

Reform to Rebuild!

AHK Ukraine Position Paper 2026

Draft Version March 2026

AHK Ukraine unites and represents more than 270 German, Ukrainian and other international businesses. They all want Ukraine to prosper, but they all have challenges amplified by the war.

AHK Ukraine voices their needs with regard to economic policy to the Ukrainian government via this first Annual Position Paper.

I. Government and parliament should focus on anti-corruption and law enforcement reform

AHK Ukraine supports the independence of Ukrainian anti-corruption institutions. These institutions have brought many results and are among the pillars of Ukrainian democracy. Nevertheless, businesses welcome further reform steps toward a fair and balanced law enforcement system. Therefore, AHK Ukraine urges political stakeholders not to lose focus on law enforcement reform and take into consideration the following positions:

- **Current law enforcement work methods should be changed towards a risk-based approach.** As of now, compliant businesses are more exposed to law-enforcement scrutiny than their shadowy competitors. We need the political will to set the priorities and KPIs focused on taking out shadow economy rather than meeting “performance numbers”.
- **The capacities of the law-enforcement agencies should be enhanced, especially in analytics.** Resources should be allocated strategically within and among law-enforcement agencies. The independent anti-corruption bodies should be provided with the needed resources to fulfill their mandate. Agencies that have interfered with business inappropriately should be reformed. All the agencies need an increase in analytical capacities to identify the biggest problems and to measure the economic effects of their activity.
- **Business associations ought to have more oversight over the work of law enforcement.** As of now, so-called civil councils within law enforcement bodies do not have real impact. Business associations interact with these authorities through irregular meetings and correspondence, but they are not integrated into control system. Such integration would help law enforcement agencies to gain better market insights and business associations would be able to see how agencies are following the priorities.

II. Government needs to fight against the shadow economy

Companies suffer from both shadow competitors and intersectoral shadow practices. Besides creating unfair competition, these practices enable tax evasion and corruption. The focus and capacity of law enforcement is more important than particular laws and regulations. AHK Ukraine advocates for the following:

- **The fight against artificial business fragmentation via nominal private entrepreneurs should be in focus.** The government and politicians should task the law enforcement with shutting down these grey business structures. It is more difficult but much more efficient than putting additional pressure on actual SMEs. A concrete and universal set of criteria should be used by law enforcement and judiciary to proof illegal use of private entrepreneurs.

- **IP infringements and customs violations must be tackled. Ukraine is still flooded with counterfeit.** German companies with their high-quality products are often suffering. All the companies should have equal footing. This requires improving of law enforcement and eliminating legal loopholes such as using personal parcels for importing goods.
- **Illegal employment must be tackled. Illegal employment brings unfair advantage to businesses using it and deprives workers of stability and protection.** Faster introduction of clear unified criteria of fake employment will help law enforcement to attack the offenders while compliant companies will be released of pressure and unnecessary risks.

III. Government should design instruments to promote investment in Ukraine

Among the most important conditions for more investment from foreign companies are rule of law and a level playing-field for companies. Offering good framework conditions is the best investment promotion policy.

As far as concrete instruments are concerned, the Ukrainian government's focus lies on attracting new investors to the country or building new projects. We support the government's effort in this regard. However, as of now, investors who already operate in Ukraine seem overlooked by the government.

AHK Ukraine advocates that along with support of the new investors there should be government investment support instruments tailored to the needs of "old" investors. Such support could be provided in particular by the following means:

- **Special term loans, such as 5-7-9, should be accessible for all companies looking to invest in Ukraine.** As of now, such loans are made for SME and foreign business is ineligible. Regardless of business size and origin, investing during the war has positive effects deserving support. Therefore, our position is that the terms of the subsidized loans should be reconsidered from the point of view of fair competition, inclusiveness, as well as economic and social effects.
- **Foreign exchange should be liberalised further, especially for intracompany loans repayment and dividends.** One of the biggest obstacles for international companies' investment in Ukraine is limited ability to actually receive returns. While current restrictions seem justified, increasing (or tailoring) the permitted ceiling for dividend payments would be a reasonable and constructive step.
- **'Investment nannies' should become more accessible for investment expansion projects.** Focused on comparatively big projects over EUR 12 million and having complex procedure, the UkrInvest program is less accessible for medium businesses and projects. Expanding this program by having a fast-track procedure and dedicated personnel would help to involve more potential investors.
- **UkraineInvest needs to be endowed with sufficient funding in order to be able to support foreign companies.** Investing in Ukraine is not easy, given the heavy burden of bureaucracy and sometimes hard-to-come-by market information. UkraineInvest should be funded to an extent that it can provide high-class market information and help companies navigate Ukrainian bureaucracy.

IV. Public procurement system needs to be further reformed

Ukrainian public procurement system modernized and developed during the last decade. In many aspects it is more transparent than the procurement systems of established jurisdictions or reputable international financial institutions. However, there is still room for improvement.

German businesses are interested in the Ukrainian B2G-market. They can bring high-quality products, EU standards, and, importantly, knowledge to local subcontractors and people to increase their ability to enter the EU-market one day. But the problem is Ukrainian public tenders rely heavily on price as a criterion rather than on quality or 'value-for-money'. AHK Ukraine has recently conducted a survey to understand companies' experiences with participating in Ukrainian tenders. The key challenge identified by 73% of the companies is price preference over product or service quality.

That and some other factors drive German businesses away from Ukraine's public procurements. Therefore, the main positions of AHK with regard to improving public procurements in Ukraine is as follows:

- **The weight of the price criterion in Ukrainian public procurement system should be reduced.** This will allow to procure more high-quality and better-suited solutions especially with regard to the rebuilding of Ukraine. Moreover, artificially set criteria that are not relevant to the subject of procurement should be eliminated, since they significantly restrict competition among participants. The valuation process should be as transparent as possible and subject to various controls.

- **The role of EU regulations and standards should increase where appropriate.** Building back better with a view on EU integration requires learning to apply EU standards now. Thus, selection criteria should be vastly based on EU standards. Compliance with such standards and certification should be enforced.
- **Finally, the approaches of the enforcement agencies regarding investigations in the field of public procurements should change.** Now, compliant officials and companies have the same chances of getting investigated as shadowy ones. Moreover, producers or importers who do not participate in public procurements become targeted by law enforcement in connection with cases where their product were proposed through public tenders. It discourages all the parties greatly and could be changed if law enforcement applies more of the risk-based approach and increases its business analytics capacity.

V. Government needs to tackle human capital crisis

Ukraine is facing a human capital crisis due to the war. The Ukrainian government has some initiatives to address it. We welcome such initiatives as the new Labour Code or 'Obriy' portal for unemployed. However, there are still some actions government may take to benefit both businesses and hard-working Ukrainian people:

- **Creating more incentives for the employment of underemployed social groups: women, young people, seniors.** Such incentives could be created through close cooperation of business, education system, and international aid institutions. The government has the power to develop and exercise a clear strategy of making people to stay in the country.
- **Reducing barriers to involve foreign workforce, especially qualified blue-collar workers.** The government should develop a strategy for this. Easier administrative and legal procedures at least for the most needed professionals should be implemented.
- **Digitalizing and simplifying military bookkeeping along with improving procedures for obtaining criticality and reservation.** The procedures should be built in a way not to disrupt the usual course of business, which is already exposed to many risks due to the war. The least the government can do is to increase the transparency and predictability of these procedures.

VI. Government should include business in European integration process

Ukraine has a lot to offer to EU in terms of security (including food and energy security), talented people, and unique experience. Moreover, Ukraine has already done a great job in some fields of European integration. However, a lot of work for implementation of technical regulations and EU aquis is still ahead. Therefore, AHK suggests the following:

- **The government should involve business into discussions on implementation of EU laws, regulations and standards more intensively.** Implementing EU regulations, and standards involves a lot of technicalities businesses are best aware about. Given that the Ukraine's economy could be fragile during the war, close involvement of business is needed so that EU standards are implemented to the benefit of market development.
- **Timelines of implementation of EU aquis should be aligned with the conditions of war and the struggles faced by businesses in Ukraine.** Each sector should get special attention and impact of war should be assessed. For example, the aforementioned sector of public procurements or the construction sector may benefit from faster implementation of EU standards. At the same time, players in sectors heavily affected by the war, such as energy or agriculture, might need extension of terms for EU technical regulations implementation until couple of years after the end of war.



Mykola Boichuk

Senior Manager Advocacy and Governmental Relations

Mykola.Boichuk@ukraine.ahk.de