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ACTUAL ISSUES OF CONDUCTING OF FOREIGN ECONOMIC ACTIVITY IN UKRAINE

By the Decree of the President of Ukraine of February 24, 2022 "On the imposition of martial law in Ukraine" [1] as a result of Russian Federation military aggression against Ukraine on the territory of Ukraine martial law was imposed. By the Decree of May 17, 2022 "On the extension of martial law in Ukraine" [2] the martial law in Ukraine was extended from the 25th of May 2022 for the period of 90 days. Many legislative changes were provided with the aim to ensure the functioning of national economy in the condition of martial law. That's why there is a necessity to consider the key recent changes in the rules of conduction of foreign economic activity.

First of all it should be noted, that according to the Resolution of the Cabinet of Ministers of Ukraine "On some questions about conducting of economic activity in the condition of martial law" [3] of March 18, 2022 there is a possibility during the condition of martial law to get licenses and permits on the basis of declarative principle. However, the foreign economic activity is excluded from the list of economic activities that could be conducted on the basis of submission of declaration. Foreign economic activity is provided on the basis of license. The procedure of acquiring of the license for export-import operations has been simplified. According to the Resolution of March 10, 2022 No 241 until the termination or abolition of martial law in Ukraine the fee for the issuance of a license for export (import) of goods is not collected [4]. Moreover, the terms for the issuance of the license for export of certain categories of goods operations are reduced till two days and the procedure is conducted in electronic form (Temporary Rules of licensing of export of certain goods, defined in the amendments 5 to the Resolution of the Cabinet of Ministers of Ukraine of 29 December, 2021 No 1424) [5]. As well as that, there is a list of goods export and import of which is the subject of licensing. For instance, according to the Resolution of the Cabinet of Ministers of Ukraine "On the approval of the list of goods, export and import of which are subject to licensing, and quotas for 2022" of December 29, 2021 No 1424 [6] with amendments, sugar and millet are excluded from the list of goods that are forbidden to export, and together with some other products these products are included into the list of goods that are subject of licensing while exporting.

Another liberalization rules of export-import operations are prescribed in the Final and Transitional provision of the Law of Ukraine "On the changes to the Tax Code of Ukraine and other legislative acts of Ukraine concerning improvement of legislation in the period of martial law" of March 24,

2022 [7]. According to the provision of this Law some categories of goods (with certain prescribed exemptions) are exempt from payment of import duty for the period of martial law and the customs procedures are simplified.

Also there are certain changes in the terms of payments in export or import contracts. Due to the Resolution of the Board of the National Bank of Ukraine “On the work of the banking system in the period of martial law” of February 24, 2022 No 18 [8] the term for settlement under export-import contracts was reduced from 365 days to 90 days, which must be taken into consideration by the participants of foreign economic activity. These changes were provided in order to prevent macroeconomic imbalances.

One more important issue to highlight is the international regulation of export-import operations. First of all the tendency for liberalization of trade rules between Ukraine and EU-countries must be outlined. Thus, according to Article 1 of EU-Ukraine Association Agreement one of the main aims of the Agreement is the “establishment of the conditions for enhanced economic and trade relations leading towards Ukraine’s gradual integration in the EU Internal Market, including by setting up a Deep and Comprehensive Free Trade Area as stipulated in Title IV (Trade and Trade-related Matters) of this Agreement...” [9]. Therefore the creation of the conditions for free trade between EU and Ukraine is the main objective of the Association Agreement.

The implementation of these provisions into practice could be seen in the approval by the International Trade Committee of the Proposal for a Regulation of the European Parliament and of the Council on temporary trade liberalization supplementing trade concessions applicable to Ukrainian products under the Association Agreement between the European Union and the European Atomic Energy Community and their Member States, of the one part, and Ukraine, of the other part [10]. As stated “MEPs in the International Trade Committee approved a proposal of the temporary trade liberalization of Ukrainian products in the wake of Russia’s war of aggression that is hampering Ukraine’s ability to trade with the rest of the world. The measures to support export-import operations include the full removal of import duties on industrial products, of entry duties on fruit and vegetables, and of anti-dumping duties and safeguard measures on steel imports for a period of one year” [11]. As a result of approval of such rules it is expected to make Ukrainian goods more competitive in the EU market. However, it must be taken into consideration that all the imported Ukrainian products must comply with the European standards for the quality.

As a conclusion it should be mentioned that all the above mentioned and other measures have temporary nature and are provided to support Ukrainian economy, as well as to create conditions for the possibility of conducting of export-import operations in the period of martial law.

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Ключові слова: зовнішньоекономічна діяльність, воєнний стан, експортно-імпортні операції, державне регулювання, імпортні мита.

Key words: foreign economic activity, martial law, export-import operations, state regulation, import duties.