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**IMPACT OF EU ANTICORRUPTION POLICY ON FIGHT AGAINST CORRUPTION IN UKRAINE**

**Today, corruption is no longer a local problem, but has turned into a transnational phenomenon that affects societies and economies of all countries in the world. Today, no country in the world is immune from corruption in general and from bribery in particular. The annual world amount of bribes estimated at 1 trillion dollars. Due to corruption the world economy is losing more than $ 2.6 trillion per year. According to the United Nations Development Program (UNDP), in developing countries, corruption-related losses by 10 times exceed the international economic support, they are given. What concerns EU, its economy’s losses from corruption are about 1% of GDP (i.e. 120 billion Euros per year). About 37% of European businessmen consider corruption a notable problem of doing business, 60% – agree that bribery and unofficial connections open the widest possibilities for obtaining business aims in public sector.**

**Corruption is the abuse of power for private gain. Corruption takes many forms, its effects are serious and widespread. It slow down the economy growth, by creating business uncertainty and imposing additional costs. Although the nature and scope of corruption may differ from one EU State to another, it harms the EU as a whole by lowering investment levels, hampering fair operation of the Internal Market, reducing public finances.**

**However, the true social cost of corruption can’t be measured only by the amount of bribes or budget losses. Corruption like a plague, make a wide range of corrosive effects on societies. It undermines democracy and the rule of law, leads to violations of human rights, distorts markets, erodes quality of life, create conditions for organized crime, terrorism and other social threats. Corruption undermines trust in governments, public institutions and democracy in general.**

**Recognizing huge danger of corruption threats, the EU makes tremendous efforts to their neutralization. Fight with corruption recognized as a priority vector of EU policy. Into the process of its realization are involved leading international organizations, supranational structures, the members of EU, as well as the other states integrated into European social-economic space. Among the them is modern Ukraine.**

**According to the Association agreement between the European Union and Ukraine, the fight against corruption recognized as a main principle of their relationship. Cooperation in this field is carried out on bilateral, regional and international levels. Now European Union and Ukraine are actively providing the exchange of best practice, including investigation techniques and crime research. They cooperate on the issues of development anti-corruption system, stuffing anti-corruption bodies, protection of witnesses and victims, carrying out joint operations.**

**In the framework of cooperation with the EU, Ukraine has made a wide range of legal and organizational steps aimed at improving fight with corruption.**

**After 2014, a number of legislative acts on the forming and implementation of state anti-corruption policy were adopted. Among them, the laws “On Preventing Corruption”, “On ... Improving the Organizational and Legal Foundations of Combating Organized Crime and Corruption”, “On … the Implementation of the UN Convention against Corruption”, etc.**

**During last years, Ukraine created wide regulatory framework, which covers key aspects of fight with corruption, starting with the elimination of corruption factors, and ending with responsibility for corruption offenses.**

**An important stage in the development of state anti-corruption policy was the adoption of the Anti-Corruption Strategy for 2014-2017 – the first in Ukraine's strategic planning act on the questions of fight with corruption.**

**Into the final phase entered development of Ukrainian anti-corruption system. In particular, the following anti-corruption bodies were created:**

***National Agency on Corruption Prevention* (NACP) is a central executive that ensures formation and implementation of state anti-corruption policy (2014);**

***The National Anti-Corruption Bureau of Ukraine* (NABU) – a law enforcement body for investigation of corruption offences, committed by high officials  (2014);**

***The National Anti-Corruption Policy Council*– a consultative body under the President on development and implementation of anticorruption strategy (2014);**

***Specialized Anti-Corruption Prosecutor's Office* (SACPO)*–* an independent unit of the General Prosecutor’s Office, which oversees criminal investigations, provided by NABU (2015);**

***National Agency of Ukraine for Finding, Tracing and Management of Assets Derived from Corruption and other Crimes* (ARMA). The functions of this body are clearly seen from its name (2015);**

***State Bureau of Investigations* – a central executive body on investigation crimes committed by senior state officials and officials of SACPO and NABU (2016);**

***The Higher Anti-Corruption Court* – specialized court that carries out justice as a court of first and appellate instances in criminal proceedings for corruption offenses (2018).**

**International cooperation is steadily increasing. During the years of independence, Ukraine has signed a number of international anti-corruption agreements, in particular, the UN Convention against Corruption, the Civil Convention on corruption, the Criminal Law Convention on corruption, the Additional Protocol to the Criminal Law Convention on corruption.**

**Today, the main platforms for international cooperation of Ukraine in this field are the Group of States Against Corruption (GRECO), Transparency International, the Organization for Economic Co-operation and Development (OECD) and its Anti-Corruption Network for Eastern Europe and Central Asia (ACN).**

**In 2017, was given the start for the European Union Anti-Corruption Initiative (EUACI) – the largest (with the overall budget of 15.84 million Euros) program of technical assistance in fighting corruption implemented by the EU in Ukraine. In the framework of this Initiative, on June 2018, in Kyiv was opened the Corruption Park - an interactive park that uses images, virtual reality, 3D technologies, touchscreens and installations to demonstrate the anti-social nature of corruption and its negative impact on society.**

**The above examples of international cooperation show the active position of Ukraine in the field of prevention and counteraction to corruption.**

**At the same time, despite all the measures taken, the level of corruption in Ukraine remains critically high. According to the survey of Transparency International in 2017, Ukraine ranked 130th in the world in terms of the Index of Corruption Perceptions (CPI), dividing it from Gambia, Iran, and Sierra Leone. Ukraine scored only 30 of 100 possible points, which is even lower than the average score in the most corruptive regions of the world: Sub-Saharan Africa (average score 32) and Central Asia (average score 34). Moreover, a similar rank (130) in “CPI” Ukraine possessed in 2015.That indicates no visible progress in the fight against corruption.**

**A disappointing picture outlined the “field” survey of corruption perceptions in Ukraine conducted in 2017 by the sociological company GfK Ukraine and NABU. Survey of more than 2 thousand respondents showed that 50% of them encountered corruption practices in health care institutions; 40% – in educational institutions; 25,2% - in the judicial system; 20% - in patrol police; 19% – in other law-enforcement agencies. More than a half of voters (55%) personally faced with various corruption incidents. In many cases, respondents themselves initiated corruption relations, in particular, 20.1% - in obtaining medical services, 43,7% - in the education system, 10,7% – in the judicial system. At the same time, no more than 30% of respondents are prepared to give up using corruption methods in their practice.**

**According to sociological surveys, held by the Global Corruption Barometer (Transparency International), 66% Ukrainians consider the justice as the most corrupted sphere. Similar results showed the survey of the Razumkov Centre for Economic and Political Studies: more than 60% of Ukrainians consider justice the most corrupted field of life, at the same time 47% of respondents claim that all aspects of justice are totally corrupted. According to the survey of World Justice Project (Rule of Law Index), by the “​lack of corruption” in the judicial system Ukraine was ranked 94th out of 99 countries.**

**Extremely high is perception of corruption in Ukrainian business. Judicial Index (JI), defined by the European Business Association, showed that Ukrainian justice discredited itself in the eyes of business: by the all components of the JI, judiciary evaluation in Ukraine is negative.**

**According to the study held by the Ernst & Young in 2017, Ukraine ranked first in Europe in terms of the prevalence of bribery and corruption in business practice. In particular, 88% of Ukrainian business representatives consider corruption to be a widespread phenomenon, which is 8% more than in 2015. Today, 37% of businessmen and entrepreneurs are ready to offer money reward for making or renewal the contract. At least 55% of businesses had corrupted contacts in the field of public procurement, 45% – in the energy sector, 35% – in public authorities and local self-government, 34% – in law enforcement agencies, 20.4% – in courts.**

**The above shows that pace of the fight with corruption in Ukraine is too slow. Its results are too limited. Why do we have such situation? According to experts, the reasons for it lie in the political, legal and organizational contexts.**

**1. In particular, the National Agency on Corruption Prevention and the National Anti-Corruption Bureau of Ukraine managed a full-fledged activity more than a year after their foundation (founded in 2014, activated in 2016). Difficulties in stuffing competitions, long-term checking of candidates, interdependence of recruitment processes in different anti-corruption bodies (and hence the “overlay” of their organizational problems) - all these issues resulted in belated “activation” of the whole anti-corruption system.**

**2. Despite the EU’s categorical demand for the creation of the Specialized Anti-Corruption Prosecutor's Office (SACPO) as an independent body, this process accompanied by numerous attempts of political actors to influence on its staffing and activities. Although, the most part of such attempts was suspended, the relations of SACPO with the Prosecutor General’s Office and the Attorney General contain an element of dependence. A clear example is the appointment by the Attorney General the Head of SACPO – Nazar Kholodnitsky, who, according to preliminary competition received 2 votes less than his main competitor.**

**3. The key part of state anti-corruption system – the Higher Anti-Corruption Court (HAC) – has not yet begun to function. A special law, which outlined the purpose, scope and legal status of the Higher Anti-Corruption Court, was adopted only on 07.06.2018. The actual “launching” of this body is planned until June, 2019. Of course, in a context of rapid growth of corruption risks, such a waste of time is very tangible negative factor.**

**4. An even greater delay is in establishment of the Financial Investigation Service (FIS)– a special body for investigating economic crimes. Since 2014, several drafts on establishing FIS have been submitted to public consideration, but none of them was adopted by the Parliament. The same fate has hit the Government’s FIS concept. In early 2018, the Ministry of Finance of Ukraine and Lithuania agreed to establish a Coordinating Committee for FIS creation, but this agreement remains unfulfilled until now. Today, investigations of financial crimes are provided by the National Police and the Security Service of Ukraine, which both are systematically criticized for interfering business.**

**5. The Anticorruption Strategy for 2014-2017 was not fully completed. As the analysis of the NABU and the European Union's Anticorruption Initiative showed, only 66% of Strategy’s steps were eventually implemented. Moreover, a significant part of them was implemented untimely and incompletely.**

**In addition, have not been fully developed the mechanisms of strategic planning anti-corruption activities. For example, while previous Anticorruption Strategy was closed in 2017, the next one hasn’t been adopted yet. Ukrainian Government approved its draft in April 2018 and sent it to the Parliament, but now it is still under consideration. According to experts, the active phase of implementation the Strategy is expected only in 2019.**

**6. One of the biggest problems in implementing the state anti-corruption policy in Ukraine is a sharp opposition between different anti-corruption bodies. In particular, the NACP, NABU and SACPO activities were accompanied by a number of internal and inter-agency conflicts.**

**For example, in November 2017, the Head of a NACP Department, Anna Solomatina, publically stated that: the NACP is fully governed by the Presidential Administration; it is used for pressure of opposition politics and “covering” the loyal ones. In joint statement of the Transparency International Ukraine, the Anti-corruption Action Center the NACP leadership was called “incompetent” and worth of resignation.**

**Another example. 20.03.2018 in the office of the Head of SACPO Nazar Holodnitsky was found a hidden сovert listening device. As further investigation proved, it was installed by the joint investigation team NABU and the General Prosecutor's Office. (Ironically, the case about hidden listening was given to NABU, which had set the device).**

**Later, related audio records were spread in mass-media. They showed facts of disclosure secret information, pressure on officials (including judges), incitement of witnesses to false testimony etc. But, despite of all these violations, the Head of SACPO was only reprimanded. That decision caused a new wave of accusations from activists and the public.**

**And these are just some examples of resonance conflicts and scandals related to anti-corruption structures. Being actively discussed in mass media and public, such cases made powerful impact to the image of national anti-corruption system. Of course, this doesn’t promote cooperation and consolidation the efforts on solving the issues of corruption.**

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**Summarizing the above, we can state that in recent years Ukraine steadily keep moving in line with the general trends of the EU anticorruption policy. However, for today, this movement is too slow. Numerous legal and organizational problems significantly reduce the effectiveness of state anti-corruption policy. In order to solve them in the nearest future, the next steps should be taken:**

* **ensure systemic monitoring of anti-corruption legislation in order to remove contradictions and corruption-related factors;**
* **accelerating the process of staffing and “lunching” of the Anti-Corruption Court;**
* **establishing the Financial Investigation Service (Financial Police) and depriving all the other enforcement bodies of investigation economy crimes;**
* **stopping destructive public conflicts in anti-corruption structures, strict regulation of their interaction, clear definition of their competence, creation the mechanisms for resolving inter-agency conflicts;**
* **widespread involvement of civil society to formation and implementation of state anti-corruption policy;**
* **automatic processing of electronic tax-declarations;**
* **non-selective verification of tax-declarations of high officials;**
* **adoption the law about checking integrity of state and self-government officials;**
* **regular evaluation professional activities of prosecutors and judges;**
* **reducing judges’ immunity, providing the arrest of judges at the place of committing a crime;**
* **strengthening control over the implementation of anti-corruption strategies;**
* **optimizing strategic planning of anti-corruption activities, ensuring coherence, continuity and consistency of state anti-corruption programs;**
* **development of national methodology for assessing the level of corruption in accordance with the UN standards;**
* **providing support for corruption messages and effective protection of those persons, who honestly report corruption offenses (disclosers).**

**These are the main prospects of improving personal data protection in Ukraine. Thank you for paying attention. And I'll be grateful for any suggestions and comments on my report.**