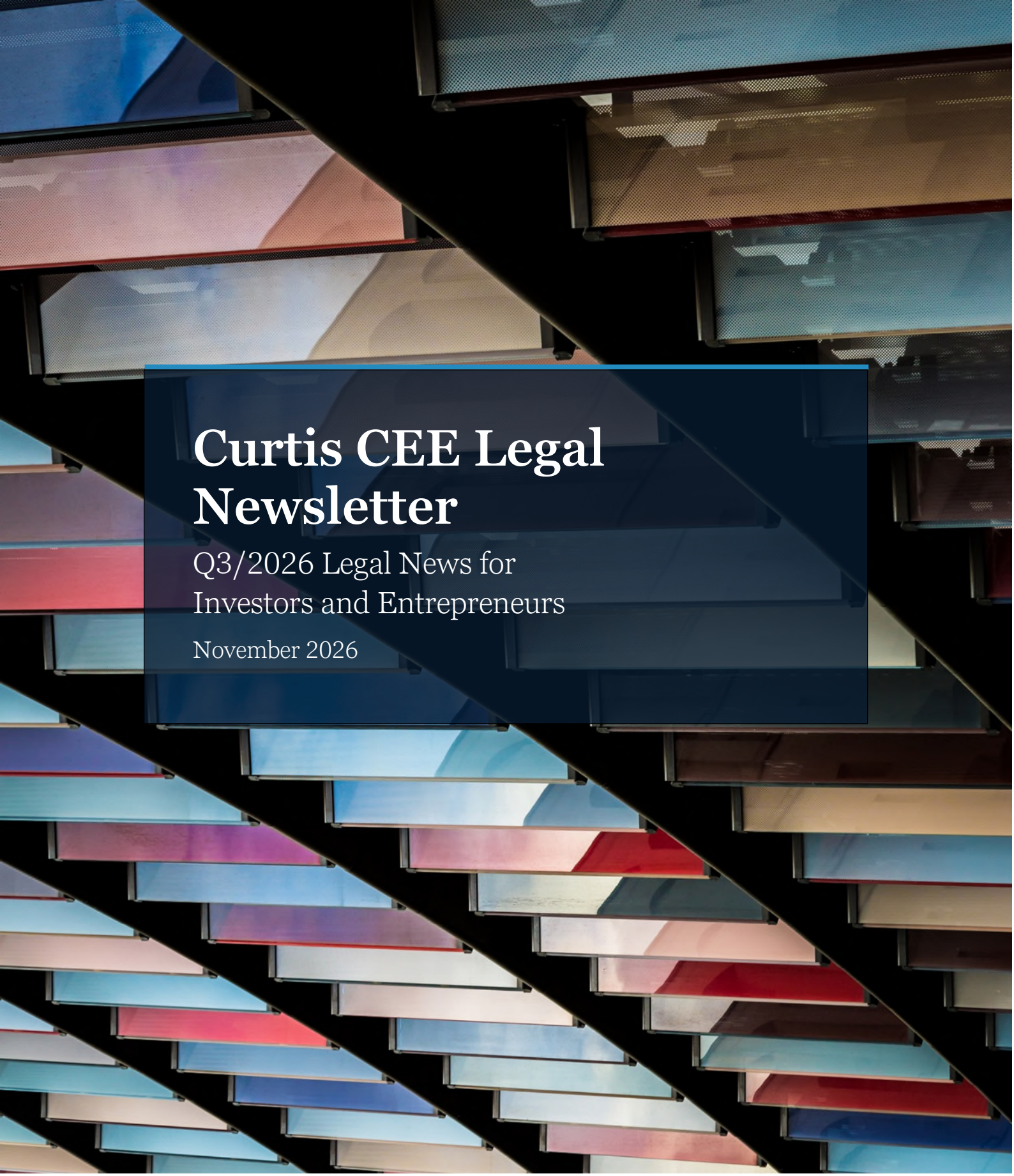


Curtis CEE Legal Newsletter

Q3/2026 Legal News for Investors and Entrepreneurs

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CURTIS
Curtis, Mallet-Prevost, Colt & Mosle LLP

Hungary

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INTRODUCTION

As we approach the end of 2026, the war in Ukraine remains the main source of disruption across the region we serve. Our colleagues at Impacta Law nevertheless invite us to look ahead, highlighting, among other developments, reforms to privatisation law designed to pave the way for the country's reconstruction and attract much-needed foreign investment.

The most significant political change in recent months, however, has come from Hungary, with a new government taking office and launching a programme of far-reaching structural reforms, alongside a stated commitment to closer ties with the European Union. In this issue, we examine some of the key aspects of these initial reforms and will continue to monitor their implementation.

Slovakia and Croatia also feature in this edition, which we hope will offer useful insights and fresh perspectives.

Our next issue, due in early 2027, will look in particular at the new Serbian government as it takes office, promising, like its Hungarian counterpart, extensive political, economic and social reforms.

We hope you enjoy this issue.

- Hungary: Overview of changes in Hungary's FDI regulation schemes, pharmaceutical reimbursement reform, new wealth tax, increased corporate tax rate for large companies, closure of the Rule of Law conditionality procedure.
- Croatia: New Real Estate Brokerage Act, amendments to the Obligations Act on product repairs and liability, new price-transparency obligations for retailers, amendments to the Crafts Act.
- Slovakia: New Commercial Register Act, amendments to the Construction Act, mandatory electronic invoicing from January 2027, new Civil Code adopted.
- Ukraine: Updated tax reporting and VAT simplification, privatization and corporate governance reform, labor law reform, PPP implementing rules, National Bank of Ukraine eases FX restrictions.

HUNGARY

Legal News: Overview of recent legal amendments, new laws and regulations

Overview of changes in Hungary's FDI regulation schemes

On 17 June 2026 the EU adopted regulation (EU) 2026/1386, restructuring its foreign investment screening framework. The aim of the regulation is to make national screening mechanisms mandatory for all member states (in order to prevent foreign investors from potentially using screening-free member states to enter the internal market) and to expand screening coverage from investments made directly by foreign investors to investments made through EU-based entities directly or indirectly controlled by foreign investors.

For Hungary, this regulation adds a further layer to an already complex and layered national system. Currently Hungary has two FDI (Foreign Direct Investment) screening regimes which are applied in parallel and were established under two separate pieces of legislation enacted in 2018 and in 2025. The special regime, introduced due to the Ukraine-war emergency context and including tools such as extended ministerial review periods and the state's pre-emption right, governed by Act L of 2025, is due to expire on 31 December 2026. This regime applies to a broad range of activities, defined by statistical classification codes, covering most of the economy. The general regime, governed by Act LVII of 2018, continues to operate without any comparable sunset clause. This one applies to sectors such as defense, national security, public utilities, certain financial services, IT security, telecommunications and insurance.

In theory, after the expiry of Act L of 2025, Act LVII of 2018 would continue to apply alone but, in practice, it would be possible for the legislator to merge some provisions of Act L of 2025 into the general regime, or even to extend the special regime until the application of the new EU regulation. In any case, the Hungarian legislation will have to comply with regulation (EU) 2026/1386 by 17 January 2028, which makes it mandatory for every member state to operate a national investment screening system, and also harmonizes the security review of foreign capital inflows through a clear list of strategic sectors, imposes a standstill obligation on implementation until clearance is granted (the transaction cannot be completed until clearance is obtained), and imposes a stricter scrutiny of EU-based shell or holding entities.

Consequently, FDI rules in Hungary remain quite complex; therefore, further changes in the regime should be observed and all transactions examined thoroughly for their potential applicability.

Hungary prepares significant changes to its pharmaceutical regulatory and reimbursement framework

From 1 November 2026, an independent national medicines authority, the National Institute of Pharmacy (*Országos Gyógyszerészeti Intézet*), is expected to resume operations. The new authority is expected to receive additional funding and staff, with the government identifying several priorities, including: speeding up regulatory and authorization procedures, increasing the number of clinical trials conducted in Hungary, improving access to medicines, and reducing administrative burdens. The authorities also intend to review a

number of existing pharmaceutical rules, including the framework governing access to over-the-counter medicines.

At the same time, the government is preparing a broader reform of the pharmaceutical reimbursement system, with a stated objective of moving towards a more value-based and patient-centered approach within the next two years. Under the proposed approach, reimbursement would not focus solely on the services or treatments provided, but increasingly on the health outcomes actually achieved. Concretely, drug prices would be determined based on their provable health benefit. Where a product's efficacy or value for money is uncertain, other outcome-based or risk-sharing agreements would be used. The government would also make public part of the clinical and health-economic evidence behind reimbursement applications, including how long a manufacturer waits after EU marketing authorization before filing for reimbursement in Hungary. This can make the reimbursement process more predictable; however, it also exposes manufacturers' pricing strategy and effective market access speed to public and competitor scrutiny.

Pilot programmes are expected to test the new financing models, initially in relation to medicines and other health technologies, before potentially extending them to primary and hospital care. The proposed reform would also involve a review of Hungary's policy towards generic and biosimilar medicines.

Although many elements of the reform remain at the policy and legislative preparation stage, the announcements point towards a potentially significant change in the Hungarian market access environment. Companies operating in Hungary should closely monitor developments concerning: reimbursement and health technology assessment, transparency, generics and biosimilars, regulatory procedures and patient involvement.

The proposed reforms are still developing, and their practical impact will depend on the implementing legislation and the detailed rules ultimately adopted. Further regulatory developments should therefore be monitored closely.

Hungary introduces a new wealth tax

The Hungarian government has tabled a bill introducing, as of 15 December 2026, a new wealth tax. The bill has been submitted to public consultation between 6 and 14 October 2026. As of the closing, the bill had not yet been submitted to or voted by the Parliament; it was expected to be submitted to the Parliament in October alongside the 2027 budget.

According to this bill, the tax would apply annually at a rate of 1% on net wealth exceeding 1 billion forints and at a rate of 1.5% beyond 100 billion forints. Taxpayers would have to assess and pay the tax themselves by 31 August of the following year (the law will expectedly enter into force on 15 December 2026, and the first filing will be due by 31 August 2027). Genuinely existing and duly evidenced debts – notably loans linked to the acquisition, construction or improvement of a taxable asset – would be deductible, as would 50% of the invoiced fees for an appraisal or business valuation made mandatory or necessary by the law (maximum 2 million forints per year).

The tax would apply to resident (a structure is considered resident if it is established under Hungarian law, or, if established abroad, its place of effective management is in Hungary) and non-resident individuals and

structures. Residents would be taxed on their entire worldwide wealth, and non-residents only on real estate in Hungary, rights in rem over it, and shareholdings in Hungarian companies or in foreign companies predominantly (more than 75% of its balance sheet consisting of Hungarian property) holding Hungarian real estate — the latter aimed at preventing avoidance through a shell company.

It would also apply to "wealth-management entities" such as trust-managed assets, private foundations, and equivalent foreign structures whose taxation is separate from that of the settlor, trustee, founder, or beneficiary on their own wealth. Structures linked to the same settlor, or to related settlors, may not stack multiple 1 billion-forint thresholds.

Regarding the valuation of assets: real estate located in Hungary could be valued based on a recent transaction value or, failing that, an indexed value. If neither applies, the tax authority's mass-appraisal model could be used, or an independent appraiser brought in; above 500 million forints, that appraisal could only be done by a certified forensic appraiser, who has to cross-check at least two different valuation methods. For real estate abroad, valuation would start from the acquisition value, revalued each year — either by a flat 3%, or by the local property index, whichever the taxpayer chooses — plus any evidenced improvement works or, failing that, the foreign country's official value or an independent appraisal. For shareholdings, listed or regularly traded shares would use the market price; otherwise the company's net equity (one-third of the weight) would be averaged with its earning power, based on the last three years' results and capitalized at 15% (the remaining two-thirds), with an independent business valuation becoming mandatory where the accounts do not support a reliable valuation. Cash would be valued at face value, accounts at their year-end balance, listed securities at market price, and funds at net asset value, with receivables, derivatives, life insurance, crypto-assets and precious metals each following their own specific rules.

In case a bilateral tax treaty contains provisions on wealth taxation, depending on its terms, it may limit a foreign asset taxed in the other state to the rate calculation for the rest of the estate (exemption with progression), or exclude it from the tax base entirely.

The government increases the corporate tax rate on the largest companies

The Hungarian government confirmed that the corporate tax rate, which until now was 9%, will be increased to 15% for the largest companies. The government emphasized that, although the statutory rate is higher, large companies' average effective tax burden will only be around 11.25%. This change could particularly affect large companies generating significant profits in Hungary, as it may reduce their after-tax earnings and their funds available for investment. The increase applies to companies with annual revenue above 180 billion forints (around €494.8 million). In addition, the innovation contribution will also be increased from 0.2% to 0.5%.

The Rule of Law conditionality procedure is closed

The Council accepted the proposal of the European Commission to close the Rule of Law conditionality procedure opened in December 2022 and blocking €6.5 billion. In 2026, €4.2 billion, which had remained available, was granted to the Hungarian government, as the Commission considered that Hungary had recently made satisfactory changes regarding the Rule of Law. Of the €16.4 billion in EU funding initially

announced, a further €3.5 billion in cohesion funds still remains separately blocked for reasons unrelated to the Rule of Law mechanism, tied to EU Charter of Fundamental Rights conditions. Much of the related EU recovery funding is allocated for rail modernization, energy and infrastructure projects, with a wave of related public tenders expected in the last quarter of 2026 and first disbursements anticipated in the same period.

In exchange for the funds, the government put in place anti-corruption and transparency measures, modified several laws and extended the powers of the Integrity Authority, responsible for preventing, detecting, and correcting fraud, corruption, and conflicts of interest in projects funded by the European Union.

Furthermore, Hungary also decided to join the European Public Prosecutor's Office (EPPO). Although it was not in itself a condition for the release of the conditionality funds, it is a symbolic step showing the commitment of the new Hungarian government to anti-corruption efforts and to the European Union.

Author: Curtis – d'Ornano



CROATIA

Legal News: Overview of recent legal amendments, new laws and regulations

New Real Estate Brokerage Act introduces stricter rules and greater consumer protection

The new Croatian Real Estate Brokerage Act entered into force on 7 July 2026, replacing the previous legislation from 2007. The new framework aims to strengthen consumer protection, improve transparency and establish clearer obligations for real estate agencies and agents.

The Act also introduces stricter rules on property advertising. Agencies may advertise a property only after concluding a brokerage agreement with its owner. This measure is intended to prevent unauthorized listings and the publication of property advertisements without the owner's knowledge or consent.

Unlike certain practices previously encountered in the market, real estate agencies may no longer make property viewings conditional upon the prior signing of a brokerage agreement. Interested buyers and tenants may now view a property without being required to become clients of the agency. In that sense, agencies may charge a commission only to a person who has concluded a brokerage agreement with them. Consequently, merely contacting an agency, viewing a property or signing a viewing confirmation does not create an obligation to pay the brokerage commission.

The new legislation also strengthens professional standards. Agencies must employ at least one qualified agent on a full-time basis, maintain professional liability insurance and meet good-reputation requirements. Their minimum insurance coverage has also increased to €100,000 per claim and €300,000 in total per insurance year.

Amendments to the Croatian Obligations Act: new rules on product repairs and product liability

The Croatian Parliament adopted the Act on Amendments to the Obligations Act, further aligning Croatian legislation with European Union law, particularly in the areas of promoting the repair of goods and liability for defective products.

In the area of consumer protection, greater emphasis is placed on repairing goods as an alternative to replacing products. Sellers must inform consumers of the possibility of choosing between repair and replacement. If a defect is remedied by repair, the liability period is extended by an additional 12 months, or by 6 months in commercial contracts. Under certain conditions, buyers may also be entitled to a price reduction or termination of the contract.

Significant changes also concern liability for defective products. The new rules extend beyond traditional physical goods to include standalone software, artificial intelligence systems, digital manufacturing files and products incorporating digital components. The scope of persons who may be held liable has also been extended to include importers, authorized representatives, suppliers and providers of online platforms, under a regime of strict liability, meaning liability regardless of fault. As a general rule, the right to compensation for

defective products will expire 10 years after the product is placed on the market or put into service. An extended period of 25 years will apply in cases involving latent personal injuries.

The amendments also expressly permit powers of attorney and bank guarantees to be issued in electronic form, in addition to the physical form accepted so far.

The Act was published on 29 June 2026, but most of its provisions entered into force on 7 July 2026, with the rest to follow by the end of the year.

New obligations for retailers and service providers: displaying additional prices and publishing price lists

The Government of the Republic of Croatia adopted two decisions on 10 September 2026 aimed at increasing price transparency and protecting consumer rights: the Decision on Displaying an Additional Price as a Measure of Direct Price Control and the Decision on Publishing Price Lists for Products and Services as a Measure of Direct Price Control.

The first decision requires retailers and service providers to clearly, visibly and legibly display an additional reference price alongside the current retail price. For products such as food, beverages, cosmetics, cleaning products, toiletries and household goods, the reference price is the price applicable on 2 May 2025. For newly covered products and services, the applicable reference price is the price in effect on 10 September 2026.

The second decision introduces an obligation for retailers and service providers that have websites to publish their current price lists for products and services online. The price lists must include the prescribed information about the relevant products and services, together with their retail prices. The decision also provides for automated price data collection, thereby improving access to pricing information and making it easier for consumers to compare offers.

Although both decisions were initially scheduled to enter into force on 1 October 2026, the Government postponed their implementation until 17 November 2026, giving retailers and service providers additional time to adapt their operations to the new requirements.

Amendments to the Crafts Act introduce relief for craftspeople and simplify business operations

On 25 September 2026, the Croatian Parliament adopted the Act on Amendments to the Crafts Act. The amendments introduce several changes aimed at reducing administrative burdens, supporting family-run businesses and facilitating business continuity. The Act is scheduled to enter into force on 1 January 2027.

One of the most significant changes allows craftspeople who qualify for an old-age pension at the age of 65 to continue operating their businesses without suspending pension payments, subject to the conditions prescribed by pension legislation. The amendments also facilitate the continuation of business operations following the death of a craftsperson, subject to prescribed conditions for heirs. Additionally, the Act formally defines the concept of a family-run craft business, recognizing the role of household members in preserving family business traditions and ensuring continuity.

Another important change concerns the reduction of the maximum mandatory contribution to the Croatian Chamber of Trades and Crafts from 2% to 1.5% of the basic personal allowance, thereby reducing the financial burden on craftspeople.

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SLOVAKIA

Legal News: Overview of recent legal amendments, new laws and regulations

New Commercial Register Act and corporate documentation

On 17 August 2026, the new framework under Act No. 29/2026 Coll. on the Commercial Register took effect, replacing Act No. 530/2003 Coll. The reform also amended the Commercial Code and changed the formal requirements for several corporate documents.

As a general rule, company founding documents must now take the form of a notarial deed or a document authorized by an attorney. The same alternatives apply to agreements on the transfer of an ownership interest in a limited liability company. A written agreement bearing officially certified signatures is therefore no longer sufficient for such a transfer.

Attorney authorization involves drafting the document, identifying the parties and reviewing its compliance with the law. It is a substantive legal review rather than the certification of signatures alone. Authorized documents are stored electronically in the non-public register of authorizations maintained by the Slovak Bar Association.

The Act also restricts representation in registration proceedings. An applicant may still file the application itself, but where it chooses to be represented, a power of attorney will be recognized only if granted to an attorney, a notary or an employee of the applicant. Where a paper power of attorney is granted to an employee, the signature of the grantor must be officially certified. Where the Commercial Register Act or the Commercial Code requires officially certified signatures on a document submitted for registration, certification is not required if the document has been authorized by an attorney.

Different rules apply to certain corporate resolutions. In a limited liability company, the proceedings of a general meeting must be recorded in a notarial deed where its agenda includes the appointment or removal of managing directors, a change to the articles of association setting a voting ratio other than the statutory default, or a change in registered capital that alters the ratio of ownership interests. Where the corresponding decision is taken by a sole shareholder, either a notarial deed or an attorney-authorized document is permitted.

The Act also expands the scope for registration by notaries acting as registrars and strengthens links with reference registers. For specified unregulated business activities, a company can obtain its trade authorization upon registration without first obtaining a separate trade license.

The reform also abolishes the restrictions on single-member limited liability companies. A limited liability company with a sole shareholder may now itself be the sole founder or sole shareholder of another limited liability company, and the limit of three companies in which an individual may be the sole shareholder no longer applies. This allows groups to simplify structures that were previously built around these restrictions, although any restructuring will itself be subject to the new formal requirements for transfers of ownership

interests. Businesses may also reserve a business name in a register of reserved business names before the company is incorporated. Companies planning incorporations, ownership transfers or management changes should check the required form of each document before arranging signatures.

Amendments to the Construction Act

On 15 September 2026, the National Council of the Slovak Republic adopted amendments to Act No. 25/2025 Coll., the Construction Act. The amending legislation was published on 7 October 2026 as Act No. 243/2026 Coll. The changes to the Construction Act will take effect on 1 January 2027.

The amendment clarifies the procedure where a detailed construction project is submitted with the application for a decision on the construction intention. The authority will decide on the construction intention and verify the project once that decision becomes final. For minor structures that are not buildings, alterations that do not affect load-bearing structures and exterior works, simplified graphic documentation or the manufacturer's assembly documentation will suffice.

The revised rules also address completion and use. Separate stages of a project approved under a single construction intention may undergo occupancy approval if they can be used independently and safely and have the required safe access. Occupancy certificates for buildings with several uses will identify the relevant uses and their respective shares of floor area. An appeal against an occupancy certificate will not be admissible.

The amendment creates limited routes for retrospectively permitting specified unauthorized works carried out between 1 April 2025 and 31 December 2026. These include certain alterations and extensions to existing simple structures and related ancillary works, subject to the statutory conditions. Separate conditions apply to significant investment projects. The provisions do not establish a general amnesty for unauthorized development. Filing an application for retrospective permission does not entitle the builder to continue the unauthorized works; until the proceedings are concluded with final effect, only urgent securing works ordered under the Act may be carried out. Unauthorized information structures, such as billboards and other advertising structures, cannot be permitted retrospectively at all. A decision granting retrospective permission does not create ownership or any other right to the land or the structure, does not establish an easement, and does not replace permits or opinions required under other legislation. It also does not affect liability for offences or administrative delicts under the Construction Act.

For eligible structures built before 1 April 2025, the deadline to seek retrospective permission or an assessment of fitness for use is extended from 31 March 2029 to 31 December 2040. In removal proceedings covered by the new rules, the owner must be given at least 60 days to demonstrate that an application for retrospective permission has been filed. If this is demonstrated in time, the proceedings are suspended pending a final decision on the application.

Mandatory electronic invoicing from January 2027

From 1 January 2027, amendments to the VAT Act introduced by Act No. 385/2025 Coll. will replace PDF and paper invoices in domestic business-to-business and business-to-government transactions with

structured electronic invoices in XML format. These will be exchanged through the Peppol network via certified delivery service providers, known as “digital postmen”. From 1 July 2030, the regime will extend to cross-border transactions, and the VAT control statement and the EC sales list will be abolished.

Electronic invoices must be issued by VAT payers established in Slovakia, registered under Sections 4, 4b or 4c of the VAT Act. The obligation covers supplies to taxable persons and non-taxable legal persons in Slovakia, including invoices for advance payments. Foreign persons registered for Slovak VAT under Section 5 are not subject to this obligation in the first phase. All businesses and legal persons to which electronic invoices must be issued must be able to receive them, including non-VAT payers and public bodies. The regime does not cover consumer sales, VAT-exempt supplies or qualifying simplified invoices such as eKasa receipts. Supplies to the intelligence services and supplies involving classified information are also excluded.

Invoices must comply with the European standard EN 16931, using Peppol BIS Billing 3.0 or CII syntax. The delivery providers of the supplier and the customer transmit the invoice and report the statutory data to the Financial Administration automatically. The 15-day deadline for issuing invoices remains unchanged, and the recipient’s consent is required only for delivery by another method. Summary invoices in the form of long-term payment schedules, for example for rent or energy, will no longer be possible. Electronic invoices must be archived in their original XML format.

Businesses will need to connect their accounting or ERP systems to a delivery provider and automate the processing of incoming invoices. Breaches of invoice-data reporting obligations can attract fines of up to €10,000, or €100,000 for repeated breaches.

New Civil Code adopted

On 1 October 2026, the National Council of the Slovak Republic adopted a new Civil Code to replace Act No. 40/1964 Coll. The reform is scheduled to take effect on 1 July 2027. It will change the framework governing commercial contracts, property rights and succession.

For businesses, the central change is the unification of civil and commercial obligations. The rules on obligations currently contained in the Commercial Code will be incorporated into the Civil Code. Contracts such as sale contracts and contracts for work will therefore be brought within a common framework, replacing the existing parallel civil and commercial regimes. The new Code also introduces a uniform general limitation period of three years. For commercial claims, this replaces the current four-year period under the Commercial Code, shortening the time available to creditors by one year. According to the government bill, the parties may agree in writing on a different limitation period of between one and ten years, subject to restrictions in consumer contracts and for intentionally caused damage.

The reform also strengthens the autonomy of the parties and introduces rules addressing a substantial change of circumstances. These developments are relevant to the allocation of risk under long-term supply, construction and other commercial agreements. The succession rules introduce inheritance agreements, legacies and estate administration, expanding the options available for planning the transfer of family assets and businesses.

Companies should use the preparation period to identify the contract templates and general terms that will need updating. The review should cover liability, remedies and the allocation of risks arising from changes in circumstances.

Under the transitional provisions of the government bill, contracts concluded before 1 July 2027 will generally continue to be governed by the existing rules and will not need to be redrafted. However, legal acts performed after that date to implement, amend or terminate them, such as amendments, notices of termination or set-offs, are to be governed by the new Code. The parties may also agree in writing to subject an existing contract to the new rules. For long-term framework agreements, companies should therefore decide whether to keep the existing regime or to transfer the relationship to the new Code deliberately.

The information provided is a general summary of selected legislative changes. It is not exhaustive and should not be considered as legal advice. Specific cases may require individual assessment.

Author: Stentors

Stentors

UKRAINE

Legal News: Overview of recent legal amendments, new laws and regulations

Ukraine: Tax

Updated tax reporting forms

From 1 August 2026, updated forms for reporting individual income, taxes withheld and unified social contributions apply. The changes include quarterly reporting by individual entrepreneurs and independent professionals, with monthly breakdowns.

Enhanced international tax transparency

On 15 September 2026, Ukraine joined an addendum to the Multilateral Competent Authority Agreement under the Common Reporting Standard (CRS), paving the way for expanded automatic exchange of financial account information under the updated standard from 2027.

VAT exemptions for defense-related products

On 17 September 2026, Law No. 4967-IX entered into force, expanding VAT exemptions for certain goods imported or supplied for Ukraine's security and defense needs. These include components for military equipment and additional categories of vehicles, weapons and ammunition. Eligibility depends on compliance with specific statutory conditions.

Transfer pricing reform

On 4 September 2026, the Government submitted Draft Law No. 16035, proposing substantial changes to Ukraine's transfer pricing rules. Key proposals include revised controlled transaction criteria (e.g., extend TP rules to certain resident-related-party transactions), enhanced comparability and business-purpose analyses, new rules for financial transactions, and revised penalties. The Draft is proposed to take effect from 1 January 2028 and is not yet law.

Simplified VAT administration

On 13 October 2026, Ukraine's parliament approved in first reading Draft law No. 16037-d to simplify VAT administration for all VAT payers. It provides pre-filled VAT returns, quarterly reporting for VAT-registered

sole proprietors, a higher threshold for unscheduled VAT refund audits (UAH 100,000 to UAH 1 million), and consolidated tax invoices for prepayments received from non-VAT payers.

Ukraine: Corporate

Privatization reform advances

On 12 October 2026, the Ukrainian Parliament adopted Draft Law No. 16011 on improving the efficiency of state-owned property privatization in the first reading. The draft is being prepared for its second reading.

The proposed reform seeks to improve the legal framework governing the sale of state-owned assets, address procedural inefficiencies and facilitate privatization transactions. Its provisions remain subject to parliamentary revision before final adoption. For foreign investors, the initiative is particularly relevant in the context of Ukraine's economic recovery. More effective privatization procedures could create additional opportunities to acquire Ukrainian businesses and assets, while making legal due diligence, transaction structuring and assessment of privatization risks particularly important.

Proposed corporate governance reform

On 5 October 2026, the Ukrainian Government submitted Draft Law No. 16125, proposing amendments to Ukraine's corporate governance framework. On 23 October 2026, the relevant parliamentary committee recommended its adoption at first reading, subject to further revision.

The draft focuses primarily on governance of state-owned enterprises, including the role and composition of supervisory boards, internal controls and oversight of management. It also proposes changes affecting private joint-stock companies, including rules governing management bodies and executive remuneration.

The reform is relevant to foreign investors considering acquisitions, joint ventures or investments involving Ukrainian companies. If adopted, it could strengthen governance standards and affect corporate decision-making, transaction approvals and post-acquisition oversight.

Ukraine: Employment

Comprehensive labor law reform proposed

On 2 September 2026, the Ukrainian Government registered Draft Labor Code No. 16010, proposing a comprehensive overhaul of Ukraine's employment legislation. The relevant parliamentary committee recommended its adoption at first reading in September. The draft remains under consideration.

The proposed Code aims to modernize employment regulation, including rules on employment contracts, the digitalization of employment documentation and the organization of employment relationships. It also seeks to bring Ukrainian labor legislation closer to European standards.

For international employers operating in Ukraine, the reform could have significant implications for employment agreements, internal HR policies and compliance procedures. Businesses should monitor its progress, as the final provisions may change during parliamentary consideration.

Proposed changes to foreign worker employment rules

On 15 September 2026, the Ukrainian Government submitted Draft Law No. 16073, proposing amendments to the legal framework governing the employment of foreign nationals and stateless persons in Ukraine.

The initiative seeks to revise the procedures and legal requirements applicable to employing foreign workers. On 15 October 2026, the relevant parliamentary committee recommended adopting the draft at first reading. The draft has not yet been adopted by Parliament. The proposed changes could affect international businesses employing foreign executives, specialists, and other personnel in Ukraine. Depending on the final wording, companies may need to review their immigration and employment compliance procedures when arranging cross-border assignments or local employment.

Ukraine: Real Estate, Construction and Infrastructure

Over the past quarter, key legislative developments in Ukraine's real estate, construction and infrastructure sectors have centered on three areas: implementation of the new Public-Private Partnership (PPP) Law, energy and industrial development in industrial parks, and security challenges.

PPP: implementing rules adopted

In August and September 2026, Ukraine adopted two resolutions implementing its PPP Law: Resolution No. 1051 on preparing and appraising projects, and Resolution No. 1204 on selecting private partners. Together, they set out what authorities must establish before taking a project to market and how businesses can compete for it. For projects below €5.538 million, the authority may decide whether to proceed on a concept note alone. Larger projects also require a feasibility study. Projects exceeding €10 million require an adviser. Authorities must also identify land rights and encumbrances and plan how the site will be made available to the investor.

Industrial parks: energy options and fewer formalities

Law No. 4961-IX, mostly effective from 26 December 2026, brings several practical improvements for industrial parks. Industrial parks may host electricity generation and storage facilities, helping businesses secure their energy supply. The law also removes the 1,000-hectare limit and establishes industrial park land as a separate land category that cannot be redesignated during the park's lifetime. The establishment and operation of an industrial park no longer requires an environmental impact assessment, although individual businesses in the park may still need one. An initiator that is a business entity may now manage the park itself, without a separate management company.

Simplified procedure for installing protective shelters

Heightened security risks and stricter requirements for protecting staff during air raid alerts have made shelters a pressing issue for businesses. Resolution No. 1286, effective from 21 October 2026, allows businesses to install ready-made mobile shelters and reinforce them, for example by partly or fully burying them or adding earth embankments or concrete block walls. Such shelters are not treated as construction objects or real estate. As a result, no design or land management documentation, urban planning conditions or construction permits are required. However, the location must be agreed with the local council, and the completed shelter must be inspected and registered in the civil protection shelter fund. The procedure applies during martial law, but no later than 21 October 2028.

Ukraine: Banking and Finance

National Bank of Ukraine eases FX restrictions

Effective 11 August 2026, the National Bank of Ukraine (NBU) eased currency restrictions under Resolution No. 18.

A new additional limit, equivalent to resident companies' monetary donations from 10 August 2026 to military units of Ukraine's Armed Forces and National Guard, permits dividend repatriation, settlement of certain "old" import and foreign loan obligations, and funding of foreign representative offices. Donations and related FX transactions must use companies' own available funds, excluding loans, borrowings and purchased FX. Companies must use one bank, provide donation evidence and financial statements with a "Big Four" audit opinion.

Companies may transfer all or part of their investment and/or additional limits within their group, provided both entities use the same bank.

Exporters may pay non-residents fines, penalties and bonuses and reimburse costs and losses under goods export contracts. Transfers per calendar year cannot exceed 10% of the total value of goods delivered to that non-resident under the contract after 23 February 2021.

For dividend repatriation after corporate transformation, the 12-month operating period includes the predecessor's operations. The NBU clarified FX purchase rights for bank loan guarantors and sureties and permitted payments to the U.S. International Development Finance Corporation (DFC) under political risk coverage agreements.

Banks may repay non-resident loans early where the NBU denies capital recognition for subordinated debt or conversion instruments, limited to funds received in the three months preceding repayment. The overseas payment limit for goods, works and services using hryvnia corporate cards has increased from UAH 150,000 to UAH 400,000 per calendar month across a client's hryvnia accounts.

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IMPACTA
LAW

ABOUT CURTIS – D'ORNANO

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Chambers Global Guide has recognized Managing Partner François d'Ornano for high-end capability and expertise in M&A in Central and Eastern Europe (Chambers and Partners 2025).






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