

The Economic Activity Law Act

Prepared by the Ministry of Economic Affairs with a Team of Experts

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Aims of the Act

- Introduce of the constitutional principle of economic freedom and ensure its implementation in the spirit of the social market economy, taking the current social and economic situation into account
- Self-restraint of public administration bodies
- Amplification of the rights and guarantees for entrepreneurs
- Harmonization of terminology and legal institutions of national law with EU law
- Ensure the consistency and transparency of all national commercial law regulations

The subject of the Act – in general

- Comprehensive regulation of an extensive scope of basic issues of public commercial law
- Fundamental role in the field of the economic activity
- Definitions of basic concepts and the introduction of general principles
- The most important aspects of the administrative procedure for entrepreneurs

The principle: "what is not prohibited by law is permitted"

- The entrepreneur, as part of their economic activity, may take any action unless they are in contradiction with the law
- The entrepreneur has the freedom to select the objectives and means of its operation, unless they violate the rights and freedoms of others

Favorable interpretation of the law and facts *(in dubio pro libertate)*

- Applicable in the case of doubts of the content of the law which cannot be removed
- Authorities are obliged settle doubts in favor of the entrepreneur – Article 8
- Article 9 concerns doubts about facts - In such a case, the authorities are also obliged settle doubts in favor of the entrepreneur

The principle of providing information

- The public administration should provide entrepreneurs information about the requirements for conducting economic activity
- This consists of indicating, first and foremost, regulations and requirements in the abstract, rather than on handling the case

Mediation

- In cases where the nature of the case allows it
- With the participation of an independent (impartial) person - the mediator
- The authority can explain the motive of their intentions, as well as the party (parties) could present their position, which, in turn, may lead to a faster resolution of the case
- The initiative of the party or the authority
- Completely voluntary

Notification about unfulfilled conditions

- The authority should notify the party about unfulfilled conditions before issuing the decision in the first instance
- Solution to facilitate the correction of the application or to supplement evidence
- The aim of the regulation is to avoid negative decisions when a positive one is possible

Delegation of public tasks

- Authorities could delegate tasks from the public sphere to non-governmental organization supporting the development of entrepreneurship
- This solution can cause significant benefits, reducing pressure on the public sector and allowing the use of knowledge and experience of the market participants
- Relieving the public administration

Disadvantages?

Controversy?

Thank you for your attention.

Good Luck Ukraine!

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