



IMPROVING REGULATION BY ESTABLISHING PARTNERSHIP BETWEEN GOVERNMENT AND BUSINESS



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August - September 2018

BRDO INTELLIGENCE FACTS, OPINIONS, ANALYTICS



As part of the inspection reform, the Government approved new risk assessment criteria for tour operator activities and for the SESU. The relevant resolution developed by the Ministry of Economic Development and BRDO experts is a serious and important step towards the implementation of risk-oriented state control.



The BRDO team launched a free of charge Open Data API on the Inspection portal (<https://inspections.gov.ua>), where the information about 43,000 inspections of businesses and other organizations is now available. The service works to ensure maximum publicity: information on each violation will be available to consumers and counterparties through the services they use, and this will create incentives for businesses to play honestly and not to save on the health of consumers. Read more [here](#).



The Government approved the Action Plan for the implementation of the Self-Regulation Concept in Ukraine developed by the Ministry of Economic Development and Trade together with BRDO experts. Among other things, the Action Plan implies developing a new law on self-regulation designed to bring matters under control and provide a general framework for the implementation of self-regulation in selected markets. More information is available [here](#).



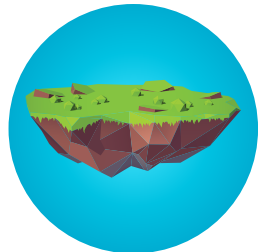
BRDO experts received an official clarification made by the State Statistics Service regarding the classification of economic activities in the cryptocurrency market in Ukraine. Earlier, BRDO received a clarification from the State Service of Special Communications that mining doesn't require to obtain a license. We will continue to work on eliminating legal uncertainty in the cryptocurrency market, creating clear rules of the game and transforming Ukraine into an advanced country. For more information, please see the [Green Paper "Cryptocurrency Market Regulation"](#) or click [here](#).



Kyivstar, one of the largest mobile operators in Ukraine, launched its own platform for mobile payments and money transfers - «SMART MONEY». This was achieved, including, due to the CMU Resolution approved last year that removed the barriers that hindered the development of the mobile payments market in Ukraine. The approval of the resolution was initiated by the BRDO Office in cooperation with market representatives. Read more [here](#).



The Committee on European Integration supported our draft law No.8124 that will make Ukraine more attractive for investors and improve our positions in the #DoingBusiness rating next year. We hope, this draft law will be considered at the session just as quickly.



After creating long-lasting obstruction and barriers, the Government has finally published the [resolution](#) on amendments to the Procedure for the State Land Cadastre developed by the BRDO Office. This document was developed as a result of massive refusals to register land plots, for example, just in 2016, the number of refusals amounted to 135 thousand! Of course, this had a negative impact on the investment climate in Ukraine. The resolution creates transparent, clear and convenient conditions to prepare and verify documents.



In Kyiv, BRDO presented the Rating of openness and quality of publishing of urban planning documentation in Ukraine. We are glad to congratulate Dnipropetrovsk, Ivano-Frankivsk and Zakarpattya regions on their leading positions as well as their citizens on the fact that from now on, each of them will be able to check whether a plant is built instead of a kindergarten near their houses, and how their native village or city is developed. Read more [here](#).



The Verkhovna Rada voted for the complete abolition of the Law "On State Regulation of Sugar Production and Sale". The abolished law contained rigid instruments of administrative influence on the sugar market: quotas and establishing minimum prices for sugar and sugar beet. The approval of the draft law No.4532 will allow to eliminate market deformation and strengthen market mechanisms. For example, it will reduce the excessive number of operators and dealers involved in sugar trading. [Details](#).



While having huge reserves of natural gas and oil, Ukraine is energy dependent. 81% of oil needs and 44% of gas needs are met through imports. At the same time, the market of hydrocarbon production is actually monopolized by several state-owned companies. According to BRDO, the sector of oil and gas subsoil access requires comprehensive changes, in particular:

- Equal and transparent conditions for subsoil access, in particular the implementation of electronic auctions for the sale of special permits for their use;
- Implementing the provisions of Directive 94/22/EU in Ukrainian legislation;
- Effective mechanisms to attract investments into the oil and gas industry, the market deconcentration and so on.

Read more [here](#).



On September 27, the BRDO Office held the first specialized Quality.Now.UA conference. The conference was focused on the quality of construction materials and the protection of consumers from dangerous products, as well as the implementation of provisions of the Regulation (EU) #305/2011 in accordance with the Association Agreement. Leading experts from Germany, Belgium, Bulgaria and Poland, who visited the first specialized Quality.Now.UA conference, also noted that the introduction of European rules would help move forward on resolving product quality issues. Read more [here](#).



Ukraine ranks 9th in the world in terms of milk production, which is more than a third of gross livestock production. In 2017, our country produced 10.3 million tons of milk, which is 2.5 times less than production volumes in France and 3 times less than in Germany. The situation is sad, but dairy industry has significant potential for development and productivity growth. This requires approving a number of legislative changes. The government, businesses and experts discussed them at the Roundtable "Milk Market Regulation". Read more [here](#).



In Ukraine, there are 40 different types of compulsory insurance defined on paper, but the vast majority of them are not applied in real life. The insurance market issues were discussed during the [Roundtable "Compulsory Insurance in Ukraine, ways to the effective system"](#).

IMPROVING REGULATION IN UKRAINE

Better Regulation Delivery Office (BRDO) established in 2015, is an advisory and delivery body on regulatory policy, supported by the EU under the FORBIZ project and within the framework of EU4Business Initiative. BRDO has become a key player in providing expertise on the SME regulatory reform issues aimed to ensure a level playing field for SMEs and delivering concrete regulatory results that has helped to stimulate economic growth. In close coordination with Ukrainian Government, BRDO has advised for abolishment of more than 720 illegal and outdated regulatory acts, as well as, stimulated the adoption of more than 35 regulations to improve business environment for SMEs.

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