

## Legal aspects of investing in infrastructure construction in Ukraine (webinar)

On 28 May 2025, Iurii Dynys, counsel at DLF attorneys-at-law Ukraine, spoke at a webinar organised by the Italian Trade Agency (ITA) in Kyiv. The event was dedicated to the participation of international companies in the restoration of Ukraine's transport infrastructure.

Iurii provided practical legal advice for companies planning to enter the Ukrainian infrastructure design and construction market. His 'Practical Legal Guide for Ukraine: How to Attract Financing, Implement Projects and Make a Profit in Times of Uncertainty' was built around real challenges and their solutions.

There were about 170 participants, representing Italian engineering, construction and consulting companies. The participants showed considerable interest in developing projects in Ukraine. Iurii Dynys focused not only on the formal side of entering the Ukrainian market, but also on legal strategies to minimise risks and achieve sustainable success.

The main topics of the presentation included:

- choosing the optimal legal form for operating in Ukraine: a subsidiary, representative office or consortium;
- rules for participation in public procurement and nuances of their regulation;
- compliance with technical and professional requirements for design and engineering services;
- possibilities for cooperation with Ukrainian certified specialists;
- tax risks, currency restrictions and dispute resolution.

One of the key messages of the presentation was that the legal form of a foreign company's presence in Ukraine should be informed by its business activities. For instance, a subsidiary is the best option for construction companies planning a large-scale presence in the business.

A representative office, in turn, is better suited for consulting companies that are only testing the market.

Forming a consortium with Ukrainian partners allows companies to promptly enter public tenders using their existing licences and certified personnel.

In the context of financing, Iurii Dynys noted the active participation of international financial institutions in supporting infrastructure projects in Ukraine.

Public procurement financed by state and local authorities also opens up opportunities for foreign companies. To increase the chances of successful participation in such procurement, he advised forming consortia with Ukrainian contractors. This approach simplifies market access and increases customer confidence.

When discussing public procurement, Iurii Dynys emphasised that price is far from the only criterion for winning a tender. Successful bids must meet technical specifications, include a complete set of supporting documents, and demonstrate an adequate level of professional and organisational capacity.

That is why Iurii advised foreign companies to carefully analyse the terms of tenders.

Requests for clarification and, in the event of discriminatory requirements, appeals are important tools for protecting the interests of participating companies.

Special attention was paid to engineering services as an area where legal aspects, personnel requirements and the format of cooperation with Ukrainian specialists are particularly important. Design, technical supervision, project auditing, coordination and contract management all require the involvement of certified specialists.

For foreign companies that do not have the necessary personnel with Ukrainian licences, the quickest and most effective solution is to cooperate with local partners through a consortium. This allows them to avoid delays and legal barriers while maintaining both the quality of services and control over the project.

Iurii also outlined three practical approaches for foreign engineering companies to participate in projects in Ukraine:

- hiring certified Ukrainian specialists;
- participating through a consortium with local companies;
- contracting Ukrainian engineers.

All three not only simplify compliance with legal requirements but also allow for maximum adaptation to the local market.

Related article: [Engineering by foreign companies in Ukraine](#)

One of the most pressing issues for potential investors is the protection of the generated income. Yuriy Dynys outlined two main challenges faced by foreign companies in Ukraine:

- currency restrictions: the National Bank of Ukraine has introduced a number of restrictions on the transfer of funds abroad. This means that companies must plan their financial flows in advance and structure their transactions in such a way as to avoid falling under unfavourable regulatory regimes;
- tax changes: tax legislation in Ukraine is constantly changing. Models that were effective last year may now be subject to different tax rates, require additional reporting or be restricted due to currency regulation.

The speaker advised following two strategies:

- Constant monitoring of the regulatory environment – this allows for early detection of changes and adjustments to the company's structure or contracts.
- Regular analysis of the tax burden – before starting operations or withdrawing profits, companies should have a clear understanding of the applicable taxation,

restrictions on currency transactions and the availability of relevant documentation.

Iurii emphasised that the chosen structure should be not only effective but also adaptable to change. For instance, a model that is ideal for an architectural firm may prove ineffective or risky for a construction consortium. It is flexibility and rapid adaptation to change that distinguish successful players in the Ukrainian market.

The next important part of the presentation was dispute resolution. Even with the best preparation and compliance with all requirements, conflicts can arise. They are not a disaster – the key is to deal with them correctly.

Iurii shared a practical triad of approaches to dispute resolution in Ukraine:

- Mediation – negotiations, mediation and alternative dispute resolution are often the fastest and cheapest way to achieve results without going to court.
- Arbitration – for international disputes, it is advisable to include arbitration clauses in contracts.
- Litigation – even with a strong legal standing, companies can lose a case if they do not have a solid evidence base. Iurii cited examples where missing documents, contradictory reports or poorly documented communication led to lost cases, even though the party was ultimately in the right.

In conclusion, it is essential not only to structure the business correctly, but also to constantly ensure that all documentation is in order: reports, correspondence, work completion certificates, decisions of governing bodies. All of this can prove crucial in the event of a dispute.

Concluding his presentation, Iurii Dynys offered some practical advice:

- Start with the right structure. The chosen form of legal presence should take into account local regulatory features, staffing requirements and access to public procurement.
- Ensure clear compliance with legislation. This applies not only to licences, certificates and permits, but also to compliance with tax, customs and currency requirements.
- Work with local partners. This streamlines market access, ensures effective adaptation, responsiveness and reputational trust in the eyes of public customers.
- Stay informed about tax rules and currency restrictions. Ongoing monitoring of changes, professional tax audits and the right cash flow strategy will help you avoid unpleasant surprises.
- Prepare for disputes in advance. Systematic documentation, backup strategies and a sound risk assessment will enable you to successfully defend your interests.

Iurii emphasised that although the Ukrainian market for infrastructure projects is complex, a unique window of opportunity is opening up right now.

'I am grateful to ITA – Italian Trade Agency for the invitation,' he concluded, 'and I hope that this webinar will be a starting point for real infrastructure projects in

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Ukraine with the participation of Italian partners.'

