



BRDO INITIATIVES IMPLEMENTED WITH EU SUPPORT



THE RESPONSIBILITY FOR OFFENSES IN THE URBAN PLANNING SECTOR IS STRENGTHENED: THE PARLIAMENT ADOPTED A DRAFT LAW

The Parliament of Ukraine adopted draft law #5877 on strengthening the responsibility in the urban planning sector in the first reading. The law drafted with the participation of BRDO experts provides for the following changes: increasing in fines for offences in the urban planning sector; defining a clear range of entities that may be subject to administrative penalties; the temporary arrest of illegal (unauthorized) construction objects; increasing criminal liability for unauthorized constructions, including in the territories of cultural heritage objects. The new legislative framework for effective public administration in the urban planning sector was provided by adopted in the first reading draft law #5655, drafted with the participation of BRDO experts. Generally, the urban planning reform is based on three draft laws: 5655 (urban planning reforms), 5656 (on amendments to the Budget Code), and 5877 (on strengthening the responsibility). Learn more about changes in the urban planning sector after the reform from our [infographic](#) (in Ukrainian).

LAW ON THE NATIONAL COMMISSION IN E-COMMUNICATIONS IS ADOPTED

On December 16 Ukrainian Parliament adopted a law on the National Commission for state regulation in the spheres of electronic communications, radio frequency spectrum, and provision of postal services ([#6055](#)). The law established the legal status of the national commission and defines specific aspects of the organization of its activities as a regulator, its functions and powers, a procedure for drafting regulatory acts, as well as specifics of state control in the relevant markets. The adoption of this law is a vital element to implement the reforms under the Law of Ukraine “On Electronic Communications”, fulfill obligations under the Association Agreement in this sector, and integrate into the EU Digital Single Market. The law takes into account the key comments of BRDO experts we wrote about earlier. In particular, the law was brought into line with the Constitution of Ukraine and requirements of the European Electronic Communications Code on ensuring the regulator's independence in appointing and dismissing its members. We are sincerely grateful for the support of the European integration approach to the sectoral regulator's independence, in particular, the MP Kira Rudyk, as well the chairman of the Digital Transformation Committee Mykhailo Kryachko and MPs.

SUBSCRIBERS WILL NOT BE REQUIRED TO GO THROUGH AN IDENTIFICATION PROCESS AND VERIFY THE LEGALITY OF PURCHASED MOBILE PHONES

The Law on the National Commission in the spheres of electronic communications, radio frequency spectrum, and provision of postal services adopted last Friday does not pose any risk of introducing conflicting rules that BRDO experts have previously warned about. Before the adoption of the law, there were risks that the National Commission might have powers to introduce mandatory verification of the legality of purchased mobile phones, as well as risks of introducing subscriber identification, in other words, the “certification” of SIM cards. What was prevented and how subscribers should be protected from fraud, read in our [news piece](#).

PRICE REGULATION IN THE INTERNATIONAL COMMUNICATIONS MARKET IS CANCELLED

The law on e-communications that comes into force on January 1, 2022, does not envisage regulation of international mobile termination rates (IMTR). From 2017, Ukrainian operators were restrained by NCCIR resolution to accept international traffic at a rate of 0.10 euros per minute. At the same time, foreign operators could have charged 0.15-0.20 euros or more for the same service. That created unfair terms in the market of international communications and deprived operators of the freedom in setting fees. Apart from that, the intermediary traffic transiter market was artificially given the opportunity to increase. Revenues of intermediary operators from the international traffic transit increased by 2.7 times in 2017 alone. In total, in 2020, the market for international traffic transit at a regulated rate amounted to EUR 2.5 mln, and the market for international traffic termination amounted to EUR 98 mln. BRDO experts proposed to abolish price regulation on the market and in April this year published the [analysis](#) of IMTR regulation. We are happy that the new law drafted with participation of BRDO experts grounds the competitive rules of pricing for Ukrainian operators which will positively improve the market.

HOW TO IMPROVE THE WATER SUPPLY AND SEWERAGE MARKET REGULATION: BRDO'S ANALYSIS

In Ukraine, water use is extremely inefficient. Production process is outdated, networks are deteriorated, drinking water supply in the regions of Ukraine is uneven, and financial status of utilities companies is unsatisfactory. All these problems accumulate with Ukraine having the lowest water availability in Europe, and these resources rapidly become polluted. BRDO experts analyzed the sector economic performance and the current regulation and concluded that the existing public policy in the sector was ineffective and did not meet Ukraine's obligations under the Association Agreement with the EU, strategic planning was imperfect, and tariff policy discouraged investment in the sector and prevented further development. To outline solutions to the problems in the sector and create conditions for its development, our experts prepared a Green Paper “[Water supply and sewerage market regulation](#)”. What this book is about and how the sectoral problems could be solved, read in our [release](#).

BRDO INITIATIVES DEVELOPED IN PARTNERSHIP

RETAIL GUIDEBOOK PRESENTED IN UKRAINE: AN ONLINE GUIDE PLATFORM ON MAIN SALES CHANNELS FOR SMES

The [portal](#), developed by the Ukrainian Business and Trade in partnership with BRDO and with the support of the USAID Agricultural and Rural Development Support Program, is designed for agricultural producers, who are officially registered and aim to expand their sales channels, from all regions of Ukraine. Here, entrepreneurs will find a list of product certification agencies, a list of major agricultural market players, as well as structured and systematic information on the requirements of main sales channels, including retail chains, traders, distributors, marketplaces. Entrepreneurs can register a personal account. The goods that an entrepreneur produces can be added there, and the system automatically will add all the requirements for these goods in those sales channels and those regions that are chosen by the entrepreneur. In such a way, entrepreneurs have access to an internal filter for their products.



UKRAINE HAS INTRODUCED RAIDBAROMETER — AN INDEX ASSESSING THE DYNAMICS OF RAIDER ATTACKS



Registration raiding implies gaining control over business assets by manipulating information from state registers is a long-standing one in Ukraine. However, public authorities still do not have reliable data on the raiding status and dynamics. No summary statistics on “registration” raiding are kept, and data that may directly or indirectly indicate raider attacks are inconsistent and fragmented across different government agencies. To help solve the outlined problems, BRDO experts developed [RaidBarometer](#) — an index assessing the dynamics of raider attacks. RaidBarometer 2020 is a result of the first comprehensive attempt to assess “registration” raiding in Ukraine. It should improve the interaction and accountability of institutions in the areas of law, justice, and law enforcement. Additionally, the Index will help public authorities to formulate and improve state policies in the area of guaranteeing property rights. Details on the index, its methodology, and this year indicators are in our [release](#).

THREE NEW ONLINE SERVICES AVAILABLE ON THE ECOSYSTEM PORTAL

Міністерство
цифрової трансформації
України

On December 22 the Ministry of Environmental Protection and Natural Resources of Ukraine presented three new online services developed jointly by BRDO experts. From now on every user of the [EcoSystem](#) can submit a declaration of solid waste, receive permit for importing or exporting goods from Green List, and download the official QR excerpt from 7 open registries of the Ministry. And all this is possible without leaving your office. The National Ecoplatform “EcoSystem” was presented in May 2021. It was developed with the support of the Ministry of Digital Transformation of Ukraine, the USAID / UK aid Transparency and Accountability in Public Administration and Services / TAPAS Project, and BRDO.

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