

From Drones to Demining

How Ukrainian legislation is adapting to wartime realities

Ukraine is seeking to simplify imports, encourage investment, and tackle mine crisis



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Over the span of more than two years since the start of Russia's full-scale invasion, Ukraine's rapidly evolving defense sector has played a crucial role in strengthening the country's ability to defend itself. One of the most notable success stories has been the development of Ukrainian drone technologies. Since February 2022, a significant number of Ukrainian companies have switched to the production of drones.

In a bid to help facilitate this private sector activity, the Ukrainian authorities have been working on the liberalization of legislation and regulations governing the import of drones and related components. These efforts have focused on establishing streamlined procedures and removing restrictions.

In February 2023, the Ukrainian govern-

ment adopted new regulations simplifying the importation of a range of military and dual-use goods to Ukraine. The list included drones and their component parts, control systems, night vision devices, optical sights for weapons, and technologies for the development, production, and repair of military equipment. In line with these changes, the previous requirement to secure permission for the import of military and dual-use goods from the State Export Control Service was canceled. The Ukrainian authorities then went even further in May 2023, enacting a specific law that exempts imported component parts for unmanned systems from VAT and customs duties as long as martial law remains in place in Ukraine.

For the past year, an ongoing experimental project has been underway with the aim of

fostering the domestic production of unmanned systems and enhancing Ukraine's electronic warfare capabilities. This initiative involves instituting a tailored approach to defense procurement, overseen by the Ministry of Defense and the State Special Communications Administration.

A decree has also been adopted exempting a range of military and dual-use goods from Export Control registration and permit requirements. Crucially, this exemption encompasses all drones being brought into Ukraine, relieving importers of the need to process a range of additional documentation that was previously mandated.

Together with the efforts of Ukraine's state-run defense tech cluster Brave1, these legislative and regulatory initiatives aim to establish a robust platform for the

wartime development of Ukraine's defense industry. They also lay the groundwork for the kind of technology transfer models that are critical for the promotion of innovation within the Ukrainian defense tech sector.

While efforts to bolster Ukraine's domestic defense industry are recognized as vital for the country's war effort, there has also been a significant emphasis on encouraging cooperation with international defense companies. For example, the Ukrainian Parliament has passed several bills to secure insurance against military and political risks for direct investments. So far, a number of international companies including German giant Rheinmetall have unveiled plans to open manufacturing facilities in Ukraine.

Another major challenge facing Ukraine is the issue of demining. As a result of Russia's full-scale invasion, Ukraine has become the world's most heavily mined country. According to recent estimates, approximately 174,000 square kilometers of Ukrainian land are potentially contaminated with explosive ordnance. This total includes areas of Ukraine currently under Russian occupation. Preliminary estimates provided by the World Bank indicate that the cost of clearing this area of mines could eventually reach more than USD 37 billion. Experts believe clearance efforts may take decades to complete.

The international community has joined forces with Ukraine to help address this

Herculean task. In April 2024, the United Nations Development Programme (UNDP) in Ukraine, with funding from the European Union, Denmark, Japan, and Sweden, provided Ukraine with a substantial quantity of demining equipment including a wide range of detection tools and personal protection items. This aid was sufficient to equip more than 200 of the Ukrainian State Emergency Service's demining units, representing 80 percent of the Service's overall capacity.

At the governmental level, Ukraine's 2024 state budget provided a total of UAH 3 billion in funding for a compensation programme designed to support Ukrainian agricultural enterprises and farmers in their demining efforts. In line with this initiative, the state will compensate 80 percent of the costs incurred in the demining individual plots of land owned or leased by farmers. The price of demining services will be determined by open tenders held via the Ukrainian government's Prozorro platform, an electronic procurement system that was launched in 2015 as part of efforts to improve the transparency of state expenditures. Each individual plot subject to demining will only be eligible a single round of compensation.

In addition to cooperating with international partners and introducing measures to compensate farmers, the Ukrainian authorities have also established a network of institutions dedicated to mine-clearing efforts. The Mine Action Centre (MAC)

plays a pivotal role in ensuring the effective planning, organization, and coordination of Ukraine's mine-clearing activities. In the present wartime conditions, the MAC is recognized as the main body responsible for the coordination of Ukraine's demining strategy.

Ukraine's State Emergency Service (SES) is also at the heart of Ukraine's demining efforts and is one of the agencies responsible for the physical detection and disposal of explosive devices throughout the country. There are a number of additional state agencies engaged in the demining process that come under the SES umbrella. This includes the Interregional Centre for Humanitarian Demining and Rapid Response, which is involved in overseeing the practical implementation of demining processes and data collection.

The National Mine Action Authority (NMAA) serves as the primary body responsible for developing and approving both mid-term and long-term national plans for mine removal. The Centre for Humanitarian Demining acts as a think tank collating and summarizing information relating to Ukraine's demining needs in collaboration with a number of other state agencies, and is also charged with leading fundraising efforts and managing cooperation with Ukraine's donor partners. Meanwhile, the State Special Transport Service is focused on mine clearance from transport infrastructure, industrial facilities, buildings, and agricultural land.

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