

Year in review 2023

ARZINGER 20 YEARS

Transport & Infrastructure / Public Property Related Transaction

Key Developments 2023:

Simplified procedures and requirements for investment projects with significant investments

The [Law of Ukraine](#) "On State Support for Investment Projects with Significant Investments in Ukraine" was **amended to:**

- reduce the amount of investment (from EUR 20 million to EUR 12 million) and the number of newly created jobs that allow a project to be identified as eligible for state support;
- extend the list of types of state support;
- increase the number of industries where projects can be implemented with state support, etc.

Statutory regulation of the mechanism for transferring private underwater hydraulic structures located within the waters of seaports to state ownership

The [Draft Law of Ukraine](#) "On Amendments to Certain Legislative Acts of Ukraine on Streamlining the Mechanism for Transferring Private Underwater Hydraulic Structures Located Within the Waters of Seaports to State Ownership" was adopted in the first reading. The Draft Law introduces the procedure and terms for transferring privately owned underwater hydraulic structures to state ownership, establishes the need for mandatory compensation to owners of such structures and the procedure for determining it. In addition, the Draft Law establishes an exclusive regime of state ownership for certain categories of hydraulic structures in the port area.

Additional legal mechanisms introduced for war risk insurance

On 23 December 2023, amendments to the [Law of Ukraine](#) "On Financial Mechanisms for Stimulating Export Activities" came into effect regarding the insurance of investments in Ukraine against military risks. The sources of funding for the Export Credit Agency (ECA) were expanded to include funds provided by international and foreign financial organisations, foreign governments, and foreign banks on a repayable or non-repayable basis.

From now on, the ECA also operates in the insurance and reinsurance:

- of direct investments in Ukraine against military and/or political risks;
- of loans to Ukrainian business entities against military and/or political risks related to investments in the creation of facilities and infrastructure needed to develop the processing industry and export of goods (works, services) of Ukrainian origin.

In addition to the ECA, the investment guarantee agency MIGA also provides insurance against war risks (it has provided a \$9.2 million guarantee for 10 years for M10 Lviv Industrial Park).

Expectations for 2024:



adoption of amendments to the legislation on public-private partnerships ([draft law No. 7508](#)) and an increase in the number of projects in various areas to boost investment and recovery;



completion of the development and adoption of bylaws needed for the mechanism of projects with significant investments to function, and conclusion of the first special investment agreements;



intensified development of industrial parks;



introduction of a mechanism to transfer private underwater hydraulic structures located within the waters of seaports to state ownership, subject to the adoption of relevant regulations ([draft law No. 9573](#));



increased scope and mechanisms of war risk insurance;



statutory regulation and simplification of the mechanism of construction on lands occupied by public waterways, in particular in inland sea waters and the territorial sea of Ukraine ([draft law No. 9664](#)).