



EOD Market in Ukraine: Opportunities Beyond Mine Clearance

Content



01

Not Just Mine Clearance

02

Key Drivers

03

Major Challenges

04

Structure and Demand
for EOD and Support
Services

05

Key Competitors

06

Entering the EOD Market

07

Funding: Needs
& Challenges

08

Funding: Solutions

09

Conclusion

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Introduction

Ukraine's humanitarian demining efforts are not just about clearing mines; they represent a multi-faceted industry driving significant economic and safety benefits. **With over 144,000 km² of contaminated land, demining is essential for reclaiming agricultural land, rebuilding infrastructure, and ensuring civilian safety.**

This brochure provides a comprehensive overview of the demining business in Ukraine, including:

- ◆ training;
- ◆ logistics;
- ◆ equipment import and manufacturing;
- ◆ financial services,
- ◆ IT development;
- ◆ technological surveying.

It could be helpful for investors, international organisations, mine action service providers, donors, embassy officials, demining equipment suppliers, demining training providers, and government officials.

This guide highlights the business opportunities and strategies for entering the Ukrainian Explosive Ordnance Disposal (EOD) Market.

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01/ Not Just Mine Clearance

Mine action is a comprehensive business that in addition to mine clearance also includes:

01

Training personnel, not only sappers but also technicians, mine action operational managers, environmental safety specialists, drone operators, informational system management staff, and much more;

03

Developing and testing innovative technologies and IT solutions;

02

Supplying and manufacturing EOD equipment, which refers to the equipment and tools used to locate, detect, dispose of, and provide protection during explosive disposal operations;

04

Digitally mapping contaminated areas and managing data;

05

Logistics;

07

Creating robust financial and consulting frameworks;

06

Hazardous waste management;

08

Developing eco-friendly and renewable EOD solutions to meet environmental issues and reduce the carbon footprint.



02/ Key Drivers



Persistent social and economic need, fuelling a rising demand for EOD products and services. Limited access to land and infrastructure inflicts colossal economic losses on businesses and investors;

Shortage of qualified personnel, driving a rising demand for EOD training;

Regulatory encouragement: legislation governing EOD in Ukraine is possibly the best regulated one at the national level worldwide;

Established global practice of humanitarian demining financing from international donors and the global community;

Technological innovations, spanning materials, manufacturing, and digital technologies, enhancing product and service efficiency;

Environmental issues: the need to address environmental concerns and reduce the carbon footprint is accelerating demand for eco-friendly and renewable EOD solutions.

03/ Major Challenges

- ◆ **Ineffective mechanisms linking financing to operational effectiveness.** The funding policies include conditions that are difficult to fulfil under wartime (and post-war) conditions. The policy of access to sites and objects requiring demining also leaves much to be desired;
- ◆ **Launch costs:** the substantial upfront costs of starting a business cause investors to be cautious and are a significant obstacle for small companies;
- ◆ **Infrastructure needs:** the requirement for significant infrastructure investments to accommodate EOD solutions within existing Ukrainian frameworks can act as a market constraint;
- ◆ **Policy fluctuations:** the unpredictability of government policies and regulatory changes can deter investment and slow down EOD market progress in Ukraine;
- ◆ **Market competition** (see Key Competitors);
- ◆ **Knowledge gaps:** lack of awareness and understanding of the peculiarities of the EOD business in Ukraine can lead to additional losses, as the potential benefits of these peculiarities may not be recognised in full.



04/ Structure and Demand for EOD and Support Services

The demand for EOD and support services in Ukraine is driven by the need to clear agricultural land and rebuild infrastructure.

CURRENT AND PROJECTED DEMAND:

Manual demining

in high demand for urban areas and complex terrain.

Mechanical demining

increasing demand in the agricultural and infrastructure sectors, projected to grow.

IT and technological solutions

especially AI-driven surveys and drones for mapping minefields, are necessary for implementing eco-friendly technologies.

Comprehensive sapper training

the growing demand for qualified sappers, mine action managers, technicians, IT specialists, and engineers is driving demand for these services.

Non-technical surveillance

as a separate service, e.g., to establish contamination for farmers seeking compensation.

Comprehensive sapper training

the growing demand for qualified sappers, mine action managers, technicians, IT specialists, and engineers is driving demand for these services.

Equipment and machinery supplies

the need for equipment and machinery is increasing proportionally with market growth.

Logistics

includes specific logistics services that cannot be provided by non-specialised operators.

05/ Key Competitors

50+ EOD operators

registered in Ukraine
as of 2024

However, not all of them are licensed to clear contaminated areas, and many are still in the early stages, focusing on training and non-technical surveys.

Currently, the main real competitors in the market include:

01

State mine action operators (State Emergency Service of Ukraine, National Police units, military units). Their competitive advantages lie in improved access to orders, better staffing, and access to budget funding;

03

"Black sappers". Their competitive advantages lie in lower prices, accessibility to farmers, and fewer formalities.

02

Large international corporations and organisations that have been operating in Ukraine since 2014 (Halo Trust, FSD, TetraTech). Their competitive advantages include long-term operations in Ukraine, established infrastructure, a well-trained workforce, and access to donor funding;

06/ Entering the EOD Market

The Ukrainian government has streamlined the process for entering the EOD market by reducing certification requirements. Certification is necessary for compliance with national safety standards.

- ◆ **Certification:**
companies must complete a rigorous process, including organisational requirements, documentation standards, proof of staff qualifications and equipment compliance.
- ◆ **Bureaucratic hurdles:**
while procedures have been simplified, companies may still face logistical and legal hurdles.
- ◆ **Lack of trained personnel:**
this problem mainly stems from insufficient educational capacities for training personnel.
- ◆ **Access to contracts:**
at present, access to actual tasks requires coordination with local authorities, donors, and participation in state procurements.
- ◆ **Access to funds:**
the challenge for cooperation between donor organisations and recipients of funding today lies in the lack of trust on the part of the former and non-compliance with funding rules on the part of the latter.



07/ Funding: Needs & Challenges

\$37 billion

This is the estimated cost required to clear all contaminated land in Ukraine.

Current funding comes from a mix of government allocations, international donations, and private sector investments.

\$3 billion

allocated in 2024 by the Ukrainian government, while international donors like USAID and the EU pledged additional funds.

Challenges facing donor funding:

01

Funding rules that are not adapted to present circumstances. Ukraine's situation is unique: demining is needed in a country with a fully functioning economy, established legal mine action regulations, and strict social and employment regulations;

02

Tough wartime economic conditions, uncertain operational prospects, political volatility, and the legacy of the clan economy of the 1990s and 2000s;

03

Perceived high danger and rampant corruption scares off donors' decision-makers.

08/ Funding: Solutions

EXAMPLE:

In the late 2000s, Ukrainian agricultural companies began to enter international stock exchanges. First, the largest agricultural holdings, followed by smaller agricultural companies, successfully listed their securities on the Warsaw, Frankfurt, and London stock exchanges.



This seemed impossible at the time: there had been negative experiences with the securities of Ukrainian companies, and their financial statements, ownership structures, proof of assets, and turnover did not meet the standards and rules for listing on international platforms.

YET:

10–20 Ukrainian companies are now listed on stock exchanges.

Nowadays, the participation of Ukrainian companies in global capital markets is a common occurrence.

SOLUTION:

This example shows that **the current situation with demining financing in Ukraine holds good prospects and, moreover, real resolution mechanisms.** Through dialogue and hard work, EOD companies in Ukraine can align their activities with the requirements of financing institutions, and the institutions themselves can adapt Ukrainian documentation to their needs.

09/ Conclusion

The EOD market in Ukraine is rapidly developing, presenting not only challenges but also **tremendous opportunities**. While some may choose to wait for a perfectly functioning market to emerge, those who are informed and proactive will **seize the niches in this sector and thrive**.

As we conclude, let us leave you with this thought: the need for mine clearance will not resolve itself over time. **Delaying action translates into lost opportunities – not just for businesses directly involved but for the entire Ukrainian economy**. In rebuilding Ukraine, engaging in the EOD sector is not only a responsibility; it's a **vital business opportunity**.



DLF attorneys-at-law



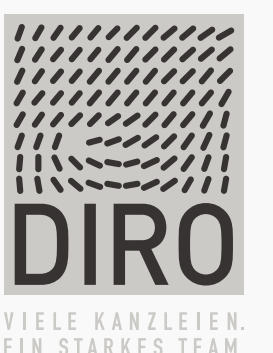
DLF attorneys-at-law combines a client-focused approach with the expertise of highly qualified lawyers experienced in areas such as:

- ◆ market entry;
- ◆ employment matters;
- ◆ corporate and tax law;
- ◆ intellectual property;
- ◆ litigation, etc.

Our team has successfully worked across diverse industries, including:

- ◆ IT;
- ◆ banking;
- ◆ agribusiness;
- ◆ renewable energy;
- ◆ the defence sector;
- ◆ public procurement.

Catering to the evolving needs of our clients, we are now placing a strong emphasis on EOD regulations in Ukraine.



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