

# **International Anti-Corruption Conference 2018 in Copenhagen**

## **National anticorruption statement**

### **Ukraine**

More than four years ago the Revolution of Dignity led all the Ukrainian society to fundamental transformations in its social, economic and political landscape.

Ukraine, as a sovereign state, made its choice to break all the bundles that connected it with Soviet-era past and lean towards the future where the democracy, human rights and rule of law are core values.

Fighting corruption was one of the driving powers of the Revolution of Dignity in Ukraine and remains one of our State priorities nowadays.

Since 2014 Ukraine has made significant efforts both at the national and international level in fighting and preventing corruption.

Ukraine adopted a comprehensive anti-corruption legislation package and established new specialised institutions: National Anticorruption Bureau (NABU), Specialized Anticorruption Prosecutor's Office (SAPO), National Agency on Corruption Prevention (NAZK), Asset Recovery and Management Agency (ARMA) and State Investigation Bureau (SIB).

Establishment of the High Anticorruption Court, as a key institution ensuring fair punishment for committing corruption cases, finalised the anticorruption architecture in Ukraine. It is expected to be in full operation by the beginning of 2019. The Public Council of International Experts involved in the process of selection of the judges to the High Anticorruption Court will assure honest and competitive selection of best professionals.

The anticorruption institutions already demonstrate notable practical results in eradicating high level corruption.

The National Agency on Corruption Prevention as key preventive body, electronic declaration system launching – became significant achievements for Ukraine in recent years. Over 2 384,000 declarations including of top level officials are now publicly accessible.

The Law on Corruption Prevention provides solid background for protecting whistle-blowers disclosing corruption: online anonymous reporting as well as clear reporting channels were introduced.

The National Anti-Corruption Bureau of Ukraine is the only law-enforcement agency created from scratch. A new position – Detective - was established to combine the functions of a field officer and an investigator.

The Special Anticorruption Prosecution fully implements its tasks and responsibilities throughout cases led by the National Anticorruption Bureau.

Over 2 years almost 1 000 criminal proceedings were registered and more than 100 cases, investigated by National Anti-Corruption Bureau and Special Anticorruption Prosecution were submitted to the courts.

To fight with top level corruption the State Investigation Bureau was launched with functions of preliminary investigation in criminal proceedings against senior officials, judges and law enforcement officers.

The Asset Recovery and Management Agency of Ukraine is fully-fledged institution to trace and manage assets seized in criminal proceedings.

Today Ukraine has all legal and operational tools for ensuring pre-MLA international cooperation, taking prompt action in response to requests by foreign countries on finding and tracing proceeds of corruption.

The function of the ARMA on management of seized property creates a fundamentally new mechanism of public-private partnership, and resulted in emergence of a new market for management of seized property and the market of seized property.

At the moment, ARMA's deposit portfolio is more than 146.9 million of UAH (5.246 mln USD). As for the value of the movable property, it's more than 35 million UAH (1.25 mln USD), and value of the immovable property - more than 1.33 billion UAH (47.4 mln USD).

Ukraine remains committed to continue creation of corruption prevention mechanisms, by consistently implementing the initiatives and innovative technologies that made state authority and business more transparent and accountable to society.

Ukraine achieved unprecedented level of transparency, inter alia, by introducing e-procurement, opening up the public registries and making a number of datasets publicly available in open data format: the state agencies are obliged to publish data in open format and the open data portal now contains around 20 000 datasets.

Free access to the database with information on the beneficiary owners of Ukrainian companies is open and publicly available.

The public procurement procedure is fully shifted to e-format (for central, municipal bodies and SOE). An innovative e-procurement system ProZorro became a powerful tool for combating corruption in public procurement, and its economic impact is already proven.

Since the ProZorro system has been implemented, 2.32 million purchases were announced, with a total expected value of over 1.73 trillion UAH (61.6 billion USD). The amount of budget savings has reached 52.5 billion UAH (1.87 billion USD).

The system of electronic trading of arrested property OpenMarket became the world's first auction to bid for blockchain. Ukraine was recognized as one of the 14 leading countries which have introduced a blockchain technology.

To combat financial crimes, tax evasion and corruption Ukraine joined relevant international initiatives: Ukraine is a member of the Global Forum on Transparency and Exchange Information for Tax Purposes and committed itself to implementing international tax information exchange standards, including in automatic mode; in 2016 Ukraine joined the international initiatives of the OECD to Counter Base Erosion and Profit Shifting and committed to stepping up efforts to counteract aggressive tax planning.

Ukraine has a positive experience in using the system of e-administration of value added tax (VAT) and risk analysis to block tax invoices, which prevents fraudulent VAT schemes, eliminating the possibility of manual VAT manipulation and refund.

Ukraine continues delivering on its commitments under the 2030 Agenda for Sustainable Development and the Sustainable Development Goals.

We remain adhering principles of the UN Convention against Corruption and confirm our willingness to strengthen law enforcement cooperation against corruption.

Ukraine supports the Joint Statement which will be adopted on 22<sup>nd</sup> October 2018 during the IACC high level segment. We believe that this document will be an effective tool and the driving force in fighting and preventing corruptions both at national and international level.

All these steps taken to combat corruption in our country are unprecedented and notable. We do hope that they can also serve as an example for other countries in the region and beyond.

We appreciate all the international community, which has played an important role in promoting anti-corruption reforms in our country, and hope for continuing support to Ukraine in its anti-corruption fight.