







DRC Legal Alert Special on Humanitarian Demining: Issue 104

Background information: the Ministry of Economy received a large budget allocation for demining agricultural land. The budget line of UAH 3 billion¹ was introduced for the first time in the 2024 State Budget. Considering this, the Ministry of Economy is actively involved in the elaboration of the legislation on humanitarian demining.

1. Mandatory certification of demining equipment

In March 2024, the Cabinet adopted <u>Decree Nº271</u>, establishing certification procedures for equipment for humanitarian demining. The Decree envisages a 2-year pilot project on certification of mechanised equipment for demining (humanitarian demining), related products, components, and equipment².

The pilot aims to facilitate and unify the certification process to ensure:

- security for operators
- durability and efficiency of equipment.

NB: the operation of tools and equipment that were used before the certification procedure came into force cannot be prohibited or restricted.

Product certification will be held by the State Research Institute for Testing and Certification of Arms and Military Equipment of the Ministry of Defence of Ukraine. The Institute will also provide periodic technical supervision of certified products.

The certification procedure applies to both equipment produced in Ukraine and foreign equipment supplied to Ukraine. The Certification is requested upon the application and envisages the following procedures:

- verification of documents. All foreign documents should have a Ukrainian translation, i.e.:
 - description of the products, its manufacturer (name, registered commercial name or registered trademark (if any), postal address, registration information, contact telephone numbers, e-mail addresses) in any form in Ukrainian and in the language of the country of manufacture;
 - technical documentation for the products, to identify the products and define the procedure for their use (including safety measures), standard operating procedures, in any form;
 - o a copy of the manufacturer's quality management system certificate (if available);

¹ For more information, please see the Law on State Budget for 2024

² The Certification Procedure is used for all available types of mechanised equipment used in mine action:

[·] mechanised equipment (light, medium, and heavy) of humanitarian demining;

mechanised equipment of combat demining;

[•] equipment for trawling of mechanised equipment;

[•] remotely operated mechanised equipment of humanitarian or combat demining;

ground preparation machines;

equipment for detecting explosive ordnance, etc.

- o documents on product conformity issued outside Ukraine (if any).
- product testing, carried out by accredited testing laboratories.

If a foreign-made product has a certificate confirming compliance with the requirements approved by the Procedure, the certification will be done by the Institute through simplified procedure. If not, Ukrainian certification procedures will be required.

The cost of product testing by accredited testing laboratories is calculated by the Institute according to Decree №514
of 12 July 2017. The applicant is obliged to cover the cost of product testing within five days from the date of invoice submission.

2. Procedure on compensation for Humanitarian Demining

Background information: In March 2024, the Cabinet adopted <u>Decree Nº284</u>, approving the Procedure for Compensation of Costs for Humanitarian Demining of Agricultural Land. Compensation is an important tool to encourage the restoration of agricultural production on the demined land plots.

According to the procedure, compensation is allocated for the services provided by certified mine action operators for the demining of agricultural land plots. And compensation is a one-off payment for the demining of each land plot. Applications are accepted until 15 November 2024 and are considered on a first-come, first-served basis. If the budget funds allocated for the current year are used in full, the application process will be suspended.

Recent developments: On 17 May 2024, the Cabinet adopted <u>Decree №580</u>, clarifying the Procedure for compensation for humanitarian demining of agricultural land. The Decree is amending:

- Retroactivity of the Procedure.
 While initially it was not envisaged, the amendments expanded retroactive access to the compensation from 24 February 2022.
- Approach to territorial principle.

Firstly, compensation was available for demining territories in government-controlled areas, but after amendments, non-government-controlled areas and areas experiencing active hostilities were included in the list of territories for humanitarian demining.

Who can apply for the compensation	 legal entities regardless of their legal form; individual entrepreneurs who produce marketable agricultural products on agricultural land plots owned and/or used by them; agricultural producers who are certified mine action operators. 			
Application for compensation from 22 February 2022 to 15 April 2024	Compensation for humanitarian demining of agricultural land is allocated retrospectively from 24 February 2022 to 15 April 2024. The amount of compensation may not exceed 80 % of the cost of services determined by the methodological recommendations for calculating the cost of humanitarian demining. But not more than 80 per cent of the actual costs incurred. ³			
Application for compensation after 15 April 2024	In 2024, 20% of the cost is covered by agricultural producers, while 80 % of the cost of services is compensated. The purchase of services in this case is done upon public procurement.			

³ The grounds for compensation are primary financial documents confirming the provision of services for demining, contracts for the provision of such services, payment documents confirming the fact of payment, etc.

	The Centre for Humanitarian Demining ⁴ and the winner of the procurement						
	procedure is concluding a contract, a certified copy of which is sent to the						
	agricultural producer.						
	20% of the cost of services specified in the contract should be paid by the agricultural producer within 5 days to a special escrow bank account.						
Location of the land plots	Compensation is provided for humanitarian demining both outside and within territories experiencing active hostilities and NGCA (if the date of cessation of the hostilities or of the status of NGCA is determined ⁵). NB: The fact of contamination/probable contamination of agricultural land plots with explosive ordnance must be confirmed by the Mine Action Centre.						
Reasons for rejection	 non-compliance of agricultural land and/or agricultural producers with the requirements of the Procedure; absence of information on contamination/probability of contamination by EO⁶ of agricultural land plots based on the results of non-technical survey; impossibility of demining due to the unfavourable security situation. 						

3. Methodological Guidelines for Calculating the Cost of Humanitarian Demining

In April 2024, the Ministry of Economy adopted <u>Order №9180</u>, elaborating Methodological Guidelines for calculating the cost of humanitarian demining of agricultural lands. The methodology is advisory. It is recommended for use by the Humanitarian Demining Centre to determine the expected cost of procuring services for demining agricultural land. Determination of cost will be necessary to apply for further compensation from the State.

В _{розм}	The costs of humanitarian demining of agricultural land are calculated based on a formula and are a sum of the following criteria:								
	Direct expenditures								
B _n	ሎ የ	፞ ፞ኯ፟ዂ፟ ⁷	₹ ○} 8						
+	Salaries for a group of 5	Unified Social Contribution		Purchase of necessary equipment, tools, fuel, etc.					

It is recommended to set a premium of up to 50% of the base salary and a bonus of up to 100 % of the base salary. The Unified Social Contribution is 22 per cent of salary.

⁴ For more information, please, see DRC Legal Alert, Issue 98

⁵ The date of the cessation of hostilities is the moment when active hostilities or status of NGCA on a certain territory ends. This date is determined in the list of territories that are experiencing active hostilities or NGCA (Ministry of Reintegration, Order No309 of 22 December 2022). This is important for determining the regime in these territories, possibilities to access, and providing assistance to citizens.

⁶ Explosive ordnance

⁷ The position of "deminer" is a 4-8 tariff category of the Unified Tariffs (<u>Decree №1298</u>):

tariff coefficient is 1.27-1.64;

[•] additional salary increase coefficient is 2.26.

⁸ Average or regulated market price should be taken into consideration.

	Other expenditures								
B _i		9	(((•))) 10 • · · · ·						
+		inistration and upport staff		Internet			Amortisation		
				Complexi	ty factor				
		EO ¹¹		Plants	Terrain		Soil	Depth	
$(B_n+B_i)^*K_{(1,2,3)}$	Level 1 K ₁ = 0.3	abandoned ordnance (I category), etc.	7	Grass	Plains, lowlands		sands	>15 cm	
	Level 2 K ₂ = 0.6	unexploded ordnance (category II), cluster munitions, etc.	<u>{</u>	Bushes	Hills, u	plands	black soils, meadows, etc.	<25 cm	
+	Level 3 K ₃ = 0.9	APL ¹² , anti- vehicle mines, etc.	(ees / bushes	mountain ridges, ravines, canyons, riverbeds		clay, marsh, rocky, etc.	>25 cm	
(B _n +B _i)*K _n	Profit margin 15% of the sum of direct and other expenses.								

This Legal Alert is produced thanks to the financial support of the Office of Weapons Removal and Abatement in the U.S. State Department's Bureau of Political-Military Affairs, the Ministry for Foreign Affairs of Finland, as well as the Ministry for Foreign Affairs of the Netherlands. Some terms used in this document are taken from current legislation and do not necessarily reflect the position of the Office, ministries, or the Danish Refugee Council (DRC).

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⁹ This cost should be less than 15% of the amount of direct salary costs for key personnel

¹⁰ Average market price should be considered.

¹¹ Explosive ordnance

¹² Anti-personnel landmine