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I. Regulatory

Embargo on Russian Products Extended through 31 December 2017

The Ukrainian government has extended the embargo on goods supplied from the Russian Federation through 31 December 2017.¹ The embargo may be lifted earlier if the Russian government removes a similar embargo against Ukraine.

The embargo was launched on 10 January 2016 in response to restrictions imposed by the Russian Federation against products imported from Ukraine and applies to food products, beverages, insecticides, herbicides, and some other goods.

New Terms for Highly Dangerous Chemicals Production and Hazardous Waste Management

On 16 July 2016, new licensing terms for hazardous waste management and highly dangerous chemicals production came into effect.²

The licensing terms provide an exhaustive list of documents required to obtain a license, as well as the list of organisational, technological and personnel related qualifications for respective business activities.

Current license holders must submit documents and information established by the new licensing terms to the authorised licensing body by 16 September 2016.

Filing Waste Declaration Online

Waste declarations, submitted by businesses with a waste generation index from 50 to 1000, may now be submitted online.³ The system can be accessed at <http://e-eco.gov.ua/> and allows users to:

- Access and submit electronic declaration forms .
- Check on the status and results of submissions.
- Automatically generate reports on the status of submissions.
- Search for electronic declarations online.
- Store electronic declarations in the system.

¹ Resolution of Cabinet of Ministers of Ukraine on Amending Resolution of Cabinet of Ministers of Ukraine, dated 30 December 2015 No. 1147, dated 6 July 2016 No. 417.

² Resolution of Cabinet of Ministers of Ukraine on Approval of Licensing Terms for Producing Highly Dangerous Chemicals, the List of Which Is Defined by Cabinet of Ministers of Ukraine, dated 13 July 2016 No. 445; Resolution of Cabinet of Ministers of Ukraine on Approval of Licensing Terms for Hazardous Waste Management, dated 13 July 2016 No. 446.

³ Order of Ministry of Ecology and Natural Resources of Ukraine on Approving the Rules for Functioning of the Electronic System for Permitting Procedures in the Field of Waste Management, dated 18 May 2016 No. 186.

II. Finance

NBU Interest Discount Rate Decreased

On 29 July 2016, the NBU interest discount rate was decreased from 16.5% to 15.5% per annum.⁴

NBU Softens Restrictions on Export and Import Transactions

Effective 29 July 2016, NBU's new resolution⁵:

- Extends the term for settling payments under export-import transactions from 90 to 120 calendar days.
- Cancels the requirement to use letters of credit for settlements under import contracts if the value of such import contract is less than US\$1,000,000.

The resolution is effective until 14 September 2016, inclusive.

III. Customs

Single-Window Procedure for Customs Clearance

On 1 August 2016, Ukraine launched a "single window" automated system aimed to simplify customs procedures and eliminate corruption at customs points.⁶ In particular, the system is designed to allow customs, sanitary, veterinary, phytosanitary, ecological, radiological and other types of controls by means of electronic data exchange rather than the stamping of paper documents.

Importers and exporters will be entitled to choose whether to use the new system or submit their documents in paper form.

If an importer/exporter chooses the single window system, they will have to upload the required permits and other supporting documents to be processed by relevant state authorities. The state authorities will have to review the documents and either approve or decline them within four business hours. If the decision is not made by the state authorities within the four-hour period, the "single window" system will automatically generate confirmation that the relevant control was successfully passed.

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⁴ NBU Decision on Interest Discount Rate, dated 28 July 2016 No. 172-RSh.

⁵ NBU Resolution on Amending Certain NBU Regulatory Acts, dated 28 July 2016 No. 361.

⁶ Resolution of Cabinet of Ministers of Ukraine on Certain Issues of Implementing Single Window Principle during Customs, Sanitary-Epidemiological, Veterinary, Phytosanitary, Ecological, Radiological and Other Types of State Control, dated 25 May 2016 No. 364.