

Business Facilitation

On 5 April 2015, the Law «On Facilitation of Business (Deregulation)» came into force. This Law made a number of amendments to the legal acts of Ukraine with the purpose of deregulation of terms and conditions of doing business.

The amendments are intended to bring the Ukrainian legislation in the certain areas in line with the EU legislation, thus raising the expectations on improvement of Ukraine's position in the World Bank's Ease of Doing Business ranking.

Administrative Services

The Law has shortened terms for provision of administrative services during the state registration of legal entities and private entrepreneurs. It provides the possibility to submit documents either to the local officials or to the executive officers of the administrative services centres. The number of such administrative services centres is reported to be increased.

The mandatory publication of notification of the state registration, termination, change of name, location of the legal entity in a specialized printed media was cancelled. Instead, such notifications shall be published on the official website of the State Registration Service of Ukraine.

Agricultural lands

Changes affected also the agricultural area. The mechanisms for improvement of legal regulation of the leased land and stimulation of a rational use of agricultural land were envisaged by the Law. Thus, the amendments were made to the Law of Ukraine «On Land Lease» dated 06 October 1998 in relation to the transfer of the lease object and the form of rent.

As of now, the lease object under the agreement on lease of land is deemed to be transferred to the lessee from the moment of the state registration of the lease rights. Previously, the lease object transfer was made under the transfer and acceptance certificate under the terms and conditions specified in the lease agreement.

The minimum term of lease of the agricultural land plots for commercial agricultural production, farming or personal farming cannot be less than 7 years. Previously, the terms were agreed in the land lease agreements and could be lower.

The clear criteria in relation to the form of rent were specified. From now the rent can be paid only in a cash form. However, under the mutual agreement of the parties, the rent can be paid in a natural form, which shall be of a cash equivalent of products at the market price at the time of rent payment. The exceptions to the above are the lands in state or communal ownership where the rent shall be paid only in cash.

Other Issues

The Law terminated the requirement of mandatory state registration of commercial concession (franchising) agreements.

The prohibition of seizure of electronic information systems (or parts thereof) and mobile communication system terminals was imposed. Temporary seizure of electronic information systems and mobile communication system terminals is now only allowed if it is directly specified in the court ruling. The law enforcement authorities are now only allowed to copy information stored in the electronic information systems (or parts thereof).

A number of changes were made in the area of enforcement proceedings in relation to the procedure of collection of the enforcement duty and costs of the enforcement proceedings.

In addition, the procedure of refurbishment and redevelopment of residential premises was simplified; the requirement for obtaining the relevant permit for refurbishment and redevelopment was cancelled. The Law specifies the list of works which can be carried out without the authorizing documents. After completion of such works, no commissioning of the object is required.