



MOVING FORWARD  
TOGETHER


FORBIZ  
Creating better  
business environment



BRDO  
Better Regulation  
Delivery Office

# BETTER REGULATION DELIVERY OFFICE

3 YEARS OF  
CHANGES • REFORMS • VICTORIES



Better Regulation Delivery Office (BRDO) was established in November 2015 to promote better regulation and improve economic freedom in Ukraine (with a focus on SMEs).

For this purpose, we are implementing an inclusive and open process to optimize regulatory relations that will lead to mutual trust and partnership between the state and business.



## 3 YEARS OF ACTIVITY

**39**

comprehensive regulatory  
market analysis papers

**>1,000**

stakeholders engaged

**27 mln**

audience covered by media

**7,400**

media references

**3**

unique online products

**8**

better regulation packages  
adopted by the CMU

# PUBLIC DIALOGUE

**35**

roundtables

**>10 mln**

audience covered  
by media



PUBLIC DIALOGUE EVENTS WERE HELD  
IN **9** CITIES



# REGULATION.GOV.UA

## 39 COMPREHENSIVE REGULATORY MARKET ANALYSES WERE CONDUCTED AS PART OF THE PUBLIC DIALOGUE

### IT SECTOR:

- software development market
- market for mobile payments
- fixed broadband market
- e-learning market
- cryptocurrency market
- OTT video content market
- e-commerce market

### INFRASTRUCTURE SECTOR:

- market of cargo river transportation
- taxi market

### MARKET SURVEILLANCE AND CONTROL SECTOR:

- restricting access to markets
- self-regulation
- insurance market
- price regulation

### CONSTRUCTION SECTOR:

- urban planning documentation
- design market
- obtaining a land plot for new construction projects
- construction on territories of historical heritage sites
- ceramic tile market
- concrete market
- cement market
- market of construction metal structures
- internal engineering networks
- windows and doors market
- aviation safety requirements for new construction projects

### AGRICULTURE SECTOR:

- honey market
- milk market
- nuts market
- wood market
- grain market
- seed market
- sugar market
- market of production and circulation of organic products

### ENERGY SECTOR:

- energy efficiency market
- retail gas market
- municipal solid waste treatment market
- electricity production market
- oil and gas subsoil access
- market of electric vehicle charging stations
- retail electricity market

# START BUSINESS CHALLENGE

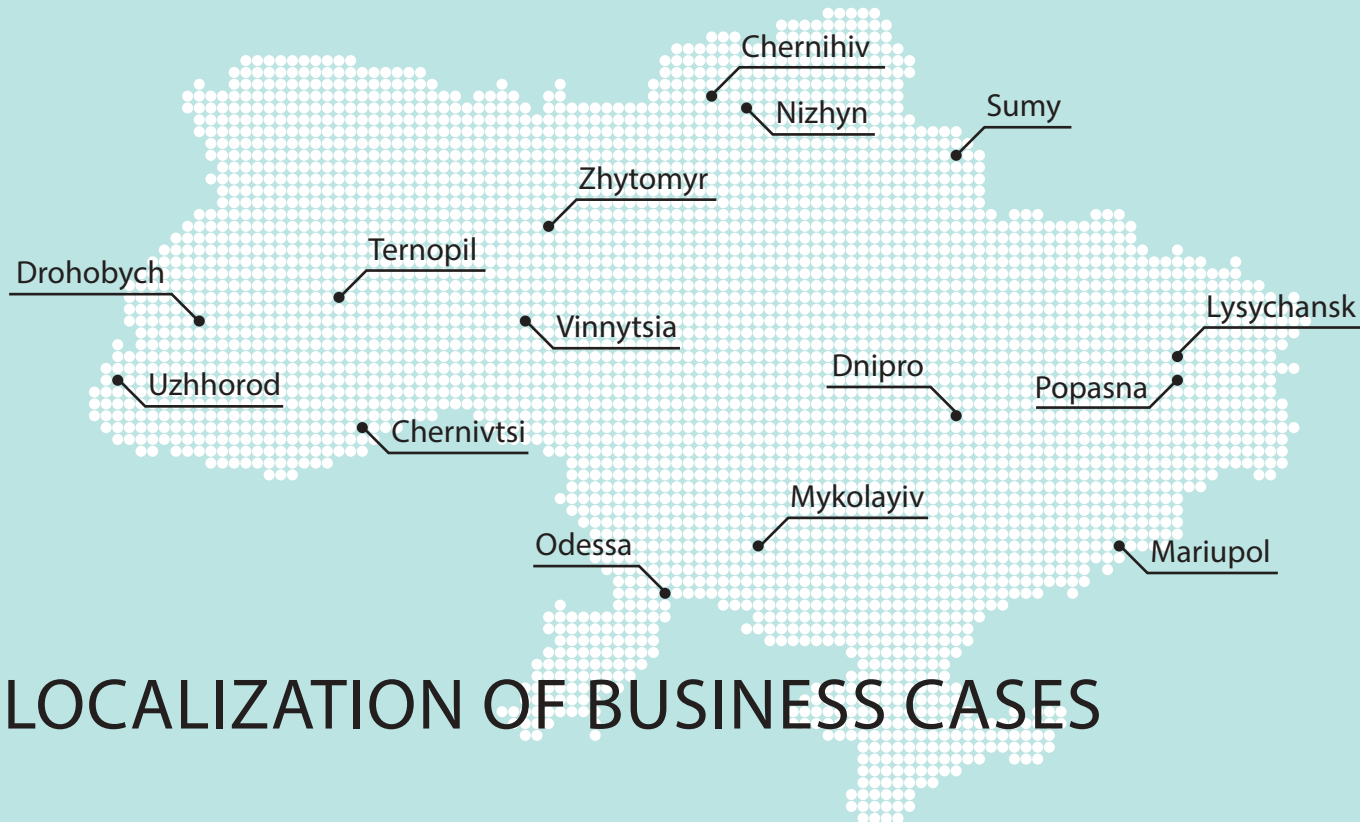
---

On September 20, 2017, BRDO presented a state information service that provides step-by-step manuals with detailed information on approvals & documents required for business registration

Starting from  
November 25, 2018,  
**100** types of business  
have online setting up  
instructions

In 2019, Maksym Bakhmatov will be a project ambassador helping Ukrainians to set up their own businesses



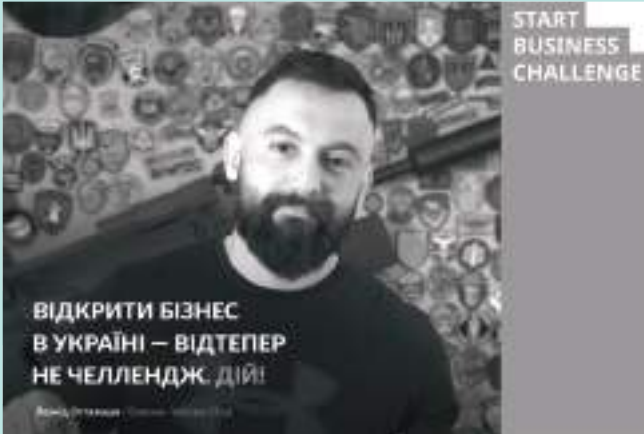
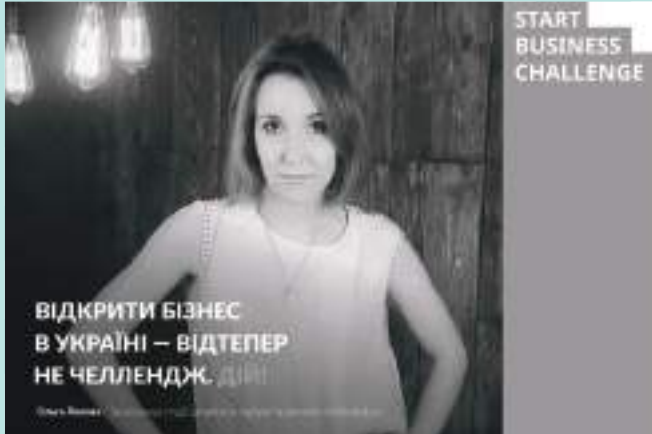


# LOCALIZATION OF BUSINESS CASES

# > 250 000

website visitors

# SBC.REGULATION.GOV.UA



# INSPECTION REFORM



The Law of Ukraine No.1726  
was adopted



**22** Government's Resolutions on  
new risk criteria were approved



The INSPECTIONS.GOV.UA module  
for planning state control measures  
was launched



A new risk assessment methodology  
and a new methodology for check-  
lists approval were adopted

---

## INSPECTIONS.GOV.UA

A plan of inspections on a  
single web resource

Inspection results are freely  
available online

Analytical module

**1.3 mln**  
website visitors

**>143 thousand**  
inspections for 2019 in the system

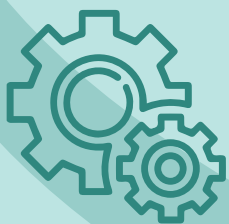
**90 thousand**  
inspection results in the system



# DOING BUSINESS



In 2018, the Resolution on the World Bank's Best Practices Implementation, developed by BRDO's experts and allowing Ukraine to gain **+4** positions in the rating, was approved.



The comprehensive draft law No.8124 that will have a significant impact on the investment attractiveness of Ukraine was developed by BRDO and registered in the Verkhovna Rada in 2018. It was preceded by a package of draft laws No.6540-6543 registered on 06/06/2017. The approval of these draft laws will allow Ukraine to improve its positions in the **top 40** in the world ranking and attract about **\$10 billion** investments.

## REGIONAL DOING BUSINESS

In 2017, BRDO together with the Union of Ukrainian Entrepreneurs (SUP) launched a Regional Doing Business project.

The project involves monitoring and analyzing the ease of doing business in the regions and providing recommendations to local authorities.

# DEREGULATION: DECISIONS FOR BUSINESS

In 2016-2018, BRDO experts together with relevant ministries developed **8** better regulation packages that improve business environment approved by the Government

The approval of these decisions allowed to:

— launch new markets

(mobile payments market, etc.)

== create new instruments for more transparent activities of government agencies

=== cancel **>1000** outdated and illegal acts

==== provide annual business savings in the amount of **>1 billion hryvnias**

# DEREGULATION: CASH REGISTERS



Introducing an alternative to cash registers (PCs, tablets, mobile devices).

*The CMU Resolution No.472 of 13/06/18 was adopted*



Simplifying a procedure for cash register registration in SFS agencies.

*Amendments to the Order of the Ministry of Finance No.577 of 14/06/16 were approved*



Simplifying maintenance and warranty repair procedures for cash registers.

*The CMU Resolution No.601 of 16/05/04 was amended*



Cancellation of the daily use of accounting books of settlement operations (abolishment of "gluing in sales receipts").

*The Order of the Ministry of Finance No.547 of 14/06/16 was amended*

# CONSTRUCTION SECTOR

## Institutional reforms were initiated



Reforming the system of technical regulation in construction  
*(Updated State Construction Norms and national standards)*



Reforming the rules for introduction of construction products to the market  
*(Implementation of provisions of the Regulation (EU) No 305/2011)*

## System regulatory changes were introduced

---

Authorization-based procedures for construction with deviations from State Construction Norms were optimized

---

Time limits of construction licenses were cancelled

---

Improved application of Eurocodes in design of CC3 class construction objects

---

The issues of free access to urban planning documentation and an optimized procedure of cadastral registrars' activity were resolved

---

A legal framework was prepared for the implementation of online "private cabinets" for developers in the "Transparent DABl" system was initiated





## Key achievements

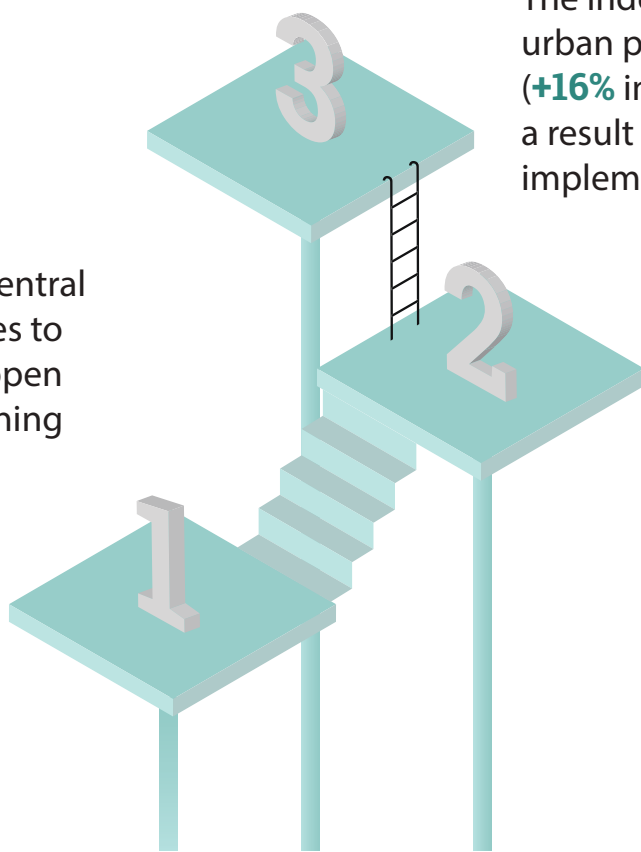
+40

positions for Ukraine in the Doing Business rating by the “Obtaining construction permits” component for 2015-2018



Public access to urban planning documentation was introduced

The obligation of central and local authorities to provide access to open data of urban planning documentation via geoinformational portals was established at the legislative level



The index of public disclosure of urban planning documentation (+16% in 2018) increased as a result of the PMAP project implementation

A unified PMAP.MINREGION.GOV.UA web resource was launched to publish urban planning documents

# IT SECTOR



In 2017, **2** main barriers to creating a new mobile payments market were cancelled. After that, **2** operators started launching new services



The compulsory registration of sanitary certificates for mobile base stations and construction declarations for those ones located on existing buildings was cancelled. This reduced the abuse of control authorities and led to business savings in the amount of **100 million hryvnias** per year



---

The rules and methods to access infrastructure facilities were adopted, and this gave impetus to the broadband access development in Ukraine



---

The employment of CIS citizens in Ukraine was simplified – from now on, they are not obliged to leave the territory of Ukraine due to bureaucratic procedures



---

A concept of state policy for virtual currencies (cryptocurrencies) was developed

# AGRICULTURE SECTOR

## Institutional reforms were implemented



The Ukrainian Organic Standard  
was created  
(*EU Regulation 834/2007*;  
*889/2008*; *1235/2008*)



The monopoly to conduct  
phytosanitary examination by  
state laboratories was cancelled  
(*EU Directive 2000/29*; *Regulation*  
*2016/2031*; *685/2017*)



**6 EU acts were  
implemented**

## Institutional reforms were initiated

### Forestry reform:

- electronic timber trade  
(*EU Regulation 995/2010*)
- a plan for support of forest  
management measures  
(*Presidential Decree 381/2017*)

### Beekeeping industry reform:

- a concept of industry reform  
was developed
- a procedure for registration  
of about **400 thousand**  
beekeepers was simplified
- honey quality requirements  
were prepared according to  
EU standards  
(*Directive 2001/110*)



# Simplifying doing business



The ban to mix different grain types was lifted. Economic effect for business – **2.7 billion hryvnias** of savings and **7%** increase in logistics efficiency

## #STARTBUSINESSCHALLENGE

>20 NEW BUSINESS START-UP MANUALS PREPARED

# Deregulation



Quotas and minimum prices for sugar and sugar beet were cancelled  
(*the Law of Ukraine No.2518*)



# ENERGY SECTOR

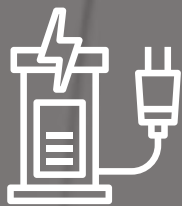
## ARTICLE 21 OF THE LAW OF UKRAINE "ON ELECTRICITY MARKET"

DEVELOPED BY BRDO'S EXPERTS SETS THE RULES  
FOR TRANSPARENT CONNECTION TO ELECTRICITY  
NETWORKS



The process of connection to electricity networks in accordance with the rules defined by the Law of Ukraine "On Electricity Market" and the Distribution System Code was unblocked, and this will eventually allow to transparently plan connection costs for businesses in advance

A Concept for development of the market of electric vehicle charging stations was developed



A Concept for development of the market of electric charging stations was developed



A package of regulatory changes regarding the following aspects was developed:

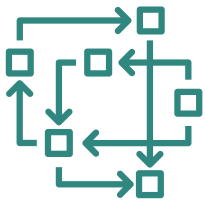
- the introduction of electronic procedures for conducting subsoil rights auctions;
- the transparency of initial pricing for special permits;
- the simplification of a procedure for holding tenders for special permits;
- the exclusion of the possibility of overlapping different subsoil access instruments: special permits and signing of production sharing agreements;
- the optimization of procedures of cooperation between the State Service of Geology and Subsoil and market participants and the digitization of geoinformation.

# MARKET SURVEILLANCE

## Creating efficient business rules:



**3** legal acts aimed at simplifying the business environment in special water use, geological examination and registration of settlement operations were adopted. The economic effect – **300 billion hryvnias** of savings for businesses



Methodological recommendations for the efficient selection of instruments and procedures aimed at reducing administrative pressure on business and competent state management were developed in **4** areas of state regulation:

- Methodology of the applicability of market access instruments.
- Model of “price control”.
- Methodology of the compulsory insurance applicability.
- Methodology of the applicability of instruments for access to shared limited resources.



## Creating the basis for more efficient regulatory decisions:

**46** regulatory impact assessments (RIA) were developed

**41** calculations of regulatory costs for small and micro businesses (SME-Test) were made

**15** training seminars for regulators were held

**27** legal acts were adopted by the Government and government authorities were adopted. **6** of them initiated a primary healthcare reform

## Results of state regulation methods Rolling Review:

### WE DEVELOPED:

**2** draft laws aimed at improving licensing procedures and reducing types of licensed business activities

**9** legal acts, which propose to cancel **313** acts and revise **8** acts regarding price regulation, cash registers, licensing, system of permits and others

A Concept of creating an efficient system for ensuring price stability

### THE GOVERNMENT APPROVED:

Amendments to the CMU Resolution No.1548 dated December 25, 1996 "On Establishment of Competences of Government Executive Bodies and Executive Bodies of City Councils Regarding Prices (Tariffs) Regulation", which cancelled price regulation in **8** areas. The economic effect of the adopted act for businesses is **6.5 million hryvnias** and for the state – **18.5 million hryvnias**

**10** acts, which cancelled **361** acts and proposed to revise **20** acts, in particular, in the following areas:

- licensing,
- licensing system
- labor protection (the State Labor Service's monopoly to define expert organizations was removed, and this simplifies technical inspection procedures for businesses),
- simplification of the procedure of employment/stay of foreigners in Ukraine and simplification of the procedure for setting up foreign organizations in Ukraine;
- cash registers(simplifying the procedure for using cash registers)

# INFRASTRUCTURE SECTOR



An analytical platform for monitoring the use of funds of the Road Fund was developed



The adoption of State Environmental Inspectorate's acts aimed at increasing the burden on businesses was blocked



A reform of the interregional bus transportation market was initiated  
*(the Government approved amendments to the Resolution No. 1081 developed jointly with BRDO experts)*



# EUROINTEGRATION

**14** draft legal acts European integration obligations compliance checks were prepared

A package of legal acts for the implementation of European integration obligations in agriculture (organic production, phytosanitary examination) was adopted

Instruments for additional consumer protection under timeshare contracts were developed  
*(implementation of the Directive 2008/122/EU)*

A Concept of improving the legislative decision procedure in European integration was developed

A new version of the draft law introducing provisions of the Regulation (EU) No 305/2011 was developed

BRDO experts participated in drafting the Law "On Principles of State Policy in European Integration"

Technical regulations on gaseous fuel devices and pressure mobile equipment, on limitation of the use of hazardous substances in electrical and electronic equipment and on implementation of European integration obligations developed by BRDO were adopted

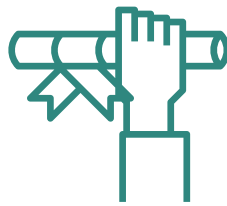
# EDUCATIONAL PROJECTS

---

## BRDO SCHOOL



**50+**  
workshops



**552**  
students



**4**  
training courses

- Legal drafting for rule making
- Data analysis in Excel
- State policy analysis
- Preparing impact forecasts



---

# TRAININGS FOR INSPECTION BODIES

**7** trainings on the inspection portal  
([inspections.gov.ua](https://inspections.gov.ua)) use for **250** inspections'  
representatives

**20** trainings on the development of new  
risk criteria and unified forms of inspection  
checklists for **130** inspectors



# SELF-REGULATION

A Concept on the Reform of Self-Regulation in Ukraine developed by BRDO jointly with the EBRD was adopted

A Plan of measures for implementation of the Concept on the Reform of Self-Regulation in Ukraine was adopted

## ANALYTICAL PRODUCTS AND INSTRUMENTS



Online instruments for government officials were created and launched: RIA and impact forecasts



2016-2017 SME Report prepared

# TEAM



Oleksiy **HONCHARUK**  
Head of BRDO



Denis **MALYUSKA**  
BRDO Deputy Head  
World Bank Group



Oleksii **DOROGAN**  
COO



Olena **SHULYAK**  
Construction Sector Head



Volodymyr **HOLOVATENKO**  
Market Surveillance Sector Head



Tetyana **KOVRYGA**  
Communication Sector Head



Oleksandr **KUBRAKOV**  
IT and Telecom Sector Head



Andriy **ZABLITSKY**  
Agriculture Sector Head



Ihor **LAVRYNENKO**  
Analytical Team Head



Oksana **KYRYCHENKO**  
Development & Partner Relations  
Manager




Oleksiy **ORZHEL**  
Energy Sector Head



Vladyslav **PRYTOMANOV**  
Acting Infrastructure Sector Head



Yana **HORYUNOVA**  
Software Development Manager



*The BRDO is a leading independent advisory institution for regulatory policy in Ukraine funded by the European Union as part of the FORBIZ project and the EU4Business Initiative.*

+38 (044) 332 49 12 | [office@brdo.com.ua](mailto:office@brdo.com.ua) | [www.brdo.com.ua](http://www.brdo.com.ua)  
55K, Khoryva St. | Kyiv, 04071, Ukraine