

“Links between corruption and other forms of crime”

States parties are invited to provide relevant information in line with paragraph 22 of resolution 9/1¹, in which the Conference:

*Encourage[d] States parties to further explore and enhance their knowledge of the **links between corruption and other forms of crime, in particular organized crime and economic crime, including money-laundering, including during times of emergencies and crisis response and recovery**, to better strengthen integrity, transparency and accountability, and invite[d] the secretariat, within existing resources, to compile a report in this regard on the voluntary information provided by States parties and submit it to the Conference at its tenth session [emphasis added].*

States parties may wish to take a broad view of “other forms of crime” when responding to this questionnaire, which may include all forms of organized crime and economic crime, as well as other crime, among others.

Contact Information

Please provide contact details for potential follow-up questions. Contact details will be treated confidentially.

Country: Ukraine

Government Agency: NABU

Department: International Cooperation Unit, External Relations and Communications Dept.

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Corruption may contribute to impunity for other types of crime by providing the leverage to facilitate and execute them, and to make them invisible, and often exacerbates those crimes through the involvement of powerful elites and individuals. Corrupt behaviour (such as violating duties, accepting or transferring bribes, and facilitating transactions, as well as ignoring or failing to follow-up on information that a crime may be taking place) may serve an enabler of other crimes by allowing for the enrichment of criminals and incentivizing individuals in the public and private sector to facilitate their operation. Other crimes can therefore flourish and in turn provide

¹ In July 2022, the secretariat sent out note verbale CU 2022/264(A)/DTA/CEB/CSS inviting States parties to provide information on good practices and challenges concerning international cooperation to further prevent, identify, investigate and prosecute corruption during times of emergencies and crisis response and recovery, in line with paragraphs 22 and 23 of resolution 9/1 entitled “Sharm el-Sheikh declaration on strengthening international cooperation in the prevention of and fight against corruption during times of emergencies and crisis response and recovery”. As at 11 October 2022, the secretariat had received responses from 23 States parties, which were analysed in a note prepared by the secretariat, entitled “Best practices and challenges concerning international cooperation in combating corruption during times of emergencies and crisis response and recovery, and efforts to further explore and enhance knowledge of the links between corruption and other forms of crime” [[CAC/COSP/EG.1/2022/CRP.1](#)]. Responses were received from the following States parties: Australia, Bahrain, Belarus, Brazil, Bulgaria, Chad, Chile, Egypt, El Salvador, European Union, France, Georgia, Italy, Mexico, Myanmar, Panama, Portugal, Republic of Moldova, Romania, Saudi Arabia, Spain, Turkiye and the United States of America.

a basis for a wide range of corrupt behaviour.

This questionnaire is structured into two parts: Part 1 considers steps taken to understand the links between corruption and other forms of crime, while Part 2 focuses on the measures aimed at responding to corruption linked with other forms of crime.

I. Understanding the links between corruption and other forms of crime

1. Has your country undertaken any analyses or assessments to better understand the interlinkages between corruption and other forms of crime, including typologies of crime and how corruption may be used to facilitate and enable organized crime, economic and other crime, and vice versa? **YES/NO.**
 - a. If **YES**, was such analysis carried out through formal risk assessments or other methods? Please describe.
2. Please list the main typologies of other crime that have interlinkages with corruption in your country.
 - Drug trafficking
 - Money-laundering
 - Human trafficking
 - Migrant smuggling
 - Firearms trafficking
 - Crimes that affect the environment
 - Trafficking in cultural property
 - Cybercrime
 - Terrorism
 - Other forms of economic crime, organized crime or other crime with links to corruption (**please list**)

3. Please provide examples of corruption linked to these other crimes.

Please elaborate if you have or had any cases of the following in your country:

A. Corruption as an enabler of crime

- a. Cases of public officials abusing their office to facilitate criminal activity or to protect certain criminal individuals and entities - or to gain support from them - for example, by providing funding or protection or to gain and control public resources?

A typical phenomenon is when corrupt officials of state bodies, who have influence over the activities of state-owned enterprises, use their official powers to organize a scheme under which the normal economic activity of such state-owned enterprises is disrupted, and their assets are withdrawn in favor of persons controlled by the organizers of the scheme under the guise of ordinary economic transactions.

For example, detectives of the National Bureau are conducting a pre-trial investigation in criminal proceedings No. 12020000000000236 dated 11.03.2020 on the grounds of the commission of crimes provided for in para 1 of Art. 255, para 4 of Art. 28, para 5 of Art. 191 of the Criminal Code of Ukraine. During the pre-trial investigation, the circumstances that may evidence the creation and further management by the Chairman of the State Property Fund of Ukraine of a criminal organization with the purpose of committing particularly serious corruption crimes related to the illegal transfer of property and income of state-controlled enterprises - JSC "OPZ" (Odesa Port Plant) and JSC "UMCC" in favor of members of a criminal organization.

The activities of the specified criminal organization consisted in creating conditions under which, during 2020-2021, the relevant state companies were forced to enter into contracts with private economic entities controlled by members of the criminal organization on unfavorable terms, as a result of which the interests of the specified state companies were harmed in general the amount of UAH 509 million.

On 22.03.2023, detectives of the National Bureau informed the ex-Chairman of the State Property Fund of Ukraine and 9 other members of the criminal organization of the suspicion of committing relevant crimes. To date, the pre-trial investigation has been suspended in connection with the search for some of the suspects, as well as the implementation of international legal cooperation measures.

NABU detectives are also conducting a pre-trial investigation in criminal proceedings No. 22016000000000269 dated 11.07.2016 on the grounds that officials of the Ministry of Infrastructure of Ukraine have committed a crime under para. 2 of Article 364 of the Criminal Code of Ukraine, namely abuse of one's official position and power contrary to the interests of the SE "Administration of Sea Ports of Ukraine" and the state.

During the pre-trial investigation, the circumstances that may indicate that as a result of the adoption and implementation of the order of the Ministry of Infrastructure dated 24.07.2015 No. 281, which, contrary to the law, granted the right to private companies instead of SE "Administration of Sea Ports of Ukraine" to collect shipping fees, the the indicated state enterprise and the state as a whole were caused losses in the amount of more than 49.5 million US dollars.

On March 22, 2023, the ex-minister of infrastructure of Ukraine and his ex-first deputy were notified of the suspicion of committing a crime under para. 2 of Article 364 of the Criminal Code of Ukraine. As of today, the pre-trial investigation is ongoing.

- b. Cases of corruption being used to facilitate other types of crime, such as trafficking in persons, illicit trade or smuggling of drugs across borders? For example, have any cases involved the following:
 - the issuance of permits, licenses, visas or documents for border crossings
 - the purchasing of firearms
 - bribery of border agents
 - falsification of data in public registries
 - other
- c. Cases of corruption in public procurement to advance the interests of public officials and their associates? Cases of officials giving preferred access to contracts and tenders to their associates in cases involving other crimes?

NABU detectives are conducting a pre-trial investigation in criminal proceedings No. 52020000000000138 dated 24.02.2020 on the suspicion of former managers of the "Production Support Center" branch of JSC "Ukrzaliznytsia" (Ukrainian Railways) and the actual beneficiary of the business entity, who is a beneficiary of illegal actions, of committing the crime provided

for in para 5 Art. 191 of the Criminal Code of Ukraine.

In particular, during the pre-trial investigation, it was established that the participants of the illegal scheme during 2016-2020 organized the purchase of natural gas for the needs of JSC "Ukrzaliznytsia" from a pre-selected supplier company bypassing the tender procedures stipulated by law. After signing the corresponding contract, the participants of the scheme repeatedly agreed on the markup for gas supply, which in different periods was from 200 to 1,000 hryvnias per thousand cubic meters. The entire amount of additional paid funds was distributed in the form of illegal benefits among the participants of the crime.

In order to implement the scheme and eliminate competitors, officials of the "Production Support Center" branch of JSC "Ukrzaliznytsia" deliberately concealed favorable price offers received from gas market participants. The specified actions damage in the amount of UAH 206 million was caused to JSC "Ukrzaliznytsia".

In June 2023, NABU detectives notified of suspicion 4 people, including two former branch managers, the actual owner of the supplier company, and an intermediary.

- d. Cases of the protection of victims of crime and corruption being impeded by corruption involving public officials or persons in the private sector?

B. Corruption and crime linked to political patronage

- a. Criminal individuals and entities attempting to use corruption to obtain access to political leadership or to gain power and influence, such as through:
 - political party financing
 - trading in influence
 - other
- b. Cases of crime and corruption being used to attempt to influence or disrupt elections?
- c. Cases of criminal involvement, including through the use of corruption, to attempt to influence appointments of public officials to build dependency?

C. Corruption to make organized and other crime invisible

- a. Cases of criminals and their associates using proceeds of crime and corruption for personal enrichment and to conceal the origin of the crimes and for money-laundering? In particular, cases of concealment of ownership being used to facilitate corruption and other forms of crime?

Detectives of the National Bureau conducted a pre-trial investigation in criminal proceedings No. 12019150000000274 dated 07.06.2019 on indications of criminal offenses provided for in para 5 of Art. 191 (embezzlement or misappropriation by means of abuse of office), para 2 of Art. 209 (legalization of proceeds from crime) of the Criminal Code of Ukraine.

In the course of the pre-trial investigation, it was established that on March 21, 2019, the Department of Housing and Utilities of the Mykolaiv City Council announced the procurement procedure for the reconstruction of Soborna Square in the Central District of Mykolaiv with a total expected cost of UAH 89.4 million.

On 16.05.2019, after open tenders for the purchase of the reconstruction services the Department, as the Customer, and BVK "Pyk-Stroi" LLC, as the Contractor, concluded contract No. 399 for the total amount of UAH 88, 334,793.59

Along with this, in the course of the pre-trial investigation, information was received about the artificial overestimation of the prices of materials and goods purchased by BVK "PYK-STROI" LLC in 2019 for the reconstruction of the above-mentioned object, with the aim of further

misappropriating part of the budget funds, which was expressed in the difference of the real market price of such materials or goods and actually spent budget funds for their purchase (total amount of UAH 26.9 million).

Subsequently, the participants in the crime legalized part of the specified funds by transferring them through the chain of bank accounts of private businesses to the accounts of a number of individual entrepreneurs controlled by the participants in the crime and withdrawing them through the network of ATMs as cash.

Under the stated circumstances, in the period from August to December 2021, suspicions of committing a crime, provided for in Part 5 of Art. 191 of the Criminal Code of Ukraine, were served to the deputy mayor of Mykolaiv, the first deputy head of one of the departments of the Mykolaiv City Council, six directors of private companies, one of whom is a current member of the Odesa City Council, as well as the founder of one of the private companies. Four persons from among the heads of private companies were additionally notified of suspicion under Part 2 of Art. 209 of the Criminal Code of Ukraine.

In May 2023, the specified criminal proceedings with an indictment were sent to court..

- b. Cases of corruption being used to impede investigations, prosecutions and adjudications of organized and other crime, such as through bribery or allocation of political and other favors to law enforcement and judicial officers? Are there cases of corruption linked to organized and other crime not being pursued by the authorities ('blind eye')?

Detectives of the National Bureau conducted a pre-trial investigation in criminal proceedings No. 52020000000000473 dated 28.07.2020 on suspicion of M.V. Zlochevskiyi of the commission of a criminal offense provided for in para 3 of Art. 27, para 4 of Art. 369 of the Criminal Code of Ukraine.

The pre-trial investigation established that M.V. Zlochevskiyi having previously conspired with O.M. Mazurova with the help of A.V. Kicheia and M.V. Iliashenko, in the period from 01.06.2020 to 11.06.2020 offered and promised to provide an unlawful benefit in the form of cash in the amount of USD 5 million, and on 12.06.2020 M.V. Iliashenko granted an illegal benefit in the amount of USD 5 million for closing criminal proceedings No. 42014000000001590 dated 17.11.2014 on the suspicion of M.V. Zlochevskiyi of the commission of crimes provided for in para 4 of Art. 28, para 3 of Art. 209 (legalization of proceeds from crime), para 4 of Art. 28, para 5 of Art. 191 (embezzlement or misappropriation by means of abuse of office) of the Criminal Code of Ukraine, the pre-trial investigation into which was conducted by the detectives of the National Bureau, and the procedural management was carried out by the prosecutors of the Specialized Anti-Corruption Prosecutor's Office.

On 01.07.2020 M.V. Zlochevskiyi was notified of suspicion of committing a criminal offense provided for in para 3 of Art. 27, para 4 of Art. 369 (Offering, promising or providing an unlawful benefit to an official) of the Criminal Code of Ukraine. On July 28, 2020, a decision was made to declare him an internationally wanted.

On March 1, 2022 indictment against M.V. Zlochevskiyi was referred to the High Anti-Corruption Court. Subsequently, the prosecutor changed the indictment of M.V. Zlochevskiyi, according to which the latter was accused of committing the crime provided for in para 3 of Art. 27 part 1 of Art. 369-2 (abuse of influence) of the Criminal Code of Ukraine.

On August 1, 2023, the High Anti-Corruption Court approved a plea agreement, according to which M.V. Zlochevskiyi was found guilty of the crime of abuse of influence.

- c. Cases of individuals and entities using corruption and other crimes to generate the funds needed to buy protection from the police? Cases of corruption in law enforcement authorities used to shield organized crime?

- d. Cases of law enforcement being impeded due to a lack of information and data, as well as reporting of crimes related to corruption?
4. Has your country collected data or statistics to track and/or analyze trends related to the links between corruption and the types of crime outlined in Question 2 above?

YES/NO

- a. Are these data analysed and used systematically, such as in prevention and investigations or prosecutions? YES/NO.

YES

- b. Please describe any methodologies used for strengthening measurement and terminological clarity, and achieving a deeper understanding of the different contexts (e.g. in times of peace or in emergencies or conflict situations) and sectors (e.g. law enforcement, border crossing, immigration, intelligence and security, procurement), as well as any corruption or organized crime threat assessments that take into account the interlinkages between corruption and other forms of crime.

Detectives of the National Bureau take measures aimed at identifying and eliminating the causes and conditions that contribute to the commission of criminal offenses that fall under the jurisdiction of the National Bureau. In particular, during the pre-trial investigation of corruption criminal offenses, the efforts of detectives are aimed at, inter alia, establishing the chain of movement of funds and other property obtained as a result of the commission of a criminal offense, identifying signs of legalization (laundering) of such property, as well as at its seizure and subsequent confiscation.

The practice of detectives of the National Bureau shows that the legalization (laundering) of proceeds from crime is one of the most closely related criminal offenses with corruption (from the list specified in question No. 2 of Appendix 1).

5. Has your country collected data or statistics to track and/or analyse trends concerning international cooperation in this regard? YES/NO.

Yes

- a. Please elaborate and share any findings with regard to the good practices and challenges in international cooperation with regard to countering corruption as it relates to other forms of crime

The National Anti-Corruption Bureau of Ukraine registers requests for international legal assistance with the help of an electronic document management system and, accordingly, their overall statistical accounting is carried out.

At present, it is not possible to generalize the information of the investigated criminal proceedings in terms of the connection of corruption crimes with other forms of crime in Ukraine from the available record of requests for international legal assistance, but it is possible to track generalized information regarding criminal proceedings in which requests for international legal assistance have been sent.

In particular, as of August 22, 2023, the National Bureau has sent more than 1,500 requests for international legal assistance to more than 80 countries of the world.

Materials for the execution of 1,075 requests from among the above have already been successfully received by the National Bureau. At the same time, based on the above statistics, it can be determined that the most widespread category of crimes, the pre-trial investigation of which is carried out by the detectives of the National Bureau, is the legalization (laundering) of proceeds from crime.

6. Has your country taken any steps at national, regional or local levels to better understand

and study the linkages between corruption and other crimes, such as criminological research, training or awareness raising? YES/NO.

a. If YES, please elaborate, providing examples.

7. Which aspects of corruption as it relates to other forms of crime do you consider require further research, and what are the gaps in knowledge or understanding that, if addressed, could facilitate countering these crimes?

II. Measures aimed at responding to corruption linked with other forms of crime

8. Has your government adopted or utilized any measures at national, regional or local levels aimed at **preventing** corruption linked with other forms of crime? YES/NO.

a. If YES, please elaborate. *Measures may include:*

- safeguards in specific sectors (e.g. law enforcement, border crossing, immigration, intelligence and security, procurement, local officials)
- development of targeted strategies, policies, action plans at national or sectoral level specifically addressing the links between corruption and other crime
- establishment of dedicated institutional frameworks
- specific rules, codes of conduct, or standards of transparency and integrity for public officials who are most exposed to the risk of being involved in crime and corruption
- systems for the disclosure of assets and private interests
- control mechanisms, such as internal approval systems to avoid having one-to-one meetings
- controls on issuances of visas, work permits, firearms licenses
- the use of information and communication technology (ICT) based tools to prevent (or detect) such crimes
- awareness raising and prevention measures for public officials that are vulnerable to corruption and other forms of crime
- other

9. Has your government adopted or utilized any measures aimed at **detecting, investigating and prosecuting** corruption linked with other forms of crime? YES/NO.

a. If YES, please elaborate. *Measures may include:*

- legislation criminalizing all forms of corruption related to other types of crime
- legislation providing for the liability of legal persons for their role in corruption linked to other forms of crime
- measures to identify beneficial owners of legal persons
- specialized investigative techniques
- strengthened institutional frameworks, including the establishment of dedicated bodies (such as those mandated to identify links between corruption and other crime), task forces or coordination mechanisms between authorities responsible for corruption and other crime
- capacity-building, including targeted training and peer-learning for relevant authorities
- measures to enable the identification, confiscation, tracing or seizure (and,

where relevant, return) of assets that are proceeds of corruption-related crimes

- mechanisms to address the role of professional gatekeepers (*i.e.* financial, legal, accounting or other relevant professionals) in the transfer of proceeds of corruption and other crime
- measures aimed at encouraging the protection or participation of actors outside the public sector, including:
 - reporting mechanisms, legal protections and incentives aimed at encouraging persons to report corruption and other crimes
 - measures to protect victims, witnesses, and cooperating offenders
 - measures aimed at ensuring the investigation and prosecution of acts of violence committed against journalists and civil society actors whose professional activity relates to corruption linked with other crimes
- other

10. Has your government adopted or utilized any measures aimed at facilitating **international cooperation** and the rapid exchange of information for cases that have interlinkages between corruption and other forms of crime? **YES/NO.**

Yes

a. If **YES**, please elaborate. *Measures may include:*

- the implementation of mutual legal assistance through digital means
- measures aimed at enhancing the efficiency of extradition mechanisms
- the use of electronic communication channels or networks**

In December 2022, the staff of the National Bureau gained access to the Secure Information Exchange Network Application (SIENA), which is essentially an electronic communication channel for the rapid exchange of information between the National Bureau and the competent authorities of the EU Member States, as well as the competent authorities of the countries, with which Europol has agreements on operational and strategic cooperation, working arrangements. The results of interaction of the National Bureau with foreign competent authorities through the specified network application already testify to the effectiveness and efficiency of such a communication channel.

Regarding sending and receiving requests for international legal assistance electronically, the following should be noted.

The current criminal procedural legislation of Ukraine provides for the possibility of sending requests for international legal assistance by electronic, facsimile or other means of communication, but only in urgent cases. In this case, the original of the request is sent by mail no later than three days from the moment of its transmission by e-mail, facsimile or other means of communication. The National Bureau, when sending requests for international legal assistance, in some cases uses the specified normative provision.

At the same time, in accordance with para. 5 of Art. 548 of the Criminal Procedure Code of Ukraine, an authorized (central) body of Ukraine may consider a request received from the requesting party by electronic, facsimile or other means of communication. The execution of such a request is carried out only under the condition of confirmation of sending or transfer of its original. Sending the request execution materials to the competent authority of a foreign state is possible only after the Ukrainian side receives the original request.

- the use of joint or parallel investigations or the bilateral sharing of capacity and expertise on investigating and prosecuting corruption offences**

linked with other forms of crime

The National Bureau actively uses such a modern and effective form of international cooperation as the creation of joint investigative teams during the investigation of criminal offenses under its jurisdiction.

In order to increase the efficiency of international cooperation during pre-trial investigation in criminal proceedings, the National Bureau as of the first half of 2023 concluded 3 agreements on the creation of joint international investigative teams, within the framework of which the detectives of the National Bureau and jointly representatives of 5 foreign countries cooperate.

It should also be noted that the National Bureau complies with the requirements of Part 1 of Art. 46 of the UN Convention against Corruption and provides the broadest mutual legal assistance in investigations by law enforcement agencies of foreign countries. In particular, to date, the National Bureau has fulfilled (partially or fully) 126 requests of foreign competent authorities for international legal assistance out of 136 requests received.

- cooperation with other countries or multilateral, international or regional bodies to address corruption linked with other forms of crime**
- accession to bilateral, regional or multilateral treaties and agreements.**
- Other