

Alona Lebedieva on the Repeal of the Commercial Code: Grand Ambitions, but Lacking a Clear Strategy

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[/EINPresswire.com/](https://EINPresswire.com/) -- The Verkhovna Rada has adopted draft law No. 6013, which officially repeals the Commercial Code and introduces amendments to the Civil Code and other regulatory acts. This document introduces a three-year transitional period during which enterprises must change their statutes, and state and municipal non-profit enterprises will be transformed into "state non-profit societies" or "municipal non-profit societies."



Alona Lebedieva

"The idea of scrapping old norms and introducing more European rules is truly ambitious," comments Alona Lebedieva, owner of the Ukrainian diversified industrial-investment group of companies "Aurum Group." "But I am concerned about the lack of a well-thought-out action plan. As a result, we might end up with legal chaos, which in no way will strengthen the country's economy."

The Aim of the Reform

The main goal of the draft law is to modernize the corporate governance system, make the management of state and municipal property more transparent, and adapt the legislation to EU standards. According to parliamentary speaker Ruslan Stefanchuk, the document was discussed with the participation of more than 400 representatives of local authorities and the public. However, it seems that he seeks to go down in history as the author of a large-scale legal reform, as plans are also underway to create a new Civil Code that will regulate economic relations. For this purpose, they decided to completely "cut off" the Commercial Code, despite a number of objections.

Why This Sparks Controversy

There is no doubt that the Commercial Code contained many imperfections and did not reflect modern economic realities. However, many experts fear that completely repealing it risks provoking “legal turbulence.” This is extremely dangerous amid the active phase of the Russian-Ukrainian war, when the economy is already under severe strain.

“We cannot afford to hastily remove a brick from the foundation on which our legal system stands,” emphasizes Alona Lebedieva. “Such drastic steps must be impeccably thought out.”

Criticism and Potential Drawbacks

Serious criticism came from the Association of Ukrainian Cities and the All-Ukrainian Association of Communities: they speak of a threat to municipal enterprises, which may lose financial and managerial stability. Forms of business such as small, leasing, collective, and farming enterprises were neglected. Many are also troubled by the introduction of the term “usufruct” – the use of another’s property with the right to receive profits. It lacks clear regulation in Ukrainian law and therefore may cause confusion.

Difficulties in the Development Process

It is telling that no ministry supported the initial version of the draft. The sharpest criticisms were voiced by the Ministry of Communities and Territories Development, particularly regarding the preservation of municipal enterprises. Despite meetings and certain compromises, a number of fundamental problems remained unanswered. This raises doubts as to whether the law is ready for full-scale implementation.

Repealing the Commercial Code through draft law No. 6013 is a bold and at the same time risky step. The idea of modernizing economic relations is understandable and promising. However, haste, the lack of thoroughly developed mechanisms, and the disregard of warnings from the professional community may lead to chaotic consequences rather than the expected progress.

“The reform should have united all participants in the process and protected the interests of enterprises, communities, and the state. Instead, we see how stability at the local level may be harmed,” warns Alona Lebedieva. “True modernization requires a balanced approach, careful analysis, and a clear implementation plan.”

If the drafters of the law do not ensure sufficiently detailed and well-thought-out regulation, the country risks obtaining yet another poor-quality reform, new problems, and numerous difficulties for businesses and local communities.

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