

What to consider when doing business in Ukraine (webinar for foreign investors)

On 22 March 2023, DLF lawyers spoke at a webinar on doing business during martial law in Ukraine. The online event was organised by the Augsburg Chamber of Commerce and Industry (Germany, IHK Schwaben).

DLF lawyers Igor Dykunskey and Olga Ianushevych covered the current matters of customs clearance in Ukraine, currency regulation applicable to supplies to and from Ukraine, as well as the possibility for foreign companies to participate in public procurement.

Other speakers analysed current tenders in detail and shared their practical experience of doing business in Ukraine during the war.

In her report, Olga Ianushevych addressed the effective currency restrictions imposed by the National Bank of Ukraine, in particular, NBU Board Resolution No. 18 "On the operation of the banking system during the period of martial law" of 24 February 2022. She also analysed the latest changes to Ukrainian legislation on the establishment of temporary rules for determining the customs value of goods exported from the customs territory of Ukraine.

It is worth noting that Ukraine's financial system has now achieved a certain degree of stability. This has been made possible not only through regulatory restrictions, but also by the market and companies adapting to new circumstances, creating new production conditions, and developing new supply chains.

If a Ukrainian business partner has foreign currency in his/her bank accounts, he/she can carry out transactions for which the purchase of foreign currency is prohibited, but at the same time, transfers are allowed in accordance with cross-border restrictions.

Igor Dykunskey gave a detailed analysis of the possibilities for foreign companies to participate in tenders for the provision of services, works or goods for budgetary entities. He also covered the current deadlines for open bidding and the deadlines for appealing the results of tenders.

Foreign companies can participate in bidding under conditions of openness and transparency at all stages of procurement. When evaluating new opportunities linked to participation in public procurement in Ukraine, foreign companies should take into account that under the new rules, procurement announcements are published in Ukrainian only. Accordingly, the correct search for opportunities (announcements, etc.) should be carried out with proper translation.

The event participants had the opportunity to ask their questions in the chat and get them answered in the Q&A section of the webinar.