goods, particularly humanitarian aid, medicines, medical supplies, military products and critical energy resources. Consequently, the customs system fulfils both an economic and a humanitarian role, serving as a vital means of supporting the country's defence capabilities.

In light of these new realities, the customs service has developed and implemented new control measures. On the one hand, procedures have been simplified to speed up the import of essential goods. On the other

hand, control measures have been strengthened to counter smuggling, terrorist financing and the illegal trafficking of goods that could pose a threat to national security.

In this context, it is reasonable to analyse the financial efficiency of the Ukrainian customs authorities in recent years, particularly by comparing the proportion of customs revenues in the state budget. Such an analysis enables one to evaluate the stability of the customs system during wartime and to identify trends in its impact on the state of public finances as a whole. Examining this indicator over the last three years is particularly important, as it covers the period before the full-scale invasion, the first year of the war, and the subsequent adaptation of the customs system to long-term conflict conditions.

In 2021, the customs system operated within a relatively stable macroeconomic environment. The state budget was consistently met due to stable levels of foreign economic activity. Value added tax on imports accounted for the largest share of customs revenues (about 75%), followed by excise tax on energy, vehicles, and alcoholic beverages. These revenues not only supported the fiscal function of customs, but also served as an indicator of the state's trade activity.

The sharp decline in customs revenues in 2022 was a direct consequence of the outbreak of war on a large scale. In response to the critical humanitarian situation and the urgent need to supply the army, the Ukrainian government made a number of decisions to temporarily abolish VAT and excise duty on imports of fuel, humanitarian goods, vehicles and certain dual-use goods. At the same time, a decline in foreign trade caused a sharp drop in customs revenues. The Customs Service therefore focused its efforts on physically controlling cargo, combatting smuggling, and ensuring the priority import of humanitarian aid, military equipment, medicines, and fuel.

The fiscal capacity of the customs system began to gradually recover in 2023. The reintroduction of standard tax rates on imports (including fuel and transportation) led to an increase in revenue. Customs adapted to the new conditions by strengthening the risk-oriented approach, expanding the use of digital solutions (NCTS and eCustoms), and increasing the transparency and efficiency of customs clearance procedures. These measures resulted in a significant increase in revenues from VAT, excise tax and import duties, reaching 499 billion UAH.

The year 2024 saw historically high revenues for the state budget from customs payments, totalling over 591.7 billion UAH. Such dynamics was made possible by:

- Revitalisation of foreign trade, especially with the EU;
- introduction of modern technical controls (scanners, automated risk assessment systems);

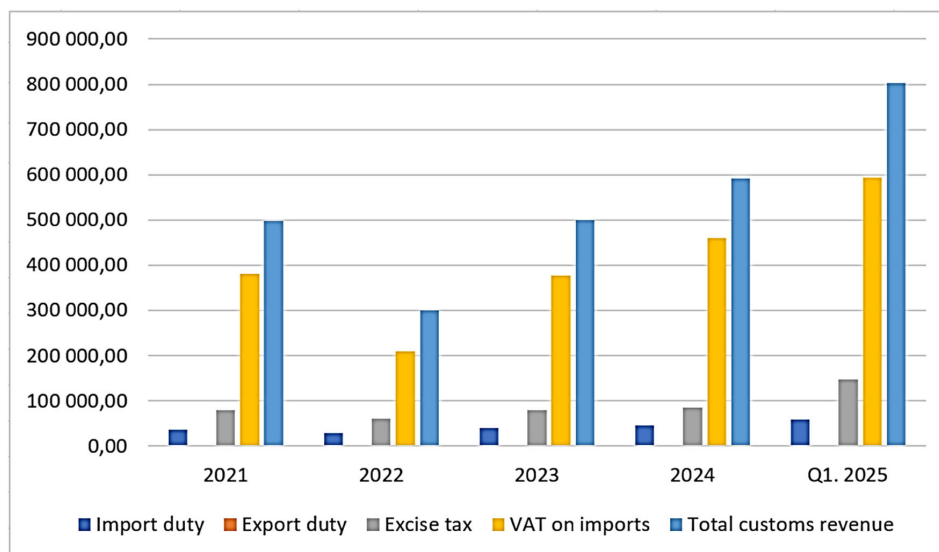


Figure 1. Customs payments to the state budget of Ukraine (2021–Q1 2025), million UAH

- strengthening the institutional capacity of customs authorities;
- return to the pre-war level of import taxation;
- increase in imports of excisable goods, including fuel, alcohol, tobacco, and cars.

At the same time, anti-smuggling measures, transparent customs procedures and the coordination of customs policy with European standards all played a significant role.

By the end of the first quarter of 2025, more than 260 billion UAH of customs duties had been collected, 74 billion of which was VAT on imports. This suggests that fiscal activity within the customs sector remains high. According to forecasts, total revenues in 2025 could exceed 800 billion UAH, provided the current pace of economic activity, imports and tax policy remain unchanged. The main drivers will be:

- VAT on imported goods (especially technological equipment, fuel, raw materials);
- excise tax on excisable goods;
- effective customs policy within the framework of integration with the EU;
- digital transformation of customs.

Overall, the analysis of the period from 2021 to 2025 shows that Ukraine's customs system is highly adaptable in crisis conditions. It demonstrates the system's ability to ensure fiscal sustainability for the state, even during wartime, as well as its potential for further efficiency growth in the context of digital transformation and European integration.

Following the outbreak of a full-scale war in 2022, exports of goods declined significantly. Disruptions to logistics chains, port blockades, infrastructure destruction and general economic destabilisation led

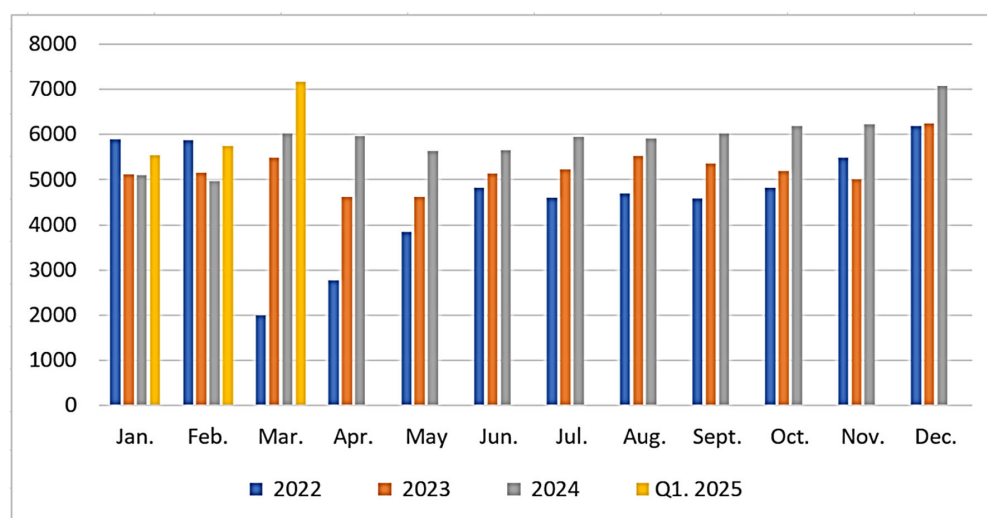


Figure 2. Exports of goods from Ukraine in 2022-2025 (monthly), million USD

to a sharp fall in exports, particularly in the second quarter. For instance, exports totalled just 2,293 billion USD in March. This was one of the lowest figures for the entire period. There was some recovery in July, August and September, with exports reaching 3,899 million USD in September, as a result of the partial opening of grain corridors and increased demand for agricultural products. However, the overall annual trend remained negative.

In the subsequent year, exports remained at low levels due to the persistent hostilities, the unstable security situation, and transportation challenges. As demonstrated in Figure 1, exports in January amounted to 2,969 million USD, while in September they amounted to 2,557 million USD. This indicates a continued low level of export activity. It is noteworthy that March 2023 exhibited a marginal increase to 3667 million USD; however, this rise did not persist.

In 2024, a gradual improvement in the situation became evident. Exports exhibited an upward trend in the majority of the months of the year. Notably, in the months of May and April, exports surpassed 3,600 million USD, and in October, they almost reached 3,890 million USD. This was made possible by an increase in agricultural exports, the partial expansion of logistics routes via land and sea, and the state's simplification of procedures. Particular attention should be given to December 2024, when exports reached a record high of 7,079.4 million USD, possibly due to the export of agricultural products ahead of the new marketing year.

Exports remained at a fairly high level in the first quarter of 2025. In particular, exports amounted to 3,664.8 million USD in March. This was higher than in March of the previous year. However, the quarter's overall dynamics are moderate: January (3,179.7 million USD); February (3,108.2 million USD). This situation indicates that exports have stabilised, despite challenges such as depleted grain stocks and tighter border controls.

An analysis of Ukrainian export dynamics from 2022 to 2025 reveals a clear correlation between foreign policy events, security issues and economic activity. Following a significant decline in 2022, exports gradually recovered, reaching their highest levels in 2024. This demonstrates the adaptability of Ukrainian businesses, the effectiveness of anti-crisis policies, and the potential of the agricultural sector to drive economic growth. Maintaining stability and export growth in the future will depend on rebuilding infrastructure, ensuring the security of trade routes, and expanding markets.

The first few months of 2022 were pre-war, with typical import volumes of almost 5.9 billion USD per month. However, with the start of the full-scale invasion in February, the situation changed dramatically. By March, imports had dropped by almost threefold to 1,993 million USD, due to the disruption of logistics chains, infrastructure damage, and the impact on foreign economic activity. Over the following months (April–June), imports slowly recovered, reaching 4,827 million USD in June and showing the first signs of market adaptation. From the second half of the year onwards, volumes stabilised within the range of 4,500–6,200 million USD, peaking at 6,189 million USD in December.

Import activity recovered in 2023. In almost every month of the year, volumes exceeded 5,000 million USD, indicating an increase in consumer and industrial demand. March was particularly noteworthy, with imports reaching 5,480 million USD (several times higher than in 2022). It is evident that stability was maintained until the conclusion of the year, and December imports amounted to 6,236 million USD, which is slightly higher than the previous year. This phenomenon can be attributed to a number of factors, including the gradual stabilisation of the economy, government support for critical imports, and the return of some consumer demand.

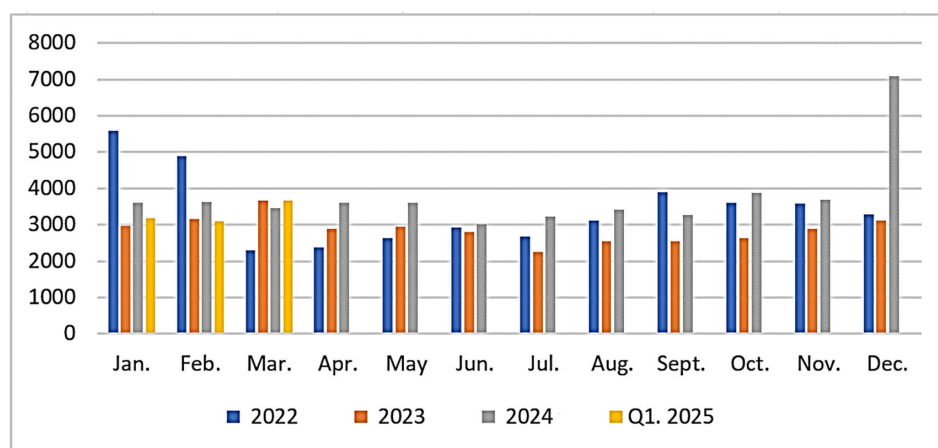


Figure 3. Imports of goods to Ukraine in 2022–2025 (monthly), million USD

Imports grew in 2024. By March, they had already exceeded 6,000 million USD, and by December, they had reached a record 7,079.4 million USD. This was the highest monthly figure of the analysed period. This trend can be attributed to several factors, including the intensification of reconstruction efforts, the expansion of critical imports, and a significant rise in the purchase of energy resources, machinery, and equipment for the army and industrial needs.

The first quarter of 2025 saw a continuation of the positive trend. Imports increased in all three months compared to the same period in 2024. Notably, the volume of imports reached 7,163.8 million USD in March. This was a new monthly high. Such dynamics suggest a revitalised economy, increased consumption and industrial production, and positive macroeconomic prospects.

In general, Ukraine's import activity saw a sharp decline at the beginning of the war, followed by gradual and stable growth in subsequent years. This reflects the Ukrainian economy's adaptive capacity, the flexibility of logistics routes, and the importance of import-dependent sectors. The gradual restoration of pre-war volumes, and even their excess, indicates stronger domestic demand, an expansion in reconstruction programmes and growing relations with international partners.

Analysing the dynamics of Ukraine's customs revenues, exports and imports between 2021 and 2025 makes it possible to draw several important conclusions about the country's economic response to the war and its gradual recovery.

The outbreak of large-scale military aggression in 2022 came as a huge shock to Ukraine's foreign trade system. A sharp decline in imports and restrictions on export opportunities led to a reduced fiscal burden on businesses, resulting in a significant drop in state budget revenues, particularly from import VAT and excise tax. At the same time, the customs system has shown that it can respond quickly and recover, providing essential services such as streamlining procedures for humanitarian aid, managing the movement of strategic goods and enhancing border security.

Over the following years, particularly in 2023–2024, foreign trade gradually recovered. This was due to growth in imports and exports, as well as the return of standard tax rates. Consequently, budget revenues began to grow. Revenues from import VAT and excise duties were particularly significant, forming the foundation for customs revenues in 2024. Improvements in customs administration and the digitisation of procedures contributed to increased fiscal efficiency.

Exports showed a positive but challenging trend. Following a sharp decline in 2022, exports increased, partly due to the agricultural sector's recovery and the partial reopening of trade routes. However, risks

remain associated with the unstable security situation, dependence on foreign markets and fluctuations in demand for key exports. In contrast, imports stabilised more quickly in response to domestic demand and the economy's need for resources and technology.

Thus, Ukraine's martial law customs policy proved its flexibility, efficiency and strategic importance for the financial and economic stability of the state during the period of 2022–2025. Further growth in customs revenues and trade will depend on improved logistics, border security, industrial recovery and active international integration.

#### **4. Directions for Ukraine's Economic Recovery in the Post-War Period Through the Lens of Digital Transformation**

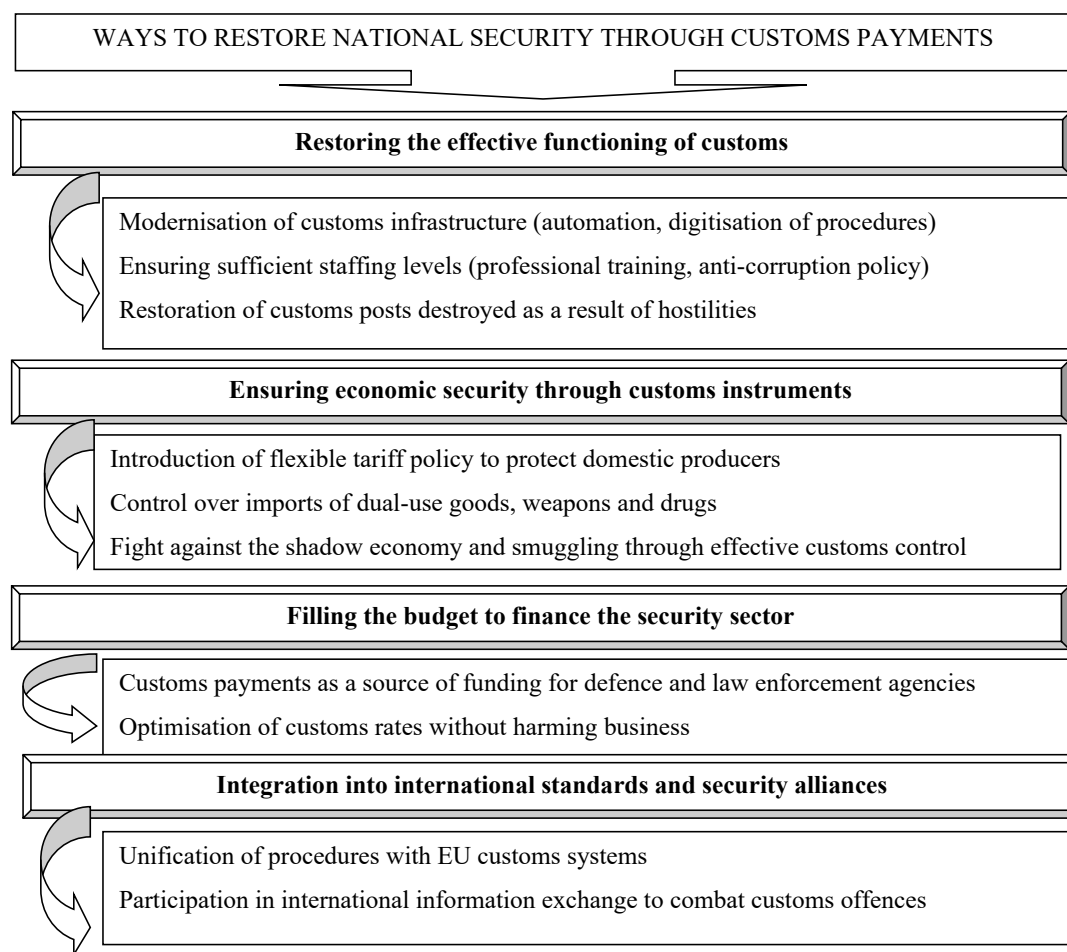
During Ukraine's post-war recovery, the issue of national security is of particular importance, encompassing both defence and economic components. An effective customs control system is a vital part of this process, enabling the state to control the movement of goods, combat illicit trafficking and smuggling, and replenish the state budget.

It is evident that customs payments fulfil a dual role, serving both a fiscal function and a pivotal role in strategic economic management during periods of transition. These funds can be utilised to finance various sectors, including security, defence, infrastructure reconstruction, and humanitarian support. Furthermore, the implementation of customs policy can serve to protect domestic producers, limit the importation of goods that may pose a threat to the population or the economy, and ensure that imports meet international standards.

The modern customs system must be transformed into a flexible, transparent, high-tech mechanism capable of meeting the challenges of the present day. In light of infrastructure and human capital losses, as well as the risks associated with military operations, customs payments should be considered not only as a means of revenue administration, but also as part of an integrated security recovery model.

Following the end of the war, the country must address the issue of restoring national security. This encompasses not only military defence, but also economic stability, border protection and the prevention of illegal activities. In this context, the customs system and payments are important tools for ensuring effective control over the movement of goods, budget revenues, and the protection of the domestic market (see Figure 4).

Without strict border control, restoring national security is impossible. The customs control system must become more technologically advanced and transparent by using modern cargo scanning methods, digital accounting systems and risk analysis tools.



**Figure 4. Ways to restore national security through customs payments**

*Source: authors' development*

This would enable attempts to illegally import weapons, prohibited substances and goods that could threaten the country's economic security to be detected and blocked. Reducing smuggling would boost customs revenues.

Following the war, it is crucial to support domestic production, which has been affected by damaged infrastructure and economic losses. Flexible regulation of customs tariffs can protect the domestic market from excessive imports of cheap goods that could displace Ukrainian products. This will help stabilise employment and strengthen economic security.

Customs payments are an important source of government revenue. Restoring the system for collecting them, reducing the risk of corruption and introducing transparent procedures will increase budget revenues, which can be used to finance the security and defence sector, the rehabilitation of affected regions and social programmes. This would enhance the state's capacity to address security challenges.

Introducing modern IT solutions to the customs sector will ensure operations are carried out quickly

and transparently, while reducing the human factor and the risk of corruption. Electronic systems for declarations, payment processing and information exchange with other government agencies will create a single information field, significantly improving control and security quality.

Strengthening co-operation with international organisations such as the World Customs Organisation, as well as border and law enforcement agencies in other countries, is important. Exchanging information jointly and coordinating actions in the fight against transnational crime and smuggling will strengthen national security and increase the efficiency of customs payments.

Restoring national security through customs payments requires a comprehensive approach, including reforming the customs service, improving procedures, applying modern technologies, and fostering international co-operation. Strengthening customs control, optimising tariff policy and ensuring transparent payment administration will contribute to protecting the state and promoting its economic growth and stability in the post-war period (see Figure 5).

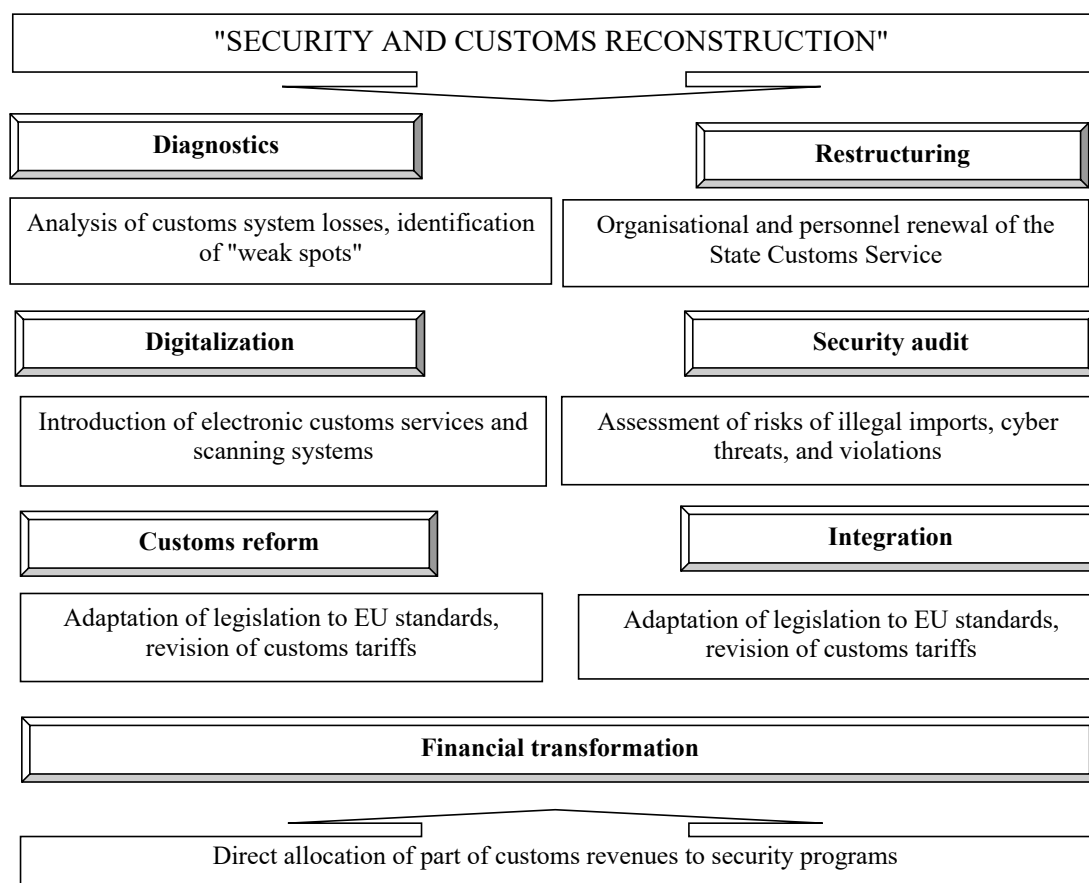


Figure 5. The proposed "Security and Customs Reconstruction" model

Source: authors' development

In this context, there is a need to create a strategic model that combines the customs sector with the state's security priorities. It is imperative that a model of this nature encompasses the organisational, digital, legal and international dimensions of the proposed reform, encapsulated within the conceptual framework of "Security and Customs Reconstruction".

The purpose of the model is to ensure the restoration and strengthening of Ukraine's national security through the effective use of the potential of customs payments and control.

Steps for implementing "Security and Customs Reconstruction" model:

1. Create an interagency group for security and customs reform.
2. Update the State Customs Service's development program for 2030 to include security issues.
3. Develop legislative changes that will allow for a flexible response to security threats through customs policy.
4. Audit international assistance aimed at restoring the customs system.
5. Ensure transparency of customs payments by creating an open data platform.

6. Increase the motivation of customs officers, including those serving in risky areas in de-occupied territories.

7. Deploy a real-time monitoring system for smuggling activity.

Thus, customs payments serve not only as a means of filling the budget, but also as an important component of the national security system. Reforming customs to integrate defence, economic and international co-operation issues will be key to Ukraine's sustainable development in the post-war reconstruction period. The "Security and Customs Reconstruction" model enables a comprehensive approach to the issue and ensures a transparent, efficient and secure customs system.

Consequently, the article concludes that restoring national security through customs payments requires a comprehensive approach, encompassing everything from reforming the customs service and improving procedures to utilising modern technologies and fostering international co-operation. Strengthening customs control, optimising tariff policy, and ensuring transparent payment administration will contribute to protecting the state and promoting its economic growth and stability in the post-war period.

In the postwar period, one promising area for restoring national security is the use of customs payments to finance and manage security processes. While this approach has a number of significant advantages, it is not without systemic risks and limitations.

The main advantages of using customs payments in the system of post-war national security restoration include the following:

1. Fiscal stability. Customs payments ensure the state budget is replenished promptly and stably, especially during the recovery phase when other sources of income may be limited. This provides the financial resources needed to fund the defence, intelligence, cybersecurity and critical infrastructure reconstruction sectors.

2. Strengthening border control. Modernising the customs system, particularly by equipping checkpoints with the latest technology, enables more effective control of the movement of goods and people. This reduces the risk of illegal weapons imports, smuggling and other threats that directly impact national security.

3. Protection of the domestic market and support for producers. It is evident that a strategic approach to customs policy can be adopted with a view to safeguarding domestic production, by means of differentiating import duty rates. This contributes to the strengthening of the country's economic sovereignty and the creation of conditions for sustainable development.

4. Institutional modernisation. Reforming the customs service and introducing digital technologies into customs administration increases transparency, reduces corruption and boosts trust in state institutions.

5. International integration. Expanding customs co-operation with partner countries and participating in global information exchange initiatives contributes to strengthening regional and global security.

Despite these advantages, it is important to consider a number of shortcomings and risks that may limit the effectiveness of this approach:

1. Risk of corruption. Historically, the customs sector in Ukraine has been one of the most vulnerable to corruption. During the post-war period, when controls are weakened, there is an increased risk of a return to shadow schemes.

2. Dependence on foreign trade dynamics. The level of foreign economic activity directly affects customs revenues. If imports decline due to global crises, currency instability or other factors, budget revenues may decrease.

3. Limited human resources. As a result of the war, many qualified personnel either died or left the country. It will take time and resources to restore the professional composition of the customs authorities.

4. High cost of modernisation. Creating a modern, technology-driven customs system requires significant

investment in infrastructure, software and staff training. Without external assistance, implementing such changes could be challenging.

5. Geopolitical challenges. Continued hostilities or the threat of renewed aggression could cause instability in logistics, disrupt supply chains and reduce the effectiveness of customs controls, particularly in border regions.

It is therefore evident that customs payments have considerable potential as one of the elements of a comprehensive model for post-war restoration of national security. However, their effective use is predicated on a balanced strategic approach, profound institutional changes, and broad international support.

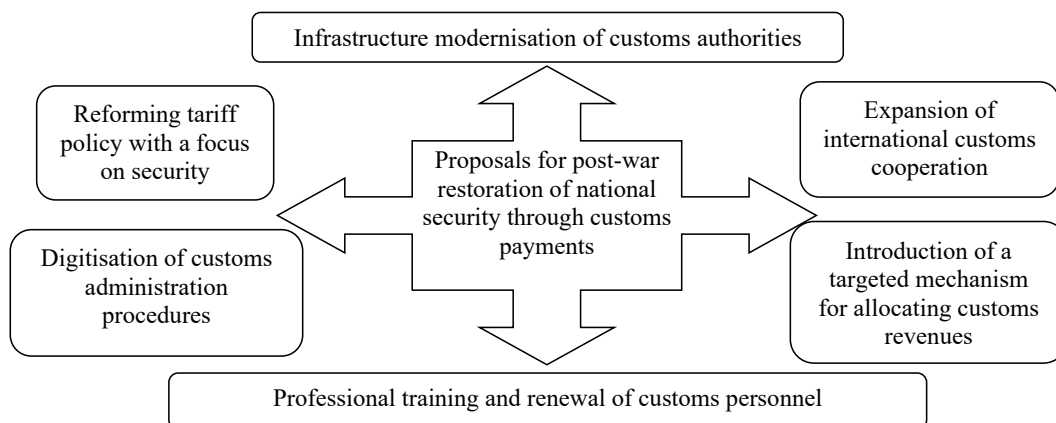
In Ukraine's post-war recovery process, it is crucial to rebuild destroyed infrastructure and ensure the effective functioning of state institutions, particularly those responsible for national security. In this context, customs payments, which combine fiscal, regulatory and security functions, can be an effective tool. With this in mind, a set of measures should be proposed to allow customs to be used as effectively as possible for national security purposes (see Fig. 6).

One of the most pressing needs is to re-equip customs checkpoints with new technology, especially in border regions that have been destroyed. The introduction of intelligent control systems is proposed, including freight transport scanners, automated checkpoints and video analytics systems with licence plate recognition and suspicious route detection capabilities. This modernisation would not only improve the efficiency of customs control, but also enable potential threats to be detected in real time.

Developing a modern digital ecosystem is a strategic step towards ensuring the transparency and speed of customs clearance. The proposal involves the full implementation of electronic document management and the use of blockchain technologies to track the origin and movement of goods. It also involves the creation of an integrated platform for data exchange between customs, border, tax and law enforcement agencies. These measures will help to reduce the risk of corruption and ensure greater control over cross-border flows.

It would be sensible to set up a special fund, such as a "Security Reconstruction Fund", to which a proportion of customs revenue could be transferred. Funds from this fund could then be earmarked for defence, intelligence, cybersecurity and civil protection, as well as for financing critical infrastructure in border regions.

In the post-war period, the customs tariff policy should be reviewed in light of national security interests. The import of critically needed goods, such as medical supplies, construction materials, energy equipment and dual-use technology, should be prioritised. To stimulate domestic production and



**Figure 6. Proposals for post-war restoration of national security through customs payments**

*Source: authors' development*

reduce dependence on external supplies, it is also advisable to temporarily increase import duties on groups of goods that have no social or security value.

In order to ensure the effective functioning of the customs authorities under the new conditions, it is necessary to systematically update the personnel. It is proposed that a national programme be introduced to train specialists in customs security, cybersecurity, and risk management. In order to attract young specialists, it is also necessary to provide incentives such as scholarships, higher salaries and international internships.

Customs security cannot be considered in isolation; it must be closely integrated into global systems. Ukraine should strengthen its co-operation with the customs services of EU and NATO countries, as well as with international organisations such as the World Customs Organisation (WCO). Exchanging information on risks, conducting joint operations to combat smuggling and participating in technical assistance programmes will strengthen overall security in the region.

These proposals should be viewed as components of a unified, systemic model that incorporates customs policy into the strategic framework of national security. Implementing them requires political will, coordination with other government agencies and the active participation of international partners.

Restoring Ukraine's national security after the war requires a comprehensive approach, in which the customs system acts as both a fiscal instrument and an important element of state security policy. The proposed measures – modernisation of customs infrastructure, digitisation of procedures, creation of special-purpose funds, reform of tariff policy, renewal of personnel, and strengthening of international co-operation – form a model that is capable of strengthening the state's economic and border stability.

The implementation of these proposals will ensure stable budget revenues and minimise the risks of smuggling, corruption, and the penetration of threats across the state border. The long-term integration of the aforementioned policy into the national security system will contribute to the strengthening of Ukraine's sovereignty, economic autonomy, and ability to withstand both internal and external challenges.

## 5. Discussion

In the course of the analysis of the results of the study, it should be noted that the assurance of Ukraine's national security in a state of martial law through customs payments is a complex and multi-factor process. The effectiveness of this approach is contingent on two factors. Firstly, it is contingent on factors that contribute to the strengthening of the fiscal and border security of the state. Secondly, it is contingent on circumstances that significantly complicate the effective functioning of the customs system during armed conflict.

The following factors positively influence the strengthening of national security through customs payments: institutional experience in reforming the customs system in the context of European integration; the introduction of digital technologies in customs administration; and the active involvement of international technical assistance and the exchange of customs information with partner countries. At the same time, setting up specialised funds using some of the revenue from customs duties to support the defence sector and critical infrastructure could provide a sustainable way of financing the state's security needs.

However, the factors hindering the implementation of this approach should be taken into account. These include an unstable security situation in border regions, which complicates the physical functioning of customs offices, as well as a high level of corruption

risks in the customs sphere. Other factors include insufficient human and technical resources in post-war conditions, and the fragmentation of the legislative framework for national customs policy with regard to the integration of security functions.

These barriers can only be removed through a comprehensive approach that includes ending the active phase of hostilities, strengthening the anti-corruption infrastructure of the customs service, and adapting the regulatory framework to the needs of post-war reconstruction and integration into the European security space. Only then can customs payments become a fully-fledged tool for ensuring Ukraine's economic and national security in the medium and long term.

## 6. Conclusions

Under martial law, Ukraine's national security depends not only on defence capability and territorial integrity, but also on the effective functioning of state institutions, including the customs system. During this extremely challenging period, customs payments are serving as a fiscal instrument to replenish the budget and as an effective mechanism to bolster the state's economic and border security.

In the context of ongoing warfare, the customs system is taking on a new security function. This involves controlling the movement of strategically important goods, identifying potential threats at the border, ensuring the legal circulation of goods and preventing the financing of the aggressor through smuggling or abuse of import regimes. Therefore, customs policy in wartime forms part of a systematic response to threats to national security.

The following measures can ensure positive dynamics: the technical modernisation of customs offices; the digitisation of procedures; the automation of risk management; the introduction of transparent

administration mechanisms; and the use of part of customs revenues for defence needs. It is also important to integrate Ukraine's customs system into the European security and customs architecture by exchanging information, participating in joint control programmes and unifying standards for controlling the movement of goods.

For the customs sector to function effectively in wartime, the following conditions must be met: an end to active hostilities, stabilised logistics chains, an updated legislative framework, trained new personnel and investment in digital solutions. It is equally important to ensure a high level of integrity and professionalism among customs officials, who play a key role in economic security every day.

During the post-war period, customs policy should be central to rebuilding the national economy, particularly with regard to strategic import control and supporting domestic production. Customs payments should be used to finance targeted security and recovery initiatives, such as defence infrastructure, border control, cyber defence and the protection of critical facilities.

Therefore, during wartime, the customs system evolves from a tax collection tool into a vital component of national security. Strengthening, digitising and fostering international co-operation within the system are not only conditions for the country's survival during wartime, but also the basis for sustainable post-war development. Customs payments can and should provide a stable source of funding for Ukraine's recovery, thereby strengthening the country's sovereignty.

A national security system based on customs is the key to building a country that is secure, competitive and modernised, and that is capable of withstanding contemporary challenges and establishing itself as an integral part of the European security community.

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