

Simplification of doing business in Ukraine

On 2 September 2024, the Law of Ukraine 'On Amendments to Certain Laws of Ukraine on Simplification of Conditions for Conducting Business Activities during the Period of Martial Law in Ukraine' (hereinafter – the "Law") came into force. The Law is intended to help businesses adapt to operating during the war, stimulate business activity and promote economic development.

The Law simplifies the conduct of business in Ukraine for business entities, which will be entitled to conduct certain types of business activities during the martial law period upon submitting a declaration on conducting certain business activities to the relevant licensing or permitting authorities and administrative service centres without obtaining the permits required by law.

Such declarations are equivalent in status to a permit, licence or other results of the provision of public (electronic public) services.

The declaration can be filed anywhere in the country, regardless of where the company is located or where the private entrepreneur resides.

The declaration will be valid for the period of martial law and until the end of the calendar year in which martial law is terminated or cancelled, but not less than 3 months from the date of its termination or cancellation. After that, the business entity shall apply for the relevant permits or licences to the licensing authorities. If such an application is made, the declaration will remain valid until the permit or licence is granted or refused.

Previously obtained permits and licences that are set to expire shall be automatically extended until the end of the calendar year in which martial law is terminated or cancelled, but for a period of not less than 3 months from the date of its termination or cancellation.

For the duration of the martial law, it is not necessary to renew previously obtained permits and licences, amend information in declarations, etc. even if the statutory deadlines for doing so have passed.

Scheduled inspections by licensing authorities to ensure compliance with licensing legislation are suspended for the period of martial law.

The Law also imposes an obligation on the Ukrainian government to determine the procedure for submitting a declaration, the information to be included in it, and the list of business activities that may not be carried out by business entities on the basis of a declaration. The latter must include activities that may result in:

- a threat to the national interests of Ukraine;
- negative impact on the functioning of Ukraine's critical infrastructure;
- disruption of normal living conditions of the population of Ukraine;
- negative impact on the environmental safety of Ukraine.