



## **CABINET OF MINISTERS OF UKRAINE RESOLUTION**

**No. 861 of 2 August 2022  
Kyiv**

### **On the approval of procedures for confirming the degree of localisation of production of goods and monitoring compliance with the requirements regarding the degree of localisation of production of procurement items included in the list of goods that are procurement items with a confirmed degree of localisation of production**

In accordance with subpoint 1 of point 6<sup>1</sup> of Title X “Final and transitional provisions” of the Law of Ukraine “On Public Procurement”, the Cabinet of Ministers of Ukraine hereby **resolves as follows:**

Approve as attached:

Procedure for confirming the degree of localisation of production of goods;

Procedure for monitoring compliance with the requirements regarding the degree of localisation of production of procurement items included in the list of goods that are procurement items with a confirmed degree of localisation of production.

**Prime Minister of Ukraine**

**D. SHMYHAL**

**Ind. 21**

**APPROVED**  
**by the Resolution of the Cabinet of Ministers of Ukraine**  
**No. 861 of 2 August 2022**

**PROCEDURE**  
**for confirming the degree of localisation of production of goods**

1. This Procedure lays down a mechanism for confirming the degree of localisation of the production of goods to be procured that are defined in subpoint 2 of point 6' of Title X "Final and transitional provisions" of the Law of Ukraine "On Public Procurement" (hereinafter referred to as the "Law") and an additional list of goods as approved by the Cabinet of Ministers of Ukraine in accordance with subpoint 3 of point 6' of Title X "Final and Transitional Provisions" of the Law.

2. For the purpose of this Procedure, the terms used herein shall have the meaning defined in the Law.

3. This Procedure shall not apply to the procurement of goods the value of which equals or exceeds the amounts specified in the Agreement on Government Procurement concluded on 15 April 1994 in Marrakesh, as amended by the Protocol amending the Agreement on Government Procurement done on 30 March 2012 in the city of Geneva, as well as provisions on public procurement in other international treaties of Ukraine ratified by the Verkhovna Rada of Ukraine, in particular free trade agreements, in the hryvnia equivalent as at the date of procurement, and the country of origin of which are countries with which Ukraine has concluded such agreements, and countries parties to the Agreement on Government Procurement to which Ukraine acceded in accordance with the Law of Ukraine "On Ukraine's Accession to the Agreement on Government Procurement", to be confirmed by a certificate of origin of goods.

The list of countries with which free trade agreements have been concluded, as well as the list of countries that are parties to the Agreement on Government Procurement to which Ukraine has acceded in accordance with the Law of Ukraine "On Ukraine's Accession to the Agreement on Government Procurement", is published on the official website of the Ministry of Economy.

4. The degree of localisation of the production of the goods to be procured (hereinafter referred to as the "degree of localisation") shall be confirmed by the Ministry of Economy automatically during the creation of the list of goods that are procurement items with a confirmed degree of localisation (hereinafter referred to as the "list"), based on the application for the inclusion of goods in the list (hereinafter referred to as the "application") submitted by the manufacturer of the goods in the form specified in Annex 1, calculation of the cost of goods with an indication of the customs value of imported components (imported by the manufacturer and/or purchased from suppliers which are residents of Ukraine) (hereinafter referred to as "calculation of the cost of goods") in the form specified in Annex 2 and the confirmation that at least one of the elements of the goods was manufactured in the territory of Ukraine (in particular units, assemblies, parts and components) and/or confirmation of the use of units, assemblies, parts and components manufactured in the territory of Ukraine.

5. The list shall include goods with the degree of localisation specified in subpoint 1 of point 6' of Title X "Final and transitional provisions" of the Law, or the degree of localisation specified in the additional list of goods to be approved by the Cabinet of Ministers of Ukraine in accordance with subpoint 3 of point 6' of Title X "Final and transitional provisions" of the Law, if:

the design and technological documentation is available and/or the intellectual property right has been registered for the goods to be procured, which is reflected in the balance sheet;

at least one of the elements of such goods has been produced in the territory of Ukraine (in particular units, assemblies, parts and components) and/or units, assemblies, parts and components manufactured in the territory of Ukraine are used in the production;

manufacturers of the goods provide warranty and post-warranty services for them.

6. The application together with the calculation of the cost of goods for the current year shall be submitted free of charge by the manufacturer of the goods electronically by completing electronic forms with separate fields on the web portal of the Authorised Body for Procurement (hereinafter referred to as “web portal”) with the affixed electronic signature based on a qualified electronic signature certificate (hereinafter referred to as an “electronic signature”) of the head of the manufacturer of the goods or a person authorised by him/her.

The administrator of the electronic procurement system shall provide technical support for the submission of the application and ensure that the goods manufacturer has the possibility to complete the form of calculation of the cost of goods on the web portal.

7. The degree of localisation shall be calculated by the manufacturer of goods and is automatically confirmed using the mathematical verification of the information entered in the form of calculation of the cost of goods.

Value of imported components shall be expressed in hryvnia.

The value of imported components expressed in foreign currency shall be indicated in hryvnia using the official foreign exchange rate established by the National Bank as at the date of supply of such components.

Compliance of goods with the requirements of point 5 of this Procedure shall be confirmed by specifying the necessary information in the electronic fields of the application.

The goods manufacturer shall bear personal responsibility for the content, reliability, relevance, completeness and correctness of the information provided by it in accordance with point 4 of this Procedure.

The application shall be generated on the web portal automatically if the information is entered in the electronic fields marked as mandatory in full, contains no arithmetic errors, and the electronic signature of the head of the manufacturer of the goods or a person authorised by him/her has been affixed.

8. An application for annual confirmation of the compliance of goods, included in the list in the previous years, with the localisation criterion for the current year shall be submitted by the manufacturer of the goods on the web portal every year by 1 January in accordance with points 6 and 7 of this Procedure.

9. Compliance of goods, included in the list in the previous years, with the localisation criterion for the current year shall be confirmed annually based on the application submitted by the manufacturer of the goods.

10. The list shall be created based on the results of automatic processing of applications submitted by the manufacturer on the web portal.

The list shall be made available on the web portal and the official website of the Ministry of Economy.

11. The list shall include the following details:

type and brand of goods, degree of localisation;

for manufacturers of goods which are legal entities: name, code according to the Unified State Register of Enterprises and Organisations of Ukraine; for manufacturers of goods which are private entrepreneurs: surname, name, patronymic (if any), taxpayer identification number or series (if any) and number of passport (for natural persons who refused being assigned a taxpayer identification

number due to their religious beliefs, notified the competent controlling authority thereof and have an appropriate mark to that effect in their passport).

12. Where the application for annual confirmation of goods compliance has not been submitted, the information submitted by the manufacturer of the goods as been found to be untrue, or in case of non-compliance of the goods with the localisation criteria for the current year as set out in subpoint 1 of point 6' of Title X "Final and transitional provisions" of the Law, or with the degree of localisation provided for by the additional list of goods to be approved by the Cabinet of Ministers of Ukraine in accordance with subpoint 3 of point 6' of Title X "Final and transitional provisions" of the Law, the goods shall be automatically excluded from the list.

13. A tenderer with whom a procurement contract has been concluded for a procurement item included in the list shall, simultaneously with the transfer of the goods, provide the procuring entity with the effective calculation of the cost of such goods prepared by the manufacturer of the goods, which shall be made available by the procuring entity in the electronic procurement system together with the report on the performance of the procurement contract.

14. Goods may be excluded from the list subject to the respective decisions of authorised bodies adopted within the scope of their powers to implement supervision and control measures provided for by the Law, or to a court decision within the scope of economic or criminal proceedings so far as they are related to the provision of false information by the manufacturer of the goods on the degree of localisation of the goods.

Within three working days from the date of adoption of such decisions, the authorised bodies shall notify the Ministry of Economy of such decisions by sending them a letter, the claimant shall provide the Ministry of Economy with the respective court decision.

The administrator of the electronic procurement system shall take actions to exclude goods from the list based on a letter from the Ministry of Economy provided as a result of the processing of the respective decisions of the authorised bodies or court decisions.

15. Goods excluded from the list under point 14 of this Procedure cannot be re-entered into the list for two years from the date of their exclusion.

Annex 1  
to the Procedure for confirming the degree of  
localisation of production of goods

**APPLICATION**  
**for including goods in the list of goods with a confirmed degree of  
localisation**

Applicant \_\_\_\_\_

(where the manufacturer of goods is a legal entity, name, code under the Unified State Register of Enterprises and Organisations of Ukraine; where  
the manufacturer of goods is an individual entrepreneur, surname, name, patronymic (if any),  
taxpayer identification number or series (if any) and  
number of passport (for natural persons who refused being assigned a taxpayer identification number due to their religious beliefs, notified the competent controlling authority thereof and have an appropriate mark to that effect in their passport)

\_\_\_\_\_  
(surname, name and patronymic (if any) of the head of the manufacturer of goods or the person authorised by him/her)

\_\_\_\_\_  
(registered office of the manufacturer of goods)

tel. \_\_\_\_\_

email \_\_\_\_\_

Main activity (according to the Classification of Economic Activities)

Please include the goods specified in this application to the list of goods with a confirmed degree of localisation.

I hereby confirm that:

the specified goods comply with the degree of localisation of production set out in subpoint 1 of point 6<sup>1</sup> of Title X “Final and transitional provisions” of the Law of Ukraine “On Public Procurement”, or the degree of localisation provided for by the additional list of goods to be approved by the Cabinet of Ministers of Ukraine in accordance to subpoint 3 of point 6<sup>1</sup> of Title X “Final and transitional provisions” of the same Law;

design and technological documentation is available and/or intellectual property right has been registered for the goods specified, as reflected in the balance sheet;

at least one of the elements of the specified goods has been manufactured in the territory of Ukraine (in particular units, assemblies, parts and components) and/or units, assemblies, parts and components manufactured in the territory of Ukraine have been used for the production of the goods;

I provide warranty and post-warranty services for the specified goods.

| Number | Name of goods | Technological operations carried out in the territory of Ukraine | Degree of localisation, percentage | Cost of goods, UAH | Customs value of components imported to Ukraine by the manufacturer for the production of goods, UAH | Cost of imported components purchased separately and/or as part of the goods by the manufacturer for the production of machinery and equipment from a supplier that is a resident of Ukraine, excluding the value added tax, UAH |
|--------|---------------|--|------------------------------------|--------------------|--|--|
|--------|---------------|--|------------------------------------|--------------------|--|--|

Purpose of the application (please, select):

- ☐ initial entry into the list of goods that are procurement items;
- ☐ annual confirmation of the list of goods that are procurement items.

\_\_\_\_\_  
(surname and initials (first name initial) of the head of the manufacturer of goods or a person authorised by him/her)

\_\_\_\_\_  
(signature)

Annex 2  
to the Procedure for confirming the degree of  
localisation of production of goods

**CALCULATION**  
**of the cost of products with an indication of the customs value of  
imported components (imported by the manufacturer and/or purchased  
from suppliers that are residents of Ukraine)**

Name of goods \_\_\_\_\_  
(as at \_\_. \_\_. \_\_\_\_)

| Row number | Calculation items   | Unit of measurement | Amount, UAH |
|------------|---|---------------------|-------------|
| 1          | Raw material, materials, components, purchased semi-finished products             | UAH                 |             |
|            | of which:   |                     |             |
|            | domestic  | UAH                 |             |
|            | imported  | UAH                 |             |
|            | components, raw material and materials purchased under direct contracts (MB)      | UAH                 |             |
|            | component parts, raw material and materials purchased via resident suppliers (IB) | UAH                 |             |
| 2          | Fuel and energy for technological purposes  | UAH                 |             |
| 3          | Basic and extra salary  | UAH                 |             |
| 4          | Single contribution charge  | UAH                 |             |
| 5          | Equipment maintenance and operation expenses (including depreciation)             | UAH                 |             |
| 6          | General expenses  | UAH                 |             |
| 7          | Production cost<br>(row 1 + row 2 + row 3 + row 4 +<br>row 5 + row 6)             | UAH                 |             |
| 8          | Administrative expenses   | UAH                 |             |
| 9          | Selling expenses  | UAH                 |             |
| 10         | Other operating expenses  | UAH                 |             |
| 11         | Full cost (C)<br>(row 7 + row 8 + row 9 + row 10)                                 | UAH                 |             |

\_\_\_\_\_  
(surname and initials (first name initial)  
of the head of the manufacturer of goods)

\_\_\_\_\_  
(signature)

**APPROVED**  
**by the Resolution of the Cabinet of Ministers of Ukraine**  
**No. 861 of 2 August 2022**

**PROCEDURE**  
**for monitoring compliance with the requirements regarding the**  
**degree of localisation of production of procurement items**  
**included in the list of goods that are procurement items with a**  
**confirmed degree of localisation of production**

1. This Procedure lays down the procedure for monitoring compliance with the requirements regarding the degree of localisation of production of procurement items included in the list of goods that are procurement items with a confirmed a degree of localisation of production (hereinafter referred to as the “list”).

2. Monitoring compliance with the requirements regarding the degree of localisation of production of procurement items included in the list (hereinafter referred to as “monitoring”) shall be a set of measures for systematic analysis of the data contained in the electronic procurement system about the results of public procurements conducted by procuring entities in accordance with the Law of Ukraine “On Public Procurement” (hereinafter referred to as the “Law”) for procurement items included in the list.

3. For the purpose of this Procedure, the terms used herein shall have the meaning defined in the Law.

4. Monitoring shall be conducted by the Ministry of Economy once every six months based on the data from the electronic procurement system received from the administrator of the electronic procurement system (hereinafter referred to as the “administrator”) as well as the data from other sources.

5. Once every six months, by 5 January and 5 July, the administrator shall submit to the Ministry of Economy the data contained in the electronic procurement system regarding:

announced procurements of procurement items included in the list;

procuring entities that announced procurements of procurement items included in the list, and the tenderers in such procurements;

concluded procurement contracts for procurement items included in the list;

cancelled procurements of procurement items included in the list.

The Ministry of Economy may contact the administrator to request other additional information necessary for monitoring. In such case, the administrator must provide such information to the Ministry of Economy within two working days from the day it received the respective request.

6. The Ministry of Economy shall make available the results of the monitoring for the first half of the year on its official website by 20 July.

The Ministry of Economy shall make available the results of the annual monitoring on its official website by 30 January of the year following the reporting year.



7. The Ministry of Economy shall submit the summarised information on the monitoring results for the year to the Cabinet of Ministers of Ukraine no later than 1 April of the year following the reporting budget year.