

THE EFFECTIVENESS OF REALIZING THE STATE POLICY IN THE FIELD OF THE CORRUPTION PREVENTION IN UKRAINE

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INTRODUCTION

In 2015-2016, several specialized anti-corruption agencies were created – the National Anti-Corruption Bureau of Ukraine (NACB) and the Specialized Anti-Corruption Prosecutor's Office (SACPO) – as an independent structural unit in the structure of the General Prosecutor's Office, as well as the State Bureau of Investigations (SBI) and the National Agency for the Prevention of Corruption (NAPC), and others.

The creation, staff assistance and the first steps to new institutions took place in a harsh political struggle and active opposition from the representatives of the political elite, law enforcement agencies and the judiciary corpus, interested in maintaining the status quo. As practice shows, the activity of newly-formed agencies does not comply with the public request. This is due to functional weaknesses of the specialized anti-corruption institutions and the failure to reform the judiciary system, and, as a result, in a number of cases the direct opposition of the judges¹.

What separates corruption crimes from others is their high latency, which complicates the provision of their criminological characteristics. According to scientific research only 1-5% of corruption crimes get to be investigated by the law enforcement agencies. The rest remains latent, and the perpetrators remain unpunished, as they are not being prosecuted and can freely continue their criminal activity². Thus, official data on the state of corruption does not reflect its actual state; it only shows us the activity of law enforcement agencies against such crimes. In addition, it is usually small officials that are brought to the liability. Meanwhile, transnational criminal groups take part in the bribery of politicians who can influence economic processes in the state in the direction that their customers want.

¹ Україна проти корупції: Економічний фронт. Економічна оцінка антикорупційних заходів у 2014–2018 рр. Дніпро: Середняк Т. К., 2018. 85 с.

² Кондратов Д.Ю. Вісник кримінологічної асоціації. 2018. № 2 (19). С.132

1. The State of Prevention and Counteraction of Corruption in Ukraine

One of the methods for collecting comparative data is sociological research. So, for our analysis it is necessary to take account of the experience and opinions of those who directly encounter corruption – Ukrainian citizens. Corruption Perception Index (CPI) is an indicator that has been calculated by the international organization Transparency International since 1995. Ukraine somewhat improved its performance in 2018. Its result is 32 points and 120th place among 180 countries. Thus, Ukraine gained 2 more points and climbed to 10th place (In 2017 its result was 30 points, 130th place. If we compare the results between the neighboring states, Ukraine is only higher than the Russian Federation (28 points, 138th place), while the rest is ranked higher: Poland – 60, Slovakia – 50, Romania – 47, Hungary – 46, Belarus – 44, Moldova – 33 points³. The growth of Ukraine's performance was due to the assessment of the business situation. This is what the analysis of the research shows, based on which the index was calculated. Positive impact was made by the introduction of automatic refund of value-added tax, and the expansion of functions of the system ProZorro.

According to the Ukrainian-Wide Network of good faith and justice and the Compliance Network UNIC “Corruption in Ukraine – a Business View”, of 305 enterprise executives and their deputies, 54% of respondents indicated that corruption and malicious behavior for deputy's was “really common”. Courts were also included in the Top 5 of the most corrupted agencies and spheres: 43% of the responders mentioned that corruption is “really common” for them. 39% of the responders consider fiscal service employees as corrupt, 31% thinks that the Ministry of Ukraine is corrupt; also 31% think that «big business» is corrupted. UNIC experts come to a conclusion that «big business» is one way or another attached to the state authorities, or so-called influential people.

The results of the poll which was held by the «Democratic initiatives»⁴ Foundation shows that 91% of the citizens consider

³ Індекс сприйняття корупції – 2018. URL: <https://ti-ukraine.org/research/indeks-spryinyattya-koruptsiyi-2018/>.

⁴ Опитування проводилося з 16 по 22 серпня 2018 р. в усіх регіонах України за винятком АР Крим та окупованих територій Донецької та Луганської областей. Загалом було опитано 2019 респондентів віком від 18 років. Теоретична похибка вибірки не перевищує 2,3%. Для порівняння соціологи наводили дані загальнонаціонального опитування населення України, проведеного з 18 вересня по 3 жовтня 2017 року Фондом «Демократичні ініціативи» імені Льва Кучеріва та фірмою «Юкрейніан соціолоджи сервіс».

corruption as a serious problem in Ukraine and 61% of the citizens are convinced that this is the most serious problem that prevents the development of our state. That is why the awareness of corruption has grown drastically over the last year. Nowadays, 61% of those asked are convinced that the lack of progress in fighting corruption lies in the fact that those who fight corruption are also corrupted.

Comparing with 2017 data we could see people's distrust in the fact that authorities could overcome corruption only grew over time – it went from 53% to 61%. It also shows that that 38% of the responders think that corruption is a part of our people's mentality, and 46% think that it's not. The younger the responder's age was, more of them called corruption as a part of the mentality of Ukrainians. (However that is not 100% correct according to the research). Sociologists have mentioned that the same question was raised in 2001. First of all, 55% – Ukrainians support punitive methods of overcoming corruption, and 28% of them think that we could overcome corruption by eliminating corruption risks. Supporters of eliminating corruption “through education” are in a minority – there are only 12% of them.

The attention should be drawn to Ukraine's citizen's extremely negative perception of measures taken by the government of Ukraine to prevent corruption. Thus, according to the poll conducted by the ZIK television channel, which ended on February 28th, 2018, answering to the question of «What is the best way to rate the state of fighting corruption in Ukraine?», 91% of the responders indicated that the process has not even started yet.

Transparency International gave Ukraine the following recommendations in 2018 to help in overcoming corruption in the state: Anti-corruption court should start working and the anti-corruption reform should continue working; strengthen the opportunities of agencies in pre-court investigation and continue fighting corruption; restart NAZK; introduce new electronic state systems; deprive law enforcing agencies from interfering the economic activity. However, the recommendations mentioned above have not been realized yet.

According to Strategy of the National Security of Ukraine⁵, one of the most relevant threats to Ukraine's national security is corruption and

⁵ Про рішення Ради національної безпеки і оборони України від 6 травня 2015 року «Про Стратегію національної безпеки України». Указ Президента України від 26 трав. 2015. № 287. Офіційний вісник Президента України. 2015 р. № 13. ст. 50.

the ineffective system of public administration. The threats to Ukraine's national security are also factors that directly affect the state of corruption in the state, to be precise the economic crisis, the exhaustion of the financial resources of the state, and lowering living standards of the population.

On June 24, 2018, the Cabinet of Ministers of Ukraine approved the draft Law of Ukraine "Anticorruption Strategy for 2018-2020" (Reg. No. 8324), which is awaiting consideration by the Verkhovna Rada of Ukraine. However, according to the conclusion of the Main Scientific and Expert Department (No. 16/ 3-306/8324 (99392) dated May 11, 2018), the document is purely declarative.

A significant disadvantage that directly affects the effectiveness of countering corruption is that the project of this law has not been properly and adequately debated with the representatives of civil society and other stakeholders.

When evaluating the state of counteraction to corruption crimes, one should consider the effectiveness of the state agencies work that perform functions of preventing corruption. It should be mentioned that the State Bureau of Investigations does not have significant results in counteracting corruption because of its long-term process of creation, which is explained by the political processes around the department, in particular the conflict between the newly elected Director of the SBI R. Truba and the competition comity in the future, as well as the lack of unanimity and support of R. Truba from his deputies. SBI started its activity on November 28, 2018 – when the first criminal proceedings were registered. In the report about the activities of the SBI in 2018 on the site of the institution indicated a total of 5794 criminal proceedings, 4761 of them are investigated by the SBI, 510 – directed to the court, 523 – others, 610 suspicions and 499 of the conviction acts⁶. However, there are no indictments against TOP-high officials, who were suspected in committing corruption crimes. Moreover, the tendency is the escape of some officials from the prosecution abroad. One of the most notable achievements of the State Bureau of Investigations in 2019 is uncovering the scheme for the illegal import of premium cars into Ukraine through the Lviv Customs. In particular, investigators have revealed the crime of

⁶ Звіт про діяльність Державного бюро розслідувань. URL: <https://dbr.gov.ua/report/zvit-pro-diyalnist-derzhavnogo-byuro-rozsliduvan-za-2018-rik>.

the illegal importing of Mercedes cars, which resulted in the state budget losing 658 thousand UAH.

As for consideration of the criminal proceedings by the National Anti-Corruption Bureau of Ukraine, as of December 31, 2018, this agency has the following results: sent to the court – 176; in the stage of consideration – 94; sentenced – 25.

In May of 2018, a joint proceeding with the task of revealing the fact of losing 695 million UAH by the PC «SkhidGZK» and the PC «NAEK EnergoAtom» was taken into the court. The information about this case was one of the first ones to be included into the United Register of Pre-Trial Investigations by the detectives of NABU which makes it unique from the involved high officials' perspective while also taking into the account the immensity of international cooperation. Such investigations and their referral to the court is proof of NABU's effective work. However, there are single proceedings, the consideration of which does not start more than 1 year:

From a positive perspective, one can mention the detention by the NABU detectives of the commercial director of the company-supplier of fuel for the needs of Ukraine's Ministry of Defense, who is suspected in stealing more than 149 million UAH on 09 July 2018. For nine month this person hid from the investigation – in November of 2017 he was declared internationally wanted. At the same time, while the suspect was crossing the state border in July 9, 2018, the employees of the State Border Guard Service of Ukraine (DPS) did not take measures to detain⁷ him. Taking into the account the repeated occurrence of such cases at the state border of Ukraine (in a negative tendency) could indicate the presence of corruption in the actions of employees of Ukraine's DPS.

Nearly a half of a thousand requests for international legal assistance have been sent to the competent agencies by the National Anti-Corruption Bureau of Ukraine, because Ukrainian corruption has left marks in 65 states of the world. Usually detectives seek help from the law enforcement agencies in Latvia, Cyprus, the United Kingdom, Germany and Switzerland. NABU has also responded to inquires received from foreign colleagues – 90% of them were executed successfully⁸.

⁷ Звіт Національного антикорупційного бюро за 1 півріччя 2018 року. URL: https://nabu.gov.ua/sites/default/files/reports/zvit_10.08.2018_sayt.pdf.

⁸ Там само.

This indicates the reorientation of the work of the anti-corruption agencies from local national corruption to transnational which is natural due to the globalization of the crime.

In general, NABU'S activity should be evaluated by counting the compensated amount of the state losses. Thus, as of 31th of December, 2018 452, 37 million UAH was compensated, and 193,39 millions of them was compensated in 2018. 193, 39 million compensated in criminal proceedings, in which pre-trial investigation is still in process, and 5, 68 millions compensated where it had already ended. The allocation of compensation in different field looks like this: energy – 87, 57 million UAH, others – 77,94 million UAH, transport and infrastructure – 25, 92 million UAH, social sphere – 7, 64 million UAH. 94 agreements and contracts are declared invalid (this decision became legally valid). The amount of money which they hope to be returned to the state enterprises due to NABU's lawsuits in agreements and contracts, which are declared invalid and the decision became legally valid is 4, 77 billion UAH.

As of December 31, 2018 an arrest applied to the money; 477, 72 million UAH, 157, 56 million USA dollars, 1, 14 million Euros, 10,88 thousand GBP. Another arrest is applied to property: residential property – 119 units, non-residential property – 101 units, corporate right and shares – 150 thousand, land parcels – 244 units, agricultural technology with its components – 288 units, non-residential property abroad – 2 objects, integral property complexes – 3 objects, transport vehicles – 81 units, computer technology – 26 units⁹.

At the same time, “strengthening” of the National Anti-Corruption Bureau of Ukraine, just as Transparency International suggested, did not happen. NABU detectives did not receive rights to such an operational and technical measure as tapping the telephone. Instead, the changes to the legislation made it difficult to conduct expert examinations in criminal proceedings (the notorious “corrections by Lozoviy”). The National agency for the Prevention of Corruption (NAZK) in 2018 has made 471 protocols and issued 97 regulations for violating the law in the sphere of preventing the a conflict of interests, which increases the results of the agency in 2017 in almost three times. The vast majority of protocols on corruption-related administrative violations have been drawn up to in

⁹ Міні-звіт про діяльність НАБУ. URL: https://www.flickr.com/photos/nab_ukr/sets/72157705076034601?fbclid=IwAR1iJg6dR6VfsqMacTQkGIu8RqaCc1y7An6lxbvrkHi-wGEbRb3KijYM_eY.

violation of requirements to prevent and resolve conflict of interest, to be exact the failure to inform the person about having a real conflict of interest and taking action or making decisions under the conditions of a real conflict of interest situation. Also, in 2018, the NAZK filed only 5 lawsuits against the Kyiv Regional Administrative Court about declaring self-government bodies acts invalid, acts which were approved in a result of breaking the anti-corruption legislation. During 2018, 949 clarifications were given to specify if the conflict of interest actually took place or not and also an action plan for its settlement. According to the results of NAZK in 2018: more than 11 thousand requests by the special inspectors have been processed; processed 2207 messages of accusers; 472 decisions about conducting inspections on declarations the have been approved; criminal proceeding have been initiated on 4 political parties based on NAZK materials. For conducting a pre-trial investigation the National Organization of the Prevention of Corruption sent 253 justified conclusions regarding the detection of signs of criminal offenses to the law enforcement agencies, which were sent to: NABU – 37, to the National Police of Ukraine – 178, and 38 of them were sent to the prosecutor's office¹⁰. The small numbers given are not representative, because it is impossible to identify trends without criteria that would help rate the work of the administration. The announced automatic check of electronic declarations is pretty much pointless, because NAZK did not receive permission to access some state register. In the end the NAZK did not become the technical administrator of electronic declarations. And the tender for the audit of its activities was conducted while violating the law. Since its inception to June 2018 NAZK reviewed only 331 declarations from more than 1 million submitted. In 45 of them NAZK detected discrepancies, this means undeclared property. According to the estimates of the Reanimation package of reforms, if the declarations are going to be reviewed at that pace, then NAZK will review all officials approximately in 3600 years¹¹. It can be confirmed that the National agency of the Prevention of Corruption, as of April 2019 has never met the strategic goal of reviewing the declarations of TOP-level officials, which doubts

¹⁰ Результати перевірок. Національне агентство з питань запобігання корупції. URL: <https://nazk.gov.ua/rezultaty-perevirok>.

¹¹ З такими темпами НАЗК перевірить всі декларації не раніше, ніж через 3600 років, – експерти. URL: <https://rpr.org.ua/news/z-takymy-tempamy-nazk-pereviryt-vsi-deklaratsiji-ne-ranishe-nizh-cherez-3600-rokiv-eksperty/>.

the reasonability of the agencies functionality in Ukraine as an agency, which effectively prevents corruption crimes.

In 2017, according to the provisions of the State Program of realization of grounds of the state's anti-corruption policy in 2015-2017 years, a detailed review should implement every year. But it has not been implemented, and there is absolutely no changes added to the program.

The Draft Law of Ukraine "On the Anti-Corruption strategy in 2018-2020 years" had been under consideration by the Government for a long time and only in April of 2018 it got registered in Verkhovna Rada of Ukraine because the new Anti-Corruption strategy is still without consideration, the State program for resolving the problem of the grounds for state anti-corruption politics has not been developed yet.

NAZK's activity became a disappointment for the society as an institution, while also directly affecting the formation and implementation of the state anti-corruption politics. Despite the given legal guarantees of the independence of NAZK, this state agency is directly affected by some political influences, so in practice it is not really independent. Conflicts with the Cabinet of Ministers and the Ministry of Justice of Ukraine have only made the state of NAZK at the stage of institutional formation more complicated. Over the entire period of work of the Specialized Anti-Corruption Prosecutors Office and NABU, 106 criminal proceedings have been opened about the topic of illegal enrichment, 37 of which have been already closed and only 4 of them are sent to court with accusative acts. At the same time it should be mentioned that the statistical data about criminal proceedings which is given on the General Prosecutor's Office (GPO) website does not include the division of these categories of individuals, defined in the part 1, Art. 3 of the Law «On the Prevention of Corruption» that complicates the analysis.

In the last five years the GPO has been associated with scandals, which are still unresolved. The candidature of Y. Lutsenko, who had no legal education, became the first reason for the scandal of the political society and civil society. The most impactful incident was the case of tapping the director of SAP N. Holodnitsky, when NABU detectives hid a tapping machine in an aquarium in his cabinet. N. Holodnitsky's conversations with the subjects of criminal proceedings and other individuals became the reason for opened the disciplinary and criminal

proceedings for him and a significant decrease in his authority in SAP¹². In 2018 the conflict between NABU and SAP reached its peak. As time went by the conflicts between NABU and the anti-corruption prosecutor's, who control the investigations with NABU detectives became public. At the same time, the mass media are writing articles about the visible conflict between the president's team and the minister of internal matters.

A separate consideration is needed to be attracted to the problem of non-transparent tenders for the positions of the state's officials of categories A and B. Due to mass media, the society had the opportunity to observe the information and make sure that the actions of the chairman and other members of the Selection Committee of members NAZK (hereinafter referred to as the Commission) did not meet the standards of professionalism, impartiality and integrity, which directly negatively affected the work of such an important anti-corruption agency as NAZK. However, despite the numerous scandals, which were associated with the Commissions work during 2015-2016 years, the Government did not see any need to replace the Chairman and the replacement of its members. Society has the same question to the people who were elected by tenders to the National Agency of Ukraine which specifies in detecting, tracing and managing assets, which were obtained from corruption and the other crimes, and also the State Bureau of Investigations. These are serious violations during the conduction of tenders, and an explicit lobbying of these candidates by certain political forces.

Recently, there has been a high public resonance about the cancelation of criminal responsibility for illegal enrichment, which was approved in 2015, which was one of the European Union requirements for the plan of non-visa travel, and also one of Ukraine's responsibilities in front of IMF. The National Anti-Corruption Bureau has investigated 50 criminal proceedings under the article 368-2. However on December 12, 2017, 59 national deputies appealed to the Constitutional Court of Ukraine and 24 of them have previously voted for the approval of the article 368-2 of the Criminal Code of Ukraine in its current version. As a result, on February 26, 2019, the Constitutional Court of Ukraine declared the previously mentioned article unconstitutional in the Criminal

¹² Романюк Р. Шпигунські ігри, або «Жучки» в кабінеті Холодницького. Українська правда. 21 березня 2018 р. URL: <https://www.pravda.com.ua/articles/2018/03/21/7175296/>.

Code of Ukraine. Moreover, almost 30 national deputies from different factions could have been involved in criminal investigations about illegal enrichment. Considering the high public resonance, we believe that we should continue the investigations about the individuals mentioned before by other legal means.

Regarding the anti-corruption measures taken by the Ministry of Health Of Ukraine, according to the journalist's investigations from the 24th Channel, after the reform of health-care started, the companies through which MHU made corrupt agreements, remained, but now they take place on a regional level. It should be mentioned that communal and public procurements happen on different rules, and, accordingly, give different results. The Ministry of Health-Care of Ukraine makes purchases through different international organizations, which gave the state the opportunity to minimize the corruption and save 40%. In addition, for example, in 2018, 137 million UAH was spent to buy medicines for adult cancer patients. If the procurement of the medicines was done by the Ministry of Healthcare of Ukraine, the same drugs would cost 113 million UAH. The difference between them would be 14 million UAH (more than 20%), which went into the corrupt officials pockets.

In Ukraine there are currently about 30 transnational corporations that have more than 7,000 representatives and affiliates, which operate mainly in food, petroleum, and tobacco manufacturing industries. Separate TNC are taking the roles of partners of Ukrainian companies. The fight between companies for sources of raw materials and marketplaces results in war between States that they are representing. During military conflicts, corruption schemes are forming, in which governments of “interested” states take active participation. Ukraine is a good example for this, where there are military actions taking place in Donetsk and Luhansk regions. According to the results of a sociological research that was requested by the public organization «Detector media», and sponsored by the Embassy of Swedish Kingdom in Ukraine and was conducted by the Kyiv International Institute of Sociology, 65% of Ukrainians are confident that the military action on Donetsk and Luhansk regional territory will not end soon, because this is advantageous to the oligarchs¹³. This is confirmed by the corruption scandal with PC

¹³ 65% украинцев считает, что война на востоке продолжается, потому что она выгодна власти и олигархам – сощопрос. URL: <http://gordonua.com/news/war/65-ukraincev-schitayut-hto-voyna-na-vostoke-prodolzhaetsya-potomu-hto-ona-vygodna-vlasti-i-oligarham-socopros-173890.html>.

«Ukrobronprom» and the information about which is in free access on the Internet.

Concerning the participation in measures for overcoming corruption from such Anti-corruption Civil Organization, it can be stated that they have discredited themselves for the last five years. The usual practice of civil organization against corruption is the realization of covering the costs of many fellowship funds to organize such formal events as seminars and conferences. A huge part of activities of organizations that have been mentioned before is a paragraph of expenses to organize consultations. A good example of this is the CO «Centre of Countering Corruption», which has many materials of journalistic investigations about using the funds of international financial help in the amount of 1.2 million dollars¹⁴.

2. The Reasons and Conditions of High Corruption Levels in Ukraine

Among the reasons and conditions of high level of corruption crimes in Ukraine, which have been observed for the last five years, we could name the following:

– *Economic factors*

A big factor of economical and corruption crimes in Ukraine is the high rate of unemployment among Ukrainians. According to the Employment State Service the unemployment rate in 2015 was 9.1%, in 2016 – 9.9%, and in 2017 it already was 10.1%¹⁵. This trend also remained in 2018. Due to the long-term slowdown of production that is occurring in many different industries, the amount of people who are only counted in production, but in practice are they are in unpaid vacations is increasing. The last ones are in fact «temporarily» unemployed – the reserve of actual unemployment. The situation with a public joint-stock company “Sumy Machine-Building Scientific Production Association” is a representative example of this, which has always been one of the most powerful manufacturers of oil, gas, atomic and chemical equipment. Nowadays there are only 200 people left at the giant plant (the rest are forcible-voluntarily fired), who work for their “bare enthusiasm”, which basically means working without salary and the illusory perspectives of its

¹⁴ Верховний Суд став на бік депутата у справі ЦПК про грантові гроші. url: <https://www.pravda.com.ua/news/2018/05/21/7180899/>

¹⁵ Рівень безробіття в Україні. URL: <https://www2.deloitte.com/ua/uk/footerlinks/newsroom/deloitte-research/social-progress-index.html> (дата звернення: 01.09.2018).

payment. The debts of factory workers who became imprisoned in this situation are — for nine month.

– *Political factors*

They are connected with the implementation of unconsidered state policy in the economic field, slowing down economic reforms, and the imperfection of legal framework against economic crimes and other big flaws in regulating economic relations, in particular the occurrence of gaps and collisions in its individual provisions. A vivid demonstration of this is the total lack of regulation in the Bitcoin market – which is an off-state payment system and at the same time, a settlement unit in the network, which assures the safety of its functioning and the protection of the system using cryptographic methods. The lack of a consolidated position about regulating the Bitcoin market in Ukraine and also the artificial delay in approving relevant normative-legal acts has resulted in using this crypto-currency in economic cybercrimes and corruption schemes¹⁶.

Also, the lack of proper regulation in public relations in the field of privatization should also be mentioned. In Ukraine there are more than 4000 working economic entities that are owned by the state. In 2015, The Cabinet of Ministers of Ukraine approved the list of state-owned entities that must be privatized, which included more than 300 of such state-owned entities. Worldwide practice is well-aware of positive examples of privatization in such countries as The United Kingdom of Great Britain, Canada, Mexico and Poland, but their process of privatization was rather gradual, unlike Ukraine where the government was forced to sell businesses at a dumping price of 0.68 billion US dollars for 300 businesses in a short period of time. Military actions on the occupied territories of Donetsk and Luhansk also play a role here, as well as the economic crisis, which is resulted in the need to seek additional resources of income to the state budget¹⁷. Thus, the lack of proper regulation of the public relation in the field of privatizations could be considered a separate organizational and managerial determinant of economic crimes in Ukraine.

¹⁶ Юртаєва К.В. Сучасні тенденції економічної злочинності в Україні. Вісник кримінологічної асоціації України. 2018. № 2 (19). С. 115.

¹⁷ Дем'яненко Л. Приватизація стратегічних підприємств: піар-хід чи реальні інвестиції. URL: http://nbuviar.gov.ua/index.php?option=com_content&view=article&id=1970:privatizatsiya-strategichnikh-pidприємstv-2&catid=157&Itemid=499 (дата звернення: 01.09.2018).

– *Organizational and managerial factors:*

Ukraine has lost 70 billion dollars in budget revenues due to ineffective governance and insufficient rule and the supremacy of law. This is proved by the results of the research conducted by the Centre of Economic strategy. This amount is higher than the entire Ukrainian external debt.

In Ukraine, instead of continuous improvement and systematic activity in law-enforcement agencies based on the accumulated experience, there are constant rearrangements in the government and the rotation of personnel. Moreover, the current situation requires: a proper coordination of law-enforcement and other state agencies to counter organized crime and corruption; an actual inclusion of an analytic system into the activity of «anti-corruption» agencies with an analytic component, namely, an analytic secret service of investigating criminological processes; the elimination of special forces with duplication of functions of other operational forces and even separate statements, otherwise it is a waste of the state resources and the lack of specific responsibility of state agencies for these fields of the state activity; the concentration of special departments' efforts on liquidation of certain organized criminal groups, their leaders and corruptive accomplices in the state authorities, which essentially affects on the state economy and state institution activity by their criminal actions; urgent review of the structure and forms of statistic reports.

There is a problem with the consideration of criminal proceedings in court and with the procedure with selecting the judges. A big scope of cases along with the lack of quantity of judges results in significant amount of work on one judge and does not allow a continuous trial with the investigations of criminal proceedings that are being investigated by the NABU detectives. We can assume that one of these reasons could be excessive attention from the mass media to resonance investigations as well as the pressure from the politics side.

– *Normative-legal factors:*

The disadvantages of legal regulations of the economics, which contribute to the growth of corruption-related crimes, are: the presence of gaps in legal regulation; the inconsistency of normative-legal acts from with the socioeconomic decisions and the constant delay of legal regulations from the laws of regulations of economical progress; the collision of law regulations; low quality of law regulations and their inefficiency; the lack of realization mechanisms of law regulations and

etc. Draft laws are often not publicly debated, or there is no time for their discussion. The process of approving some draft laws takes years. A good example of legal incontinency, unpredictability of social consequences, which leads to reduction of Ukraine's image on the international scene, is the cancellation of criminal responsibility for illegal enrichment. The law of Ukraine «On the State Bureau of Investigations» still has numerous gaps and collisions, which I have already mentioned in my works¹⁸. In particular, the question of realization the mechanism of bringing the SBI workers to disciplinary responsibility, since the Disciplinary Commission has not been created yet, three members of which were elected in May of 2018 by the Council of Civil Control at SBI. According to the director of SBI, R. Truba, there is a norm that does not allow him to approve the composition of the disciplinary commission. One of the progressive novels of the law on SBI is connected with the approval of the SBI director's decisions with his deputies; however, it does not include a mechanism for the implementation of these powers by the deputies, etc.¹⁹.

– *Scientific factor:*

Involving science in the implementation of reforms would allow to increase the quality of the reformative measures and their legal support, but it would also be a real indicator of how serious the intentions to conduct reforms and whether these reforms will be implemented on the principles of democracy.

– *Socio-psychological factors:*

It is possible to note about prevailing anxiety and stressful behaviors in spiritual field of society due to the lack of clear identification in the normative-legal acts and the misunderstanding of military actions on the occupied territories of Ukraine by the civilians. There are reasons to confirm the independent functioning of some social domains (politics, economics, and etc.) from the moral motivation of some individuals. Over the last five years, complex changes have occurred in the system of moral values and ideals that can be characterized as a moral crisis.

The property division of society is clearly seen. The welfare of a large part of the population forced to solve the problems of their own survival under the conditions of occupation, in particular the residents of

¹⁸ Бусол О.Ю. Юридичні колізії Закону України «Про Державне бюро розслідувань». The Journal of Eastern European Law. Журнал східноєвропейського права. Електронне науково-практичне видання. 2016. № 28. С. 4–12.

¹⁹ Директор ДБР Роман Труба про перші результати, взаємодію з ГПУ та проблеми зі створенням Дисциплінарної комісії. Судебно-юридическая газета. № 2 –5 (471–474). 2019. 14 фев.

Donetsk and Luhansk regions of Ukraine has sharply decreased. An appropriate reaction occurs to the market inability to smooth the income differentiation, which motivates them to find a way out of this situation by obtaining additional shadow revenue in the fields of economic activity and fast enrichment. The statistic shows that more than 8 million Ukrainians travel abroad to earn money. A low-level of economic awareness, distrust in the government contributes to this; such opinions are very common between those who commit crimes. This state of mind lowers the people's attention to crimes, committed in the field of economic activity, which also forms the society's negative opinion on committing such crimes to a less extent.

CONCLUSIONS

1. The progress made in overcoming corruption in Ukraine in the recent years has been mainly provided by the reforms that started in 2014.

2. A sustainable intergrowth of big business and the state authorities can be observed. The Verkhovna Rada of Ukraine is currently at the top of the corruption institution ratings according to entrepreneurs in Ukraine (In 2015 such institutions were law-enforcement agencies and medical establishments).

3. The quota principle of the formation of tender commissions was not effective. During the formation of state anti-corruption agencies a tendency for pre-determined candidates to be elected on the positions of the directors of such administrations could be observed.

4. Ukraine, in its fight against corruption is still losing to transnational corporations in their influence on different fields of society development. This is why corruption can not be minimized in the society, because corporations do not get any benefits from stopping it, it is quite the opposite – corruption is the nourishing soil for their activity of enrichment, which is not always legal.

5. The results of the scientific research on preventing corruption conducted by national scientists do not find a proper implementation of the legislation and practice of the administrative activity of the state authorities.

6. The lack of positive progress in the fight against corruption lies in the fact that those who are fighting against it, are in fact, corrupted themselves. It also should be noted that some civil anti-corruption organizations are corrupt as well.

7. There is an extremely negative perception about the measures taken by the Government of Ukraine to prevent corruption among Ukrainians. Instead of stopping a non-constructive public confrontation between two law-enforcement agencies of Ukraine, Ukraine became a witness of the conflict getting more complicated. The pressure on the activists and the journalists has not been stopped. A good example of this trend is the murder of Kateryna Gandziuk.

8. As a result of a conducted analysis, the main factor in the lack of progress against preventing corruption in Ukraine is the clearly-visible political dependence of all anti-corruption agencies. The fact of the lack of progress in the field of preventing corruption is explained by low morality and the lack of proper professional qualities of people that govern the state anti-corruption agencies. The Verkhovna Rada and the Cabinet of Ministers of Ukraine should be directly responsible for the failure of anti-corruption reforms.

9. The solution to the problems mentioned above requires legislative and executive branches of the state of authorities to take serious extraordinary measures to make law and order in the economics, and first of all, to strengthen control, financial and the states functions. Developing the state politics in the sphere of countering organized corruption crimes requires systematic scientific and practical analysis of all the activity fields and taking coordinated measures of all state agencies and the civil society.

10. Considering: the critical importance of strengthening the overcoming the most dangerous organized forms of corruption and transnational crime; the need for control under the subjects on their observing the anti-corruption legislation while conducting actions against corruption, the need to summarize and evaluate the results of their actions; the fact that the fulfillment of the corresponding tasks is entrusted to a number of law-enforcement and other state agencies that belong to different administrations and each conduct their functions and have their own tasks; to organize cooperation for the purpose of state agencies to successfully achieve a joint goal,

I think that it is necessary to create a Coordinating Committee for preventing organized corruption and transnational crime, giving it the broadest possibilities with subordination and the accountability to the President of Ukraine.

SUMMARY

In 2015-2016, several specialized anti-corruption agencies were created – the National Anti-Corruption Bureau of Ukraine (NABU) and the Specialized Anti-Corruption Prosecutor's Office (SAP) – as an independent structural unit in the structure of the General Prosecutor's Office, as well as the State Bureau of Investigations (SBI) and the National Agency for the Prevention of Corruption (NAPC), and others.

The creation, staff and the first steps to new institutions took place in a harsh political struggle and active opposition from the representatives of the political elite, law enforcement agencies and the judiciary, who were interested in maintaining the status quo. As practice shows, the activity of newly-formed agencies does not comply with the public request. This is due to functional weaknesses of the specialized anti-corruption institutions and the failure to reform the judiciary system, and, as a result, in a number of cases the direct opposition of the judges²⁰.

The main factor in the lack of progress against preventing corruption in Ukraine is the clearly-visible political dependence of all anti-corruption agencies. The fact of the lack of progress in the field of preventing corruption is explained by low morality and the lack of proper professional qualities of people that govern the state anti-corruption agencies. The Verkhovna Rada and the Cabinet of Ministers of Ukraine should be directly responsible for the failure of anti-corruption reforms.

Considering the critical importance of strengthening the preventing the most dangerous organized forms of corruption and transnational crime; the need for control under the subjects for their observing the anti-corruption legislation while conducting actions against corruption, the need to summarize and evaluate the results of their actions; the fact that the fulfillment of the corresponding tasks is entrusted to a number of law-enforcement and other state agencies that belong to different administrations and each conduct their functions and have their own tasks; to organize cooperation for the purpose of state agencies to successfully achieve a joint goal, it is suggested creating a Coordinating Committee for preventing organized corruption and transnational crime, giving it the broadest possibilities with subordination and the accountability to the President of Ukraine.

²⁰ Україна проти корупції: Економічний фронт. Економічна оцінка антикорупційних заходів у 2014–2018 рр. Дніпро: Середняк Т. К., 2018. 85 с.

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