



# Role of the Anti-corruption Agency in Promoting Business Integrity – THE CASE OF UKRAINE

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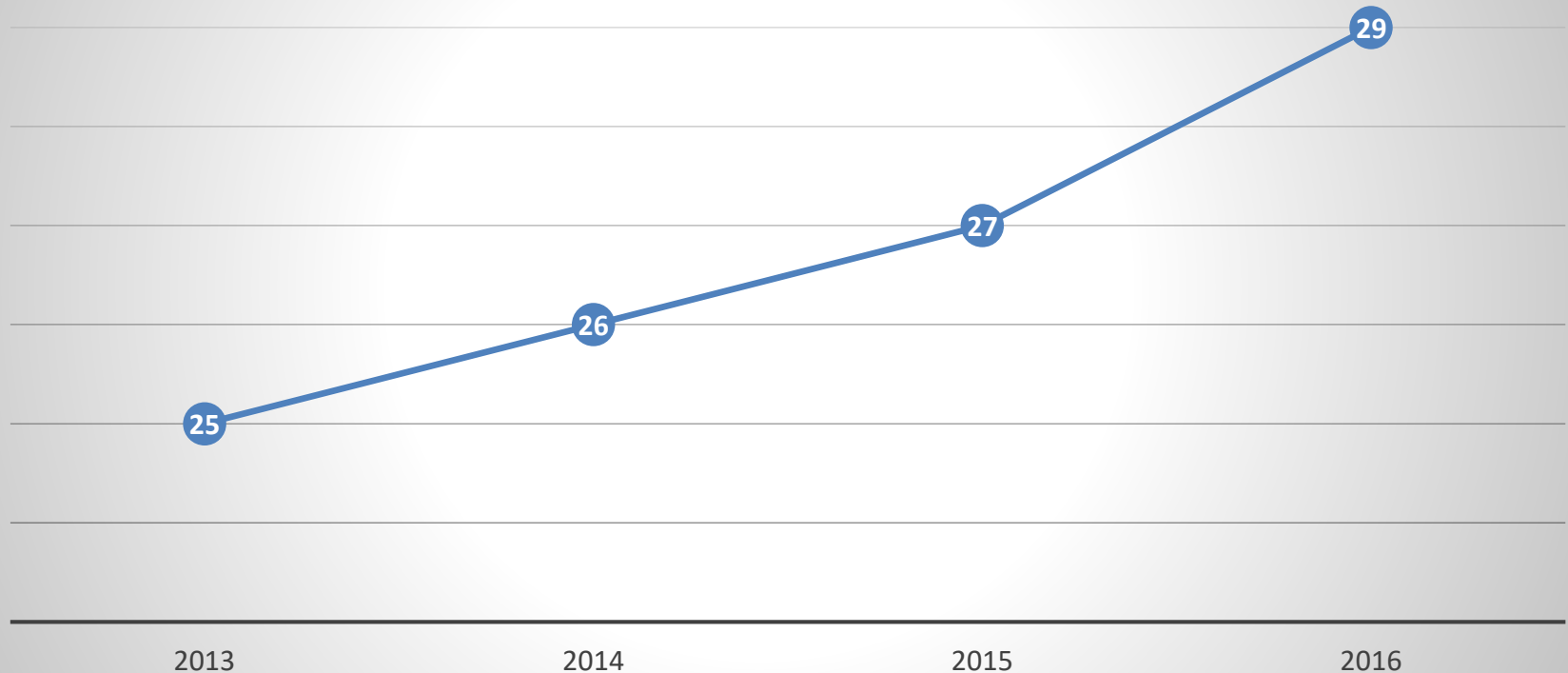
Member of the Council

National Agency for Prevention Corruption of Ukraine

8 November, 2017, Vienna

In the World Corruption Perception Index (CPI) for 2017, Ukraine received 31 points out of 100 possible.

## CPI



Source: Transparency International, Corruption Perceptions Index 2016, published 25.01.2017  
[https://www.transparency.org/news/feature/corruption\\_perceptions\\_index\\_2016](https://www.transparency.org/news/feature/corruption_perceptions_index_2016)

# In Doing Business Ranking Ukraine has improved significantly since 2013 – now 76<sup>th</sup> in the world

EASE OF DOING BUSINESS IN UKRAINE



Source: the World Bank and [tradingeconomics.com](http://tradingeconomics.com).

Note: Ukraine ranks 76th in the “Doing Business 2018”, which was published in October 2017

# THE MAIN ANTI-CORRUPTION REFORMS AREAS 2014-2017

- The anti-corruption legislation package and setting up corruption the anti-corruption institutions
- E-procurement system – ProZorro
- Electronic System of Asset declarations with the open access to data
- Opening up public registries and information on public finances, opening beneficial ownership registers
- Reforms in banking and energy sector
- Constitutional admedments and new legislation on Judiciary
- Civil Service law and public administration reform strategy in line with EU standards
- National Police reform

Source: OECD, “Anti-corruption Reforms in Ukraine. Fourth Round of Monitoring of the Istanbul Anti-corruption Action Plan”, adopted 14.09.2017, Paris

# ANTI-CORRUPTION SYSTEM IN UKRAINE 2014-2017

NACP IS ONE OF THE THREE NEW SPECIALIZED ANTI-CORRUPTION INSTITUTIONS OF UKRAINE  
ESTABLISHED IN 2016



## **National Anti-Corruption Bureau of Ukraine**

investigation of corruption crimes  
committed by high officials



## **Specialized Anti-Corruption Prosecutor's Office**

support of criminal  
proceedings of NABU



## **National Agency on Corruption Prevention**

as opposed to NABU and SAPO, which are law-enforcement institutions, NACP has a preventive function: it develops and ensures compliance with the regulations that would help prevent corruption

# CORRUPTION PREVENTION AND BUILDING INTEGRITY IN PRIVATE SECTOR IN UKRAINE

## NATIONAL AGENCY ON CORRUPTION PREVENTION

### ANTI-CORRUPTION POLICY

- Formation of **anti-corruption strategy** and implementation of anti-corruption policy;
- Conduct research on status of corruption;
- Carrying out awareness campaigns to enhance the negative procurement to corruption by society;
- Anti-corruption expertise.

### ASSET DECLARATION FOR PUBLIC OFFICIALS

- Verification of public officials e-asset declarations;
- Public officials lifestyle monitoring;
- Documenting administrative offences against financial control regulation;
- Drawing up protocols on administrative violations of the requirements of financial control

### CONFLICT OF INTERES

- Prevention of **conflicts of interest of public officials**;
- Ethical standards;
- Monitoring compliance with legislative restrictions on receiving gifts and outside employment;
- Drawing up protocols on administrative violations in this area.

### CORRUPTION PREVENTION AND COOPERATION WITH WITNEBLOWERS

- Cooperation with whistle-blowers of corruption and their protection;
- Anti-corruption programs of government agencies and **typical anti-corruption programs for legal entities**;
- Corruption risks analysis;

### POLITICAL CORRUPTION PREVENTION

- supervision over political parties financial reports, **including donations from the companies**;
- state funding of political parties;
- documenting administrative offences in this field

# STRATEGICAL DOCUMENTS

## **Anticorruption Strategy for 2014-2017**

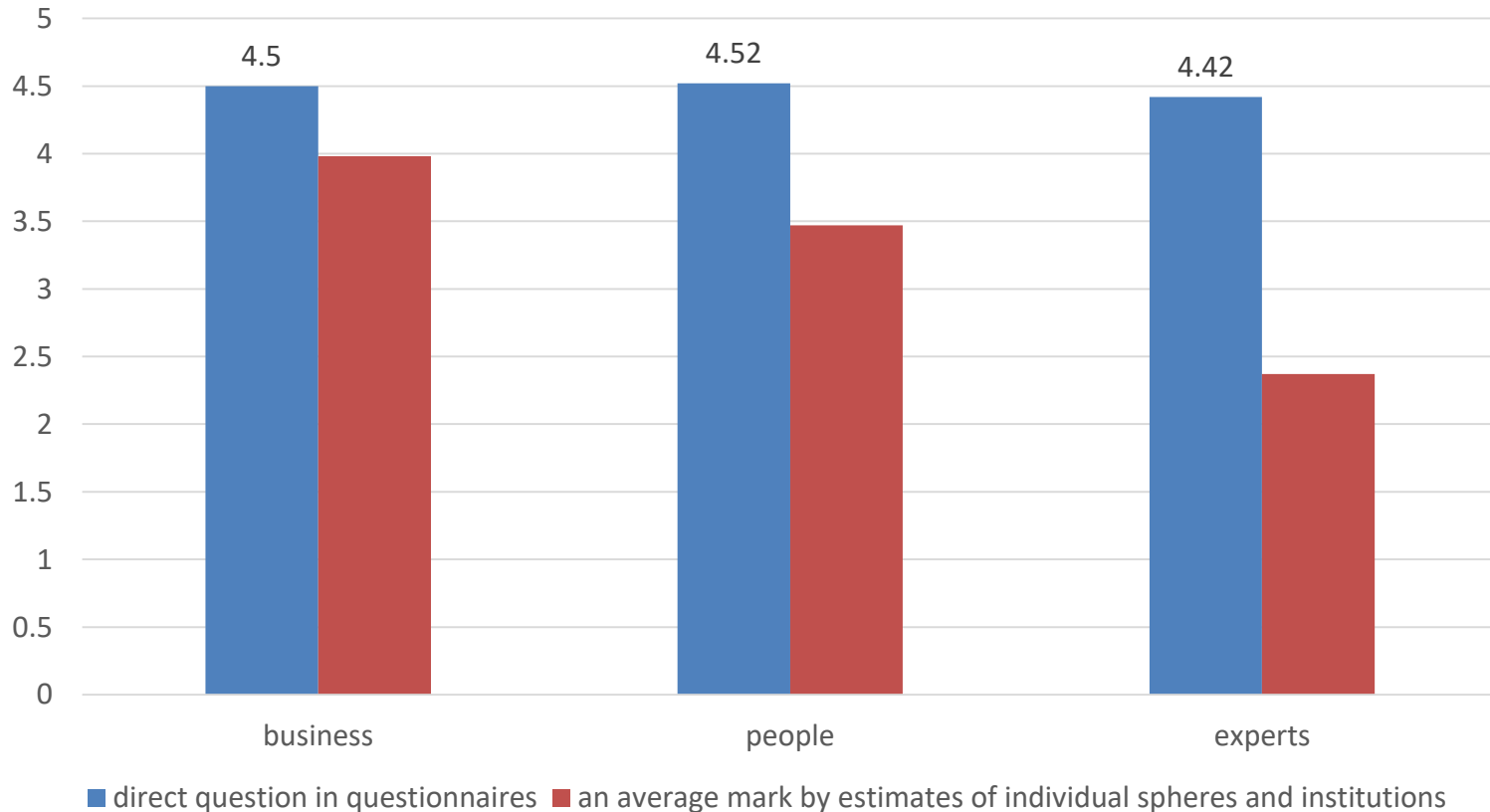
- abolishing obligatory putting the seal on corporate documents
- abolishing control over prices on food products
- abolished a number of obligatory licenses and permission documents in some sectors of economy and has introduced the «silent agreement» principle
- introduced automated VAT (value added tax) return (reclaim) system
- opened access to all state registries, including the State Registry of Intangible Assets (Property)
- introduced electronic open source government e-procurement system ProZorro

## **Draft of Anticorruption Strategy for 2018-2020**

- to ensure the centralization of state property management systems with the consolidation of specific functions for each state body
- to provide open on-line access to information about state and communal property
- to reduce the number of enterprises in the state sector of the economy through privatization, mergers into integrated holdings or liquidation
- to develop and, as a matter of priority, adopt the Code of Administrative Procedure of Ukraine
- to introduce monitoring of the activities of public and communal enterprises and a mechanism for disclosure of their activities

# LEVEL OF PERCEPTION OF CORRUPTION

## GENERAL EVALUATION OF THE EXTENSION OF CORRUPTION IN UKRAINE



Source: NAPC, "Corruption in Ukraine 2017", Survey data, in cooperation with OSCE, September 2017

Note: Perception of corruption is similar among different groups -businesses, general population, experts in Ukraine; it remains high.

When asked to evaluate level of corruption in different institutions the data show a more favorable view. The experts view the Ukrainian institutions as more clean of corruption than the general public, and businesses are the most critical of the performance of the institutions.



# EXPERIENCE OF ENCOUNTERING CORRUPTION

## STATE AUTHORITIES AND LOCAL GOVERNMENT As reported by businesses who had direct contact



Source: NAPC, "Corruption in Ukraine 2017", Survery data, in cooperation with OSCE, September 2017

# ANTI-CORRUPTION PROGRAMS FOR STATE ENTERPRISES AND LEGAL ENTITIES

## **NACP adopted Anticorruption Program for State Enterprises and Legal Entities that allow to provide:**

- a system of compliance-control over the compliance of employees with regulatory acts
- internal procedures and rules in the field of anti-corruption activities

## **A typical anti-corruption program includes anti-corruption measures**

- periodic evaluation of corruption risks in the activity of a legal entity
- anti-corruption check of business partners
- provisions on mandatory compliance with the anti-corruption program
- criteria for selecting business partners of a legal entity

# ANTICORRUPTION PROGRAM WAS ADOPTED IN 249 STATE ENTERPRISES AND LEGAL ENTITIES:

- Ukrainian State Enterprise of Posts “Ukrposhta”,
- SEO "Boryspil International Airport",
- SEO "National Information Systems",
- SEO "Ukrasbank"
- SEO in form of PJSC "Privatbank",
- Municipal Enterprise "Kyivpastrans",
- State Enterprise “National Nuclear Energy Generating Company  
“Energoatom”,
- Municipal Enterprise “Kyivmetro”,
- Concern for Broadcasting, Radio Broadcasting and Television.

**THANK YOU  
FOR YOUR ATTENTION !!!**



For questions related to this presentation please contact the NAPC (courtesy of the UNDP Ukraine Enhanced Transparency and Integrity Project ) at [eti.ua@undp.org](mailto:eti.ua@undp.org)