

Institutional and legal challenges of pension and social security systems for customs officers: a comparative study of Ukraine and the EU member states

Instytucjonalne oraz prawne wyzwania systemów emerytalnych i zabezpieczenia społecznego funkcjonariuszy celnych – analiza porównawcza Ukrainy i państw członkowskich UE

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Abstract: The article offers a comparative legal analysis of pension and social security regulation for customs officers in Ukraine and the EU Member States. The study aims to identify legislative gaps and opportunities for improving national law based on best European practices. The customs service is regarded as a distinct type of public service that entails a high level of social responsibility and professional risk, thereby justifying the need for special social guarantees. The study applies a comparative legal method, analysis of legal acts, court decisions, and academic sources. The results reveal significant differences in customs officers' pension systems and highlight the advantages of introducing a multi-level social security model based on the principles of actuarial balance, transparency, and fairness. The conclusion emphasises the need to reform the Ukrainian system by implementing elements of the European approach and ensuring a robust level of social protection for customs personnel.

Keywords: customs service, pension security, social guarantees, legal regulation, public service, European Union

Streszczenie: Artykuł jest poświęcony analizie porównawczej regulacji prawnych dotyczących zabezpieczenia emerytalnego i socjalnego funkcjonariuszy służby celnej na Ukrainie oraz w państwach członkowskich UE. Celem badania jest identyfikacja luk prawnych oraz możliwości doskonalenia krajowego ustawodawstwa z uwzględnieniem najlepszych praktyk europejskich. Autor ujmuje służbę celną jako odrębną formę służby publicznej, charakteryzującą się wysokim poziomem odpowiedzialności społecznej i zawodowego ryzyka, co uzasadnia potrzebę wprowadzenia specyficznych gwarancji socjalnych. W pracy zastosowano metodę prawnoporównawczą, analizę aktów normatywnych, orzecznictwa oraz literatury naukowej. Wyniki badań wskazują na istotne różnice w systemach emerytalnych celników oraz podkreślają zalety wdrożenia wielopoziomowego modelu zabezpieczenia społecznego opartego na zasadach równowagi aktuarialnej, przejrzystości i sprawiedliwości. W konkluzji podkreślono konieczność reformy ukraińskiego systemu poprzez implementację elementów podejścia europejskiego oraz zagwarantowanie odpowiedniego poziomu ochrony socjalnej pracowników służby celnej.

Słowa kluczowe: służba celna, zabezpieczenie emerytalne, gwarancje socjalne, regulacje prawne, służba publiczna, Unia Europejska

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Introduction

The regulation of pension and social security benefits for Ukraine's customs officials has become urgent amid public service reform, heightened security risks, and the country's commitment to European integration. The customs service, which combines supervisory, fiscal, and law-enforcement functions, requires social guarantees distinct from those of general state pension schemes.

Comparative experience extends beyond the EU. Military pension models illustrate solutions for high-risk services with early retirement, including hybrid DB/DC schemes, actuarial budgeting, and post-service support.¹ For Ukraine, these serve not as templates but as reference points, requiring adaptation to martial law, fiscal limits, and labour-market realities. Martial law has also produced specific pension-related distortions, particularly acute in the customs service. These include the mobilisation of serving officers, accelerated exits from service due to security risks and health deterioration, and the accumulation of fragmented insurance records that complicate pension eligibility. At the same time, wartime fiscal pressure has constrained the state's capacity to maintain special regimes, intensifying reliance on courts and "transitional" claims. These dynamics underscore the need to reassess pension guarantees not as static privileges, but as adaptive instruments of personnel resilience under emergency governance. Reform also depends on institutional capacity: as Z. Irani and colleagues show, outdated legacy systems constrain transformation and demand replacement rooted in the administrative context.²

Debates increasingly link pension architecture to inequality. In Denmark, expanding mandatory funded schemes reduces asset dispersion,³ yet automatic rises in retirement age distort actuarial fairness, as men from lower socio-economic groups subsidise those better off. For Ukraine, equity is vital, as customs officials often enter service early and face occupational risks; safeguards should include minimum service periods, hazard recognition, and transparent coefficients.⁴ Scandinavian practice illustrates how fiscal sustainability can be reconciled with welfare objectives;⁵

¹ O. Krasnokutskyi, *Comparative Analysis of Military Servant Pension Systems in India, the United States of America, and Great Britain*, Ukrainian Political-Legal Discourse 2025, no. 10.

² Z. Irani, R.M. Abril, V. Weerakkody, A. Omar, U. Sivarajah, *The Impact of Legacy Systems on Digital Transformation in European Public Administration: Lessons Learned from a Multi-Case Analysis*, Government Information Quarterly 2023, vol. 40, no. 1, 101784.

³ T.M. Andersen, J. Bhattacharya, A. Grodecka-Messi, K. Mann, *Pension Reform and Wealth Inequality: Theory and Evidence*, European Economic Review 2024, vol. 165, 104746.

⁴ J.-A. Alvarez, M. Kallestrup-Lamb, S. Kjærgaard, *Linking Retirement Age to Life...*

⁵ M. Berg, J. Olsson, *Managing Public Value Conflicts – Institutional Strategies and the Greening of Public Pension Funds*, Scandinavian Journal of Management 2023, vol. 39, no. 4, 101301.

non-European examples are used only as background on the mechanics of aligning the retirement age with benefit design, where similar debates are unfolding in parts of the EU.⁶

Beyond economics, retirement has psycho-emotional effects: Dutch studies reveal the impact of income on mental health, while collective pension models often ignore individual risk preferences, reducing welfare.⁷ Historical examples from Bulgaria and Czechoslovakia suggest that socialist reforms reduced inequality,⁸ while public awareness fosters acceptance of unpopular measures, such as raising the retirement age.⁹

Against this background, the study seeks to identify pension models suited to Ukraine's conditions. It applies cross-national analysis of high-risk public service sectors, doctrinal study of Ukrainian and EU law, and content analysis of literature on actuarial policy, equity, and digital transformation. Particular attention is given to selected EU Member States that represent distinct regulatory patterns relevant to customs personnel, including (i) a strong occupational pillar and actuarial governance (Denmark; the Netherlands), and (ii) mixed or service-specific arrangements in high-risk border contexts (Poland; Croatia; Slovakia as a reform precedent). These cases were chosen because they combine legal relevance for a high-risk public service with institutional comparability and the availability of recent doctrinal and policy evidence. The customs service may thus serve as a testing ground for innovative pension models, with broader implications for social justice and the resilience of Ukraine's civil service. Broader socio-economic studies on inequality and pension reform outside Europe are referenced selectively, and only to the extent that they illuminate legal design choices relevant to the European and Ukrainian customs context.

While the concept of a multi-level pension model is well established in contemporary legal and economic scholarship, its application to the customs service under conditions of martial law and accelerated European integration remains largely unexplored. This study contributes to the literature by contextualising this model within a high-risk public service environment, marked by institutional

⁶ Y. Deng, H. Fang, K. Hanewald, W. Shang, *Delay the Pension Age or Adjust the Pension Benefit? Implications for Labor Supply and Individual Welfare in China*, *Journal of Economic Behavior and Organization* 2023, vol. 212, 1192–1215.

⁷ A.A.G. Gosse, B.G.C. Dellaert, L. Swinkels, E.S.G. Van der Lecq, *Individual Pension Risk Preference Elicitation and Collective Asset Allocation with Heterogeneity*, *Journal of Banking & Finance* 2019, vol. 101, pp. 206–225.

⁸ S. Nikolić, F. Novokmet, P.P. Larysz, *Income Inequality in Eastern Europe: Bulgaria and Czechoslovakia in the Twentieth Century*, *Explorations in Economic History* 2024, vol. 94, 101594.

⁹ J. Schuetz, S. Uebelmesser, R. Baginski, C. Aprea, *Pension Reform Preferences in Germany: Does Information Matter?*, *European Journal of Political Economy* 2023, vol. 80, 102476.

fragmentation, transitional legal regimes, and heightened security demands. The novelty of the research thus lies not in abstract theorisation, but in the legally grounded synthesis of European standards with Ukraine's wartime administrative reality.

Methodology

The study employs a comparative legal method to examine how EU Member States structure pension and social security guarantees for customs personnel across distinct regulatory architectures (general, combined, and service-specific regimes). Doctrinal analysis is applied to Ukrainian pension and customs legislation, with attention to transitional provisions and administrative implementation. The case-law component focuses on representative Supreme Court judgments and relevant CJEU guidance to identify binding constraints (equality, proportionality, and non-discrimination) and their implications for national design. In addition, a targeted content analysis of recent academic and policy literature (2023–2025) is used to triangulate doctrinal findings with observed reform trajectories and institutional capacity limits.

The analysis tests three hypotheses.

(H1) The removal of special pension arrangements without an equivalent functional substitute produces legal uncertainty and increases litigation in high-risk public services.

(H2) EU approaches to customs personnel, while diverse in form, share enforceable legal constraints grounded in equality, proportionality, and transparency.

(H3) For Ukraine, a multi-level model can reconcile EU standards with wartime governance only if special guarantees are framed as proportionate service-related instruments rather than status-based privileges.

1. Theoretical and legal foundations of pension and social security in public service

In public service, pension and social security provision is not only compensatory but also a tool for stabilising staff, preserving institutional memory, and reinforcing loyalty. In high-risk sectors such as the military or customs, extended guarantees are especially significant. In the United States and the United Kingdom, military-type pensions rely

on defined benefits, indexation, and reintegration support.¹⁰ For Ukraine, the crucial issue is post-service adaptation: customs officers often face burnout, and the absence of retraining and post-service support contributes to retention pressure and earlier exits from service.

Ukrainian legal doctrine views civil servants' protection as a multi-level system (Table 1)¹¹ that combines normative acts, responsible institutions, officials' legal awareness, legal responsibility, and post-service support.

Table 1. Structure of Social Protection of Civil Servants in Ukrainian Legal Doctrine

Element of the system	Content and significance
Normative framework	Laws and acts establishing guarantees and procedures
Public authorities	Institutions administering and supervising provision
Legal consciousness	Awareness of rights and duties shaping practical effect
Legal responsibility	Punitive, preventive and incentive functions
Post-service support	Reintegration and retraining mechanisms

A principal weakness of Ukraine's system is the fragmented and conflicting nature of its legal framework, which undermines rights and increases risks. As Shapovalova notes, only effective leadership can turn statutory guarantees into tangible benefits.¹² For customs officials, leadership consistency determines both staff trust and young specialists' willingness to remain.

As Vlada Shkoda argues, the protection of customs officials is a distinct legal form that combines social, labour, administrative, and customs law and operates through both general and special guarantees. It aims to ensure the constitutional right to protection by coherent institutions and principles.¹³ In Ukraine, however, the priority lies not in expanding guarantees but in coordinating them; without this, they risk remaining declarative.

Ukraine's pension system rests on three pillars: solidarity, mandatory funded, and private insurance, governed by principles of universality, solidarity, insurance record,

¹⁰ O. Krasnokutskyi, *Comparative Analysis...*

¹¹ K. Shapovalova, *Mechanism for Implementation of Social Rights of Civil Servants*, *Juris Europensis Scientia* 2024, no. 4, pp. 37–43.

¹² *Ibidem*.

¹³ V. Shkoda, *Legal Regulation of Social Protection of Customs Officers*, PhD thesis manuscript (in Ukrainian), Speciality 081 Law, Kyiv 2023.

state guarantees, and unified amendment procedures.¹⁴ In the customs service, the challenge is reconciling general norms with special guarantees while ensuring consistency with systemic principles. Labour-market shifts and technological change also increase the risk of early retirement.

As Casas and Roman note, automation in some EU professions drives early exit, creating tensions between higher retirement ages and labour exclusion.¹⁵ In Ukraine, this challenge is compounded by war: some officials retire early due to mobilisation, reinforcing the case for maintaining special pensions.

The stability of pension systems depends on younger generations' trust. Rompa and Beetsma argue that voluntary participation requires precise regulation and a long-term strategy.¹⁶ For Ukraine, where many young customs officials see service as temporary, predictable benefits are essential to reduce turnover.

Motivation in the public sector depends not only on pay but also on leadership, job content, and workplace quality, all of which affect efficiency and the predictability of pension obligations.¹⁷ Private pension provision is expanding: by 2025, over fifty funds will serve nearly 900,000 individuals with income exceeding 5.5 billion UAH, with returns above inflation.¹⁸ Thus, the system still seeks balance between solidarity and funded models, universality and specialisation, and public and private sectors.

For customs, as a high-risk branch, guarantees must align with EU standards. Modernisation should combine updated legislation with post-service support, actuarial adjustments for specialised groups, and incentives for private fund participation. Such steps would balance state and official interests while meeting EU, OECD, and SIGMA benchmarks.

The following section examines the evolution of Ukraine's legal framework, its challenges, and case law shaping pension provision for public service today.

¹⁴ Zakon Ukraïny "Pro zagal'noobov'yazkove derzhavne pensiïne strakhuvannya" [Law of Ukraine "On Compulsory State Pension Insurance"], Vidomosti Verkhovnoi Rady Ukraïny (VVR) 2003, no. 49–51, Article 376, preamble, Articles 1, 7, 9–10, <https://zakon.rada.gov.ua/laws/show/1058-15#Text> [access: 8.09.2025].

¹⁵ P. Casas, R. Concepción, *Early Retired or Automated? Evidence from the Survey of Health, Ageing and Retirement in Europe*, *The Journal of the Economics of Ageing* 2023, vol. 24, 100443.

¹⁶ W. Romp, R. Beetsma, *Sustainability of Pension Systems with Voluntary Participation*, *Insurance: Mathematics and Economics* 2020, vol. 93, pp. 125–140.

¹⁷ A. Ciobanu, A. Androniceanu, *Civil Servants Motivation and Work Performance in Romanian Public Institutions*, *Procedia: Economics and Finance* 2015, vol. 30, pp. 164–174, esp. 166–169, 171–173.

¹⁸ V. Volokita, *V Ukraïni pratsyuyut' 50 nederzhavnykh pensiïnykh fondiv: uspishno obhanyayut' in-flyatsiyu i deval'vatsiyu*, *Ekonomichna pravda*, 4.09.2025, <https://epravda.com.ua/finances/naskilki-uspishno-v-ukrajini-pracyuyut-nederzhavni-pensiyni-fondii-811222> [access: 8.09.2025].

2. The Ukrainian legal framework: evolution, challenges, and case law

2.1. Systemic transformation of pension legislation

Amid demographic ageing, fiscal pressures on the Pension Fund and geopolitical strain, Ukraine's pension system is undergoing structural reform. Rusin and Solonko argue that social justice and stability require a shift to a mandatory funded model.¹⁹ A turning point came on 1 May 2016, when special pensions for civil servants were abolished, and new pensions became subject to the *Law on Mandatory State Pension Insurance*.²⁰ For those with twenty years of service, transitional provisions created legal tension. The uniform approach has proved inadequate for high-risk services such as customs, which combine public and law-enforcement functions.

2.2. Gaps and imbalances in the legal regulation of the customs service

As Cherkunov notes, guarantees for customs officials remain fragmented, with no coherent rules on healthcare, housing, bonuses or pensions.²¹ The framework rests on the Constitution, the Labour Code, the Customs Code, and general laws, yet lacks coordination. Scholars, therefore, call for a dedicated *Law on Service in the Customs Authorities* to consolidate guarantees.²²

2.3. Case law as an indicator of legal problems

Regulatory gaps in the pension framework for customs officials have generated extensive litigation, revealing systemic inconsistencies and unequal treatment. The abolition of special service pensions without a coherent transitional mechanism has

¹⁹ V. Rusin, Y. Solonko, *Stratehichni oriientyry reformuvannia derzhavnogo pensinoho strakhuvannia v Ukraini*, Aktualni pytannia finansovoi nauky ta praktyky: zbirnyk naukovykh prats kafedry finansiv im. S. I. Yuriiia Zakhidnoukrainskoho natsionalnoho universytetu 2024, no. 1, pp. 141–144, <https://dspace.wunu.edu.ua/handle/316497/51895> [access: 8.09.2025].

²⁰ Zakon Ukraïny "Pro derzhavnu sluzhbu" [Law of Ukraine "On Civil Service"], no. 889-VIII, 10.12.2015, VVR 2016, no. 4, Article 43, <https://zakon.rada.gov.ua/laws/show/889-19#Text> [access: 8.09.2025].

²¹ O. Cherkunov, *The Legal Foundations of Social Security for Customs Officials: Issues and Perspectives*, *Analitychno-porivnialne pravoznavstvo* 2025, no. 1, pp. 547–551.

²² I. Kozub, D. Bilenets, L. Fakas, *Labour and Social Guarantees for Customs Officers: Legal Analysis of Ukrainian Legislation*, *Analitychno-porivnialne pravoznavstvo* 2025, vol. 1, no. 3, pp. 502–508.

led to disputes concerning “acquired” and “transitional” rights of former customs officers. A central legal conflict arises between Article 588 of the Customs Code, which explicitly classifies the customs service as a civil service for pension purposes, and the restrictive interpretation adopted by pension authorities under post-2016 legislation.²³ Recent administrative case law demonstrates a persistent pattern of the Pension Fund’s refusal to recognise periods of service with customs authorities as civil service tenure, despite the continued validity of Article 37 of the former Law on Civil Service and the transitional clauses of Law No. 889-VIII. Courts at the first-instance level have consistently held that service in customs bodies, including periods during which special or personal ranks were conferred, must be included in civil service length of service, directly invoking the Customs Code and pre-2016 rules on calculating civil service tenure. In doing so, the judiciary has effectively compensated for regulatory fragmentation, albeit at the cost of increased tension with the principle of separation of powers.²⁴

In resolving these disputes, courts have relied on legal positions developed by the Supreme Court, which acknowledged customs service as a form of public (civil) service for pension purposes. While this judicial approach restores individual rights, it also illustrates a structural tension between judicial interpretation and legislative inaction, raising concerns regarding legal certainty and the proper allocation of normative authority.

At the same time, inconsistencies between lower courts and the Pension Fund continue to undermine predictability. The Fund formally recognises customs service within the general pension system,²⁵ yet denies any entitlement to special pensions. Case law thus mitigates the immediate effects of regulatory gaps but postpones comprehensive reform. A critical assessment of Ukraine’s approach, therefore, requires reference to EU standards, particularly the principles of equality and proportionality.

²³ O. Cherkunov, *Legal Framework of Pension Provision for Officials of the Customs Authorities of Ukraine: Problems and Review of Judicial Practice*, *Pravova pozytsiia* 2025, no. 1 (46), pp. 46–51.

²⁴ Yedynyi derzhavnyi reyestr sudovykh rishen’ [Unified State Register of Court Decisions], no. 140/34640/23, 2.02.2024, <https://reyestr.court.gov.ua/Review/116735322> [access: 8.09.2025]; Yedynyi derzhavnyi reyestr sudovykh rishen’ [Unified State Register of Court Decisions], no. 240/7909/24, 7.08.2024, <https://reyestr.court.gov.ua/Review/120867713> [access: 8.09.2025]; Yedynyi derzhavnyi reyestr sudovykh rishen’ [Unified State Register of Court Decisions], no. 300/7926/24, 24.12.2024, <https://reyestr.court.gov.ua/Review/124021168> [access: 8.09.2025]; Yedynyi derzhavnyi reyestr sudovykh rishen’ [Unified State Register of Court Decisions], 120/2086/24, 26.09.2024, <https://reyestr.court.gov.ua/Review/121901436> [access: 8.09.2025].

²⁵ Pensiynyi fond Ukraïny [Pension Fund of Ukraine], *Lyst-vidpovid’ shchodo pensiïnoho zabezpechen-nya posadovykh osib mytnykh orhaniv*, no. 22644-24507/Ch-03/8-2800/25, 10.06.2025.

2.4. The European dimension: obligations and precedents

The CJEU has underlined that pension schemes for officials with special status must respect equality and non-discrimination. In *Oberzolldirektion (C-70/24)*, C-69/24 and C-68/24, it held that exceptions must be justified, proportionate and non-discriminatory.²⁶ For Ukraine, alignment with these principles is essential, yet martial law and a personnel crisis demand adaptation rather than literal transposition. Hybrid solutions are needed to reconcile EU principles with wartime realities.

2.5. Social justice and political responsibility

Privileged groups undermine the legitimacy of Ukraine's pension system. In 2025, the Pension Fund paid about 35 billion UAH in court-ordered special pensions.²⁷ Some special and court-adjusted benefits may reach six-figure monthly amounts, while the majority of old-age pensions remain at a markedly lower level.²⁸ This disparity gives social justice a political as well as legal dimension, directly affecting customs officials. Beyond pensions, the gap between statutory guarantees and provision in healthcare and housing erodes trust in public service.

Legitimacy also depends on perceived integrity. In Ukraine, the customs service remains a contested institution in public discourse, and this reputational context can directly condition political support for any service-specific social guarantees. Even where business-facing assessments indicate incremental improvements, public scepticism may persist, lowering the social acceptability of tailored pension arrangements. For this reason, any reform package should couple service-related guarantees with transparency safeguards – such as published eligibility criteria, clear anti-conflict

²⁶ The judgement of the Court of Justice (CJEU) of 1 August 2025, C-70/24, <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A62024CJ0070> [access: 8.09.2025]; the judgement of the Court of Justice of 1 August 2025, C-69/24, <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:62024CJ0069> [access: 8.09.2025]; the judgement of the Court of Justice of 1 August 2025, C-68/24, <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:62024CJ0068> [access: 8.09.2025].

²⁷ *Spetspensionery vidudyly u PF 35 milyardiv pidvyshchenykh pensii*, – *Hetmantsev*, Argument, 12.12.2025, <https://argumentua.com/novini/spetspensioneri-vidsudili-u-pf-35-milyardiv-pidvishchenikh-pensii-getmantsev> [access: 8.09.2025].

²⁸ V. Kasiyan, “*Tsyfry shokuyut.*” *Hetmantsev oprylyudnyv dani pro naibil'shi pensii v Ukraïni*, LIGA.net, 10.07.2025, <https://finance.liga.net/amp/pension/novosti/tsyfry-shokiruyut-getmantsev-obnarodoval-dannye-o-samyh-bolshih-pensiyah-v-ukraine> [access: 8.09.2025].

rules, and regular disclosure of court-driven expenditures – so that proportional protection for high-risk duties is not misread as a return to status-based privilege.²⁹

2.6. Special guarantees in practice: healthcare and housing

Although the Customs Code recognises officers as civil servants, their guarantees remain largely declaratory. The National Health Service confirmed the absence of a special regime of annual check-ups,³⁰ and housing programmes exist only on paper. This contrasts with EU practice, where special regimes for high-risk services have historical and institutional foundations. Without similar mechanisms, Ukraine's customs service risks both deterring young entrants and losing experienced staff.

3. Comparative legal approaches to pension and social security in EU customs administrations

European social security systems, including those governing customs administration, have often evolved in response to legal, fiscal, and security-related crises. In interwar Belgium, for instance, protection schemes for war veterans and disabled civilians created a compensatory model that also entrenched inequality, as Marisa De Picker observes.³¹ Such experience helps explain the rationale for special pension regimes in public service, including customs, where guarantees reflect the distinctive status of the service.

Contemporary studies highlight further challenges: in France, transparency in pension accounting,³² in Hungary, sustainability only until the 2030s without reform.³³ For Ukraine, the lesson is to reflect the true cost of guarantees in the budget,

²⁹ Yevropeiska Biznes Asotsiatsiia, *Mytnyi indeks: otsinka sytuatsii v mytnii sferi u 2024 rotsi*, April 2025, https://eba.com.ua/wp-content/uploads/2025/04/mytnyj_indeks_2024.pdf [access: 21.01.2026].

³⁰ Natsional'na sluzhba zdorov'ya Ukraïny [National Health Service of Ukraine], *Lyst-vidpovid' shcho-do medychnoho zabezpechennya posadovykh osib mytnykh orhaniv*, no. 24187/2-11-25, 6.06.2025.

³¹ M. De Picker, *Nation's Compensation for War Wounds and Work Incapacities: The Creation of a New Welfare System for Physically Disabled Veterans and Civilians of the First World War in Interwar Belgium, 1918–1928*, ALTER. European Journal of Disability Research 2019, no. 13, pp. 294–307.

³² P. Aubert, M. Pedrono, M. Tô, T. Tochev, *Chapitre 4. Retraites des fonctionnaires d'État: faut-il modifier la convention comptable?*, in: *Perspectives budgétaires*, Paris 2025, pp. 54–63.

³³ N.A. Pallai, *Nyugdíjbiztosítási rendszer Magyarországon a XXI. század elején*, Magyar Agrár- és Élettudományi Egyetem, Budai Campus, 2024.

avoiding the EU's own "structural deficit risk." Reforms can also prove disruptive: in Belgium, teachers' pensions for younger cohorts were cut by up to 30 per cent, undermining the profession's prestige.³⁴ By contrast, Dutch capitalised funds have become a key driver of national wealth.³⁵

Although the EU lacks direct competence, instruments such as the European Semester exert indirect pressure; even non-binding recommendations stimulate reform.³⁶ Definitions also matter: in Romania, as Straia Ilies shows, "civil servant" status rests on public authority rather than employment, with clear implications for rights.³⁷ Other proposals address demographic change: Jorge Bravo advocates automatic indexation of the retirement age.³⁸ Polish and Baltic scholars underscore the role of customs in sanctions enforcement, underscoring the need for adequate personnel and social policies.³⁹ Research adds further nuance: Schmauk shows that divorce heightens retirement insecurity in Germany,⁴⁰ while Dickson finds that the "lifetime premium" in the public sector reflects both earnings and job stability.⁴¹

The Member States referenced below are not presented as an exhaustive sample. They are selected to capture (a) legally distinct pension architectures (general, combined, or service-specific), (b) institutional proximity to customs as a high-risk border function, and (c) practical transferability of design features to Ukraine under fiscal and wartime constraints. This approach favours 'most-different' cases at the level of pension architecture, while preserving functional comparability in terms of service risk and administrative role.

³⁴ G. Marilaure, P.-G. Méon, D. Leemans, M. Crucifix, A. Cleve, M. Demeuse, *Note sur la réforme des pensions des professeurs d'universités belges*, Rapport interuniversitaire, UNIFRA, 2.06.2025, <https://orbi.umons.ac.be/bitstream/20.500.12907/52616/1/NOTE%20SUR%20LA%20REFORME%20DES%20PENSIONS.pdf> [access: 8.09.2025].

³⁵ S.J. Toussaint, A. de Vicq, M. Moatsos, T. van der Valk, *Wealth-income Ratios in a Small, Open Economy: The Netherlands, 1854–2019*, European Economic Review 2025, vol. 178, 105099.

³⁶ N. Heinonen, M. Koivusalo, I. Keskimäki, L.-K. Tynkkynen, *Is the EU Steering National Social and Health Policy Making? A Case-Study on Finland's National Reform*, Health Policy 2024, vol. 145, 105078.

³⁷ C.-O. Straia Ilies, *Contemporary Career Civil Servant Myths: The Romanian Case?*, Procedia: Economics and Finance 2014, vol. 15, pp. 506–513.

³⁸ J.M. Bravo, M. Ayuso, R. Holzmann, E. Palmer, *Intergenerational Actuarial Fairness When Longevity Increases: Amending the Retirement Age*, Insurance: Mathematics and Economics 2023, vol. 113, pp. 161–184.

³⁹ K.J. McNaughton, M. Łukowski, *How Frontline States Tackle Sanctions against Russia: Implementation and Enforcement Dynamics in Poland and the Baltics*, Journal of Economic Criminology 2025, vol. 8, 100130.

⁴⁰ S. Schmauk, *Pathways to Retirement in West Germany: Does Divorce Matter?*, Advances in Life Course Research 2024, vol. 60, 100595.

⁴¹ M. Dickson, F. Postel-Vinay, H. Turon, *The Lifetime Earnings Premium in the Public Sector: The View from Europe*, Labour Economics 2014, vol. 31, pp. 141–161.

Table 2. Comparative Models of Pension Provision for Customs Officials in Selected EU States

Model	Countries	Characteristics
Special Pension Law	Poland	Dedicated pension law for the Customs and Tax Service ⁴²
General System without Special Regime	Ireland, Belgium, Cyprus, Luxembourg, Estonia	Customs officers treated as ordinary civil servants ⁴³
Combined Model	Czechia, Bulgaria, Croatia, Romania	Blend of general and special frameworks ⁴⁴
Compensatory Mechanism	Lithuania, Latvia	No dedicated regime; supplementary payments for risk and complexity ⁴⁵

Ukraine cannot simply place customs officers within the general system. Under martial law and high turnover, a model with tailored guarantees, as in Poland or Croatia, is more realistic. Slovakia also provides a relevant precedent: since 2019, its customs officers have been classified as armed personnel and brought under the special regime for police and military personnel, with early retirement and supplementary guarantees.⁴⁶

Overall, Poland and Croatia, where general and special guarantees are combined in high-risk border contexts, appear most relevant for Ukraine. A hybrid model, consistent with EU principles of equality and proportionality, would allow the preservation of tailored guarantees while embedding European standards.

⁴² Ministerstwo Finansów i Gospodarki RP [Ministry of Finance and Economy of the Republic of Poland], Odpowiedź na wniosek o udostępnienie informacji publicznej, case no. BMI1.0123.3413.2025, 27.08.2025.

⁴³ Office of the Revenue Commissioners (Ireland), FOI Decision on Pension and Social Protection Regime for Customs Officers, FOI request CRMS: 2252/2025, 28.08.2025; Federal Public Service Finance (Belgium), General Administration of Customs and Excise, Official reply regarding the pension and social security regime for customs officers, correspondence with the author, August 2025; Ministry of Finance of the Republic of Cyprus, Customs Department, Official reply on pension and social security regime for customs officers, ref. no. 05.34.001, 2.09.2025, Nicosia.

⁴⁴ P. Hošek, Ing., Poradenské a informační centrum CS, Official reply to the author regarding the legal regulation of pension and social security provision for customs officers in the Czech Republic, 2025.

⁴⁵ Republic of Lithuania, Valstybinio socialinio draudimo įstatymas [Law on State Social Insurance] (Vilnius: Lietuvos Respublikos Seimas, 2025); Ministru kabineta noteikumi Nr. 361, Noteikumi par valsts institūciju amatpersonu un darbinieku darba samaksu un tās noteikšanas kārtību, kā arī par profesijām un specifiskajām jomām, kurām piemērojams tirgus koeficients, Latvijas Vēstnesis 121 (27.06.2022), as amended and in force from 15.05.2025, <https://likumi.lv/ta/id/333463> [access: 8.09.2025].

⁴⁶ Finančné riaditeľstvo Slovenskej republiky, Odpoveď na žiadosť o informácie, Bratislava, 8.09.2025, pp. 2–3.

4. Lessons learned, policy implications, and best practices for Ukraine

The reform of pension and social security provisions for customs officials must draw on international experience while remaining adapted to national conditions under martial law. The task is selective borrowing, not replication. Accordingly, non-European examples are employed solely as comparative benchmarks, while the normative assessment remains anchored in EU law and European administrative standards.

First, selected OECD jurisdictions, including the United States and the United Kingdom, demonstrate the value of accrual-based accounting for military pensions, offering transparency and complete evaluation still lacking in Ukraine's special pensions.⁴⁷

Secondly, multi-tiered models combining state provision with tax incentives, retraining, and post-service assistance are particularly relevant for high-risk services facing staff cuts and rotations.⁴⁸ Thirdly, J.G. de Araújo Júnior and D.V. de Lima show that patrimonial auditing weakens pension fund efficiency, while managerial oversight enhances resilience.⁴⁹ Ukraine should prioritise supervision focused on effectiveness and trust.

Fourthly, the Danish model, targeted PAYG plus universal occupational plans, helps reduce inequality and stabilise finances.⁵⁰

Fifthly, A. Ciobanu and A. Androniceanu highlight that leadership grounded in delegation, feedback, and fair evaluation motivates staff more than training or promotion alone.⁵¹ Thus, guarantees must be paired with managerial reform.

Sixthly, EU law coordinates rather than harmonises systems, ensuring non-discrimination and cooperation. For Ukraine, this implies a basic social package, pension portability, and support for mobile staff, potentially via independent advisers.⁵²

Seventh, German and Swiss practice shows that high wages deter early exit, while generous pensions and private savings accelerate it⁵³ – an insight for Ukraine's retention policy.

⁴⁷ O. Krasnokutskyi, *Comparative Analysis...*

⁴⁸ *Ibidem*.

⁴⁹ J.G. de Araújo Júnior, D. Vaz de Lima, *The Institutional Logic of the Courts of Auditors and the Social Security Situation of Civil Servants' Pension Funds*, *Journal of Public Administration* 2025, vol. 59, no. 1, pp. 1–23.

⁵⁰ T.M. Andersen, J. Bhattacharya, A. Grodecka-Messi, K. Mann, *Pension Reform and Wealth Inequality...*

⁵¹ A. Ciobanu, A. Androniceanu, *Civil Servants' Motivation...*

⁵² D. Pieters, P. Schoukens, *Improving the Social Security of Internationally Mobile Researchers*, *Procedia: Social and Behavioural Sciences* 2011, no. 13, pp. 50–52.

⁵³ U. Kuhn, M.M. Grabka, C. Suter, *Early Retirement as a Privilege for the Rich?*, *Advances in Life Course Research* 2021, vol. 47, 100392.

Finally, the Korean case illustrates that reform succeeds only with political learning, expert input, and committed “political entrepreneurs.”⁵⁴ For Ukraine, legitimacy requires fairness and transparency. Three benchmarks follow: transparent actuarial assessment, a multi-tiered package with retraining, and managerial reform. Without openness, stability, and trust, no model will endure.

Conclusions

Pension and social security provision for customs officials is not only compensation for service under risk but also a foundation of institutional stability, motivation, and state legitimacy. Ukraine must move from fragmented adjustments to coherent regulation grounded in actuarial methods and international standards.

In wartime, guarantees for customs officers carry special weight, as the service’s resilience directly affects the state’s capacity to retain human capital. Comparative practice from the EU, the United States, and the United Kingdom shows that sustainable systems rest on financial discipline, political will, expert input, and effective institutions. Reform cannot be reduced to formulas or retirement age, but requires a combination of funded schemes, targeted support, retraining, and responsible leadership.

In Ukraine’s administrative setting, these preconditions can be operationalised through concrete legal instruments: (i) the adoption of a consolidated framework act on service in the customs authorities that codifies social guarantees and links them to service-related risk; (ii) secondary legislation setting transparent eligibility criteria, accrual coefficients, and indexation rules consistent with proportionality and non-discrimination; (iii) an actuarial note and medium-term fiscal impact statement as a mandatory annex to any draft law expanding special guarantees; (iv) strengthened ex ante and ex post oversight through the Accounting Chamber and parliamentary committees, with published annual reporting by the Pension Fund on court-driven expenditures and “transitional” claims.

For Ukraine, a gradual multi-level model is most suitable: basic protection for all officials, funded plans for mid- and senior staff, and special guarantees for mobile

⁵⁴ K. Lee, K. Jung, *Exploring Institutional Reform of Korean Civil Service Pension: Advocacy Coalition Framework, Policy Knowledge and Social Innovation*, *Journal of Open Innovation: Technology, Market, and Complexity* 2018, vol. 4, no. 14.

categories and veterans. Such measures must be backed by institutions capable of fulfilling commitments.

By situating these recommendations within the legal and institutional constraints of wartime governance, this study offers a context-sensitive contribution to the broader European debate on pension sustainability in high-risk public services.

Ultimately, reform is a matter of trust, dependent on dialogue between the state, civil servants, and society, built on transparency and fairness. It is also part of European integration, requiring compliance with the principles of equality, proportionality, and social protection in EU and Council of Europe law. This approach will allow Ukraine to meet current challenges and embed its pension system within the wider European order.

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