

Research

Corruption at the local level in Ukraine

Territorial administrative structure

The system of administrative-territorial structure Ukraine consists of the Autonomous Republic of Crimea (ARC), oblasts, rayons, cities, city districts, settlements and villages¹. As of January 01, 2016, Ukraine counts 24 oblasts, 490 rayons, 460 cities (including 187 cities with special status, cities of republican, oblast importance), 111 city districts, 885 settlements of municipal type, 28385 villages².

In the course of events of February-March 2014 the Verkhovna Rada of the ARC unilaterally declared 'independence' of Crimea. Then based on the results of 'local referendum' Crimea acceded to the Russian Federation. Independence of Crimea, as well as its accession to Russia are not recognized by the international community and Ukraine. Therefore, the territory of the ARC (including the city of Sevastopol) currently has the status of the temporarily occupied territory as a result of military aggression of the Russian Federation³.

Separate rayons, cities, settlements and villages of the Donetsk Oblast and Luhansk Oblast are also recognized temporarily occupied due to existence of unrecognized Donetst People's Republic self-proclaimed in May 2014 and unrecognized Luhansk People's Republic self-proclaimed in April 2014. The said territories have the special order of local government⁴.

The cities of Kyiv and Sevastopol have special status and, therefore, peculiarities of their local government are defined by the separate laws.

The organization and functioning of local government in Ukraine

Local governing in Ukraine is exercised by a territorial community in compliance with a procedure established by law, both directly and through local government bodies: village, settlement and city councils, and their executive bodies.

Rayon and oblast councils are the local government bodies representing the common interests of territorial communities of villages, settlements, and cities.

The issues of organization of the city districts management fall within the competence of city councils.

Village, settlement, and city councils may permit, at the initiative of residents, the establishment of house, street, block, or other bodies of population self-organization, and assign a part of their own competence, finances, or property to them.⁵

Thus, the system of local government includes: territorial community; village, settlement and city council; village, settlement and city head; executive bodies of the village, settlement and city council; headman (starosta)⁶; councils of rayons and oblasts representing common interests of the territorial communities of villages, settlements, cities; bodies of population self-organization⁷.

¹ Art. 133 of Constitution of Ukraine dated June 28, 1996, # 254к/96-BP (as of March 15, 2016)

² Under information published by the State Statistics Service of Ukraine, available at: http://www.ukrstat.gov.ua/operativ/operativ2016/ds/ator/ator2016_u.htm

³ Art. 2,3 of the Law of Ukraine "On ensuring the rights and freedoms of citizens and legal regime in the temporarily occupied territory of Ukraine" dated April 15, 2014, # 1207-VII (in wording as of April 07, 2016)

⁴ Reslution of the Verkhovna Rada of Ukraine "On recognition of separate rayons, cities, settlements and villages of the Donetsk and Luhansk Oblasts temporarily occupied" dated March 17, 2015, #254-VIII

⁵ Art. 140 of Constitution of Ukraine dated June 28, 1996, # 254к/96-BP (as of March 15, 2016)

⁶ The headman is a local government official elected to:

- a) represent the interests residents of the village, settlement in the executive bodies of village, settlement or city council;
- b) assist the residents of the village, settlement in preparation of documents to be submitted to local governments;

The law establishes a set of principles underlying the organization and functioning of local government including: government by the people; legitimacy; publicity (transparency); collegiality; combination of local and state interests; appointment by election; legal, organizational, material and financial independence within the powers defined by laws; accountability and liability of their bodies and officials before the territorial communities; state support and guarantee of local government; judicial protection of the rights of local government⁸.

The material and financial basis of local government includes movable and immovable property, revenues of local budgets, other funds, land, natural resources owned by territorial communities of villages, settlements, cities, city districts, as well as objects of their common property managed by rayon and oblast councils.

The Constitution ensures that the State shall participate in formation of revenues of local government budgets and financially support local government. Expenditures of local government bodies arising due to the decisions of state authorities shall be reimbursed by the State⁹.

Independence of local government

Under the Law, local government bodies are entitled with own powers assigned by the laws, within which they operate independently and are responsible for their actions in accordance with the law¹⁰.

According to the Constitution, certain powers of executive bodies may be assigned by law to local government bodies. The State shall finance the exercise of such powers from the State Budget of Ukraine in full or through the allocation of certain national taxes to a local budget in compliance with a procedure established by law, and transfer the relevant objects of state property to local government bodies. The respective executive bodies control over the local government bodies in respect of the exercise of powers of executive bodies by such local government bodies¹¹.

The Law of Ukraine “On local government in Ukraine” prescribes that the state control over the activities of local government bodies and officials may be carried out only on the basis, within the powers and in the manner envisaged by the Constitution and laws of Ukraine, and should not lead to interference of public authorities or their officials in the exercise of the local government’s own powers¹².

Herewith, under the law, the right of the territorial local communities to the local government may be restricted only in accordance with the Constitution and laws of Ukraine in conditions of martial law or state of emergency¹³.

However, ‘de facto’ local governments are not completely independent from the state authorities in their activities. Their independence is limited, in part due to the interference of the state administrations in

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- c) participate in the preparation of the Draft Budget of the territorial community concerning the funding of programs implemented in the territory of the respective village, settlement;
 - d) make proposals to the executive committee of village, settlement and city council on the activities of executive bodies of village, settlement and city councils, enterprises, institutions and organizations of communal ownership and their officials in the territory of the respective village, settlement;
 - e) perform other duties established by the Regulations on the headman. (Art. 14¹ of the Law of Ukraine “On local government in Ukraine” dated May 21, 1997, # 280/97-BP (in wording as of June 25, 2016))

⁷ Art. 5 of the Law of Ukraine “On local government in Ukraine” dated May 21, 1997, # 280/97-BP (in wording as of June 25, 2016)

⁸ Art. 4 of the Law of Ukraine “On local government in Ukraine” dated May 21, 1997, # 280/97-BP (in wording as of June 25, 2016)

⁹ Art. 142 of Constitution of Ukraine dated June 28, 1996, # 254к/96-BP (as of March 15, 2016)

¹⁰ Art. 16 of the Law of Ukraine “On local government in Ukraine” dated May 21, 1997, # 280/97-BP (in wording as of June 25, 2016)

¹¹ Art. 143 of Constitution of Ukraine dated June 28, 1996, # 254к/96-BP (as of March 15, 2016)

¹² Art. 20 of the Law of Ukraine “On local government in Ukraine” dated May 21, 1997, # 280/97-BP (in wording as of June 25, 2016)

¹³ Art. 21 of the Law of Ukraine “On local government in Ukraine” dated May 21, 1997, # 280/97-BP (in wording as of June 25, 2016)

their daily activities through unofficial ‘requests for cooperation’, partly through financial leverages (e.g. state administrations participate in allocation of certain subventions to local budgets).

Decentralization process

Despite the fact that Ukraine has constitutional principles of local government, has ratified European Charter of Local Self-Government and adopted a number of basic regulatory acts creating legal and financial background for its operation, the development of local government has stopped on the level of cities of oblast importance as the vast majority of territorial communities proved unable to perform all powers of local government due to atomistic nature (since 1991, rural population tended to decrease while the number of village councils increased) and extremely weak financial base..

Therefore, in April 2014 the Cabinet of Ministers of Ukraine approved the Concept of Reforming the Local Government and Territorial Organization of Power in Ukraine¹⁴. The Concept has the following tasks:

- ensuring the availability and quality of public services;
- achieving optimal allocation of powers between local authorities and executive bodies;
- defining reasonable territorial basis for the activities of local governments and executive authorities to ensure availability and proper quality of public services provided by such bodies;
- creating proper material, financial and organizational conditions for performance by the local governments of own and delegated powers.

The Concept was to be implemented in two stages from 2014 and until 2017. The first priority step envisaged by the Concept was amending Constitution of Ukraine in respect of establishment of new executive bodies of oblast and rayon councils and distribution of powers between them.

The Sustainable Development Strategy “Ukraine - 2020” approved by the Order of the President of Ukraine on January 12, 2015 # 5, as well, provided for the implementation of decentralization reform aimed at abandoning the centralized model of governance, ensuring the capacity of local government and building an effective system of territorial organization of power in Ukraine, the implementation of the Charter of Local Self-Government in full, the principles of subsidiarity, ubiquity and financial sustainability of local government.

As of now, the provisions of Constitution as regards local government remain unchanged. The Draft amendments to the Constitution (on decentralization of powers) # 2217a dated July, 01, 2015 was preapproved by the Verkhovna Rada of Ukraine on August 31, 2015 and was never adopted afterwards, therefore, its ultimate fate is unclear.

The Draft amendments provide for the change of certain provisions of Constitution on administrative-territorial structure. In particular, according thereto, the territory of Ukraine shall be divided into communities. The community shall be the primary unit in the system of administrative-territorial structure of Ukraine. The Draft amendments also provide for the principle of subsidiarity in separation of powers in the system of local governments and their executive bodies at various levels. Herewith, decentralization does not mean weakening central authority in such areas as defense, foreign policy, national security, the rule of law, human rights and freedoms. Therefore, under the Draft amendments, supervision over the observance of the Constitution and laws of Ukraine by local authorities shall be carried out by prefects. The prefect shall suspend the normative acts of local governments in case of their non-compliance with the Constitution or laws of Ukraine and simultaneously appeal to the court. The prefect shall be appointed and dismissed by the President of Ukraine on the proposal of the Cabinet of Ministers of Ukraine. In addition, in case the head of the community, community council, rayon council, oblast council approves legislative act contradicting the Constitution of Ukraine, creating a threat of violation of state sovereignty, territorial integrity or national security, the President of Ukraine

¹⁴ Resolution of the Cabinet of Ministers of Ukraine “On Approving the Concept of Reforming the Local Government and Territorial Organization of Power in Ukraine” dated April 01, 2014 # 333-p

shall suspend the effect of the act and simultaneously appeal to the Constitutional Court of Ukraine, as well as temporarily suspend the powers of the head of the community, the community council, district, regional council and appoint a temporary state commissioner. The provision of the Draft amendments, under which the peculiarities of the local government in the separate rayons of Donetsk and Luhansk oblasts shall be determined by the separate law, was the most controversial due to current political state of affairs in the state and ‘temporarily occupied’ status of the above-stated territories. Thus, presence of this provision is deemed the main reason for the delay in amending Constitution in terms of decentralization.

Herewith, in 2015 the first step towards financial decentralization was taken: the Budgetary Code of Ukraine and the Tax Code of Ukraine were amended assigning additional budgetary powers to the local government bodies and consolidating the stable sources of revenues for the exercise thereof.

The priorities of the implemented amendments covered broadening powers of local governments in decision-making and providing full budgetary autonomy on filling their budgets and implementing expenditure powers. At the same time, the amendments envisaged increase of sources of revenue base of local budgets due to the transfer of certain revenues from the state budget, introduction of a new excise tax on final sales, broadening the real estate tax base.

The new mechanism of budgetary regulation was enforced as well – the system of total balancing of all local budgets was replaced with the system of horizontal fiscal capacity alignment of territories depending on the level of revenues per inhabitant. Herewith, the alignment shall be carried out only on the individual income tax while the other charges remain in the full disposal of local authorities.

Amendments to the Tax Code of Ukraine increased the fiscal independence of local government bodies by entitling them to independently determine tax rates and set benefits for their payment. As a result, in 2015 the general fund of local budgets received UAH 99.8 billion, which is 116,0% to annual appropriations approved by local councils¹⁵.

In February 2015, the Verkhovna Rada of Ukraine adopted the Law of Ukraine “On Voluntary Union of Territorial Communities” called for the consolidation of local administrative units to create more viable and financially sustainable communities. According to the State Register of Voters, currently, there are 184 united communities consisting of 2312 inhabited localities.¹⁶

Regarding the attitude of the population in respect of the ability of current authorities to act in decentralized conditions, the survey held by the Sociological group "Rating" in all regions of Ukraine (except for the Crimea, Donetsk and Lugansk regions) in the end of 2015, showed that only 11 % of respondents definitely believe that the local authority elected in the last elections would be able to take on greater scope of rights due to the possible decentralization reform; 36% think that the authority would rather be able; 18% think that the authority would rather be unable; and 11% think that the authority would definitely be unable¹⁷.

Electing local authorities

On July 14, 2015, a new Law “On Local Elections” was adopted in Ukraine. It provides for the following electoral system.

Village, settlement, city, rayon or oblast councils comprise of deputies elected for a five-year term by residents of village, settlement, city, rayon or oblast on the basis of universal, equal, and direct suffrage by secret ballot¹⁸.

¹⁵ Information of the Ministry of Finance of Ukraine on fulfillment of the State Budget of Ukraine 2015 published in the newspaper of the central executive bodies “Uryadovii Kurier”, available at <http://ukurier.gov.ua/uk/articles/informaciya-ministerstva-finansiv-ukrayini-08/>

¹⁶ https://www.driv.gov.ua/portal/lcm_core.cm_index?option=ext_gromada&prejim=1&pmn_id=145

¹⁷ http://ratinggroup.ua/ru/research/ukraine/centr_issledovaniy_iri_obschestvenno-politicheskie_nastroeniya_ukraincev.html

¹⁸ Art. 141 of Constitution of Ukraine dated June 28, 1996, # 254к/96-BP (as of March 15, 2016)

Elections of the deputies to the village and settlement councils are held by majoritarian system of simple majority in single member constituencies, to which the territory of the village (several villages whose residents voluntarily united in village community), settlement, the territory of united village, settlement local community is divided.

Elections of the deputies to the Verkhovna Rada of ARC, oblast, rayon, city, city district councils are held by the proportional system in multi-member constituency by electoral lists of the local organizations of political parties with assigning candidates to the territorial electoral constituencies, to which multi-mandate constituency is divided¹⁹.

Territorial communities shall elect respectively the head of the village, settlement, or city, who shall chair the executive body of the council and preside at its meetings, for a five-year term, on the basis of universal, equal, and direct suffrage by secret ballot.

If the number of voters in the city is equal to or exceeds 90,000, the elections of the city head (mayor) are held by majoritarian system of absolute majority in one single member constituency that matches respectively with the territory of the city in accordance with existing administrative-territorial structure or territory of the united city community.

Elections of the head of village, settlement, or city (if the number of voters in the city is less than 90,000) are held by majoritarian system of simple majority in single member constituency, which covers the territory of the village (several villages whose residents voluntarily united in village community), settlement, the territory of united village, settlement community, the territory of the city.

The head of a rayon council and the head of an oblast council are to be elected by the respective councils and shall chair the executive staff of the councils²⁰.

The headman is elected for the term of office of the local council in villages, settlements defined by the decision of the local council of the united territorial community established under the Law of Ukraine “On Voluntary Union of Territorial Communities”, except for its administrative center²¹. Elections of the headman are held by majoritarian system of simple majority in single member constituency including the territory of the respective locality (village or settlement) being the part of the united village, settlement, city territorial community²².

The last elections of the deputies of local councils and village, settlements, city heads were held on October 25, 2015. The elections of 2015 could not be carried out on the territory of the ARC, Sevastopol city, separate rayons of Donetsk and Luhansk rayons due to their ‘temporarily occupied’ status. The amount of citizens who received ballots at the polling stations was equal to 46.61%²³.

The second round of elections took place on November 15, 2015. The turnout then was 34.08%²⁴.

Such a low turnout was caused by the lack of information campaign on new election procedures, negative and protest attitude of citizens disappointed in the authorities and in the lack of reforms, political situation in the State, as well as by the lack of political will. The above-mentioned survey held by the Sociological group "Rating" showed, that 31% of citizens who did not vote explained it by the lack of desire to vote. According to the survey, only 8% of respondents considered the elections to be completely honest and fair; 33% of respondents thought that they were rather honest and fair; 25% of respondents thought that they were rather dishonest and unfair; 10% of respondents thought that they were completely dishonest and unfair²⁵.

¹⁹ Art. 2 of the Law of Ukraine “On Local Elections” dated July 14, 2015, # 595-VIII (in wording as of January 01, 2016)

²⁰ Art. 141 of Constitution of Ukraine dated June 28, 1996, # 254к/96-BP (as of March 15, 2016)

²¹ Art. 14¹ of the Law of Ukraine “On local government in Ukraine” dated May 21, 1997, # 280/97-BP (in wording as of June 25, 2016)

²² Art. 2 of the Law of Ukraine “On Local Elections” dated July 14m 2015, # 595-VIII (in wording as of January 01, 2016)

²³ http://www.cvk.gov.ua/vm_2015/yavka_po_reg_vm_2015.pdf

²⁴ http://www.cvk.gov.ua/vm_2015/yavka_po_reg_vm_2015_2_tur.pdf

²⁵ http://ratinggroup.ua/ru/research/ukraine/centr_issledovaniy_iri_obschestvenno-politicheskie_nastroeniya_ukraincev.html

The perception of the corruption phenomenon

Corruption is perceived as one of the biggest problems of the Ukrainian society. This fact is confirmed by multiple surveys and researches at the national and international levels.

According to the Transparency's International Index of corruption perception²⁶, in 2015, Ukraine was ranked 130th out of 168 countries (in 2014 Ukraine took 142nd place out of 175 countries).

The non-governmental business association "TRACE International", ranked Ukraine 132th among 197 countries in the ranking of corruption risk (TRACE Matrix Global Business Bribery Risk Index) in 2014²⁷. According to this ranking, Ukraine's scores showed a moderate quality of administration and governmental transparency, high risk of intensive business interaction with the government, high regulatory burden, and a high expectation of bribes. Ukraine obtained an average score of 64 points, which placed it in the group of high corruption risk countries. The TRACE Matrix is updated every other year. Therefore, the 2016 TRACE Matrix will be released in November 2016.

According to the assessment of organization "Freedom House", published in 2016²⁸, Ukraine's score in the field of Corruption is 6.00. The rating is based on a scale of 1 to 7, with 1 representing the highest level of democratic progress and 7 the lowest. According to the "Freedom House" report, the high level of corruption and the weakness of institutions tasked with ensuring the rule of law remain the largest challenges of Ukraine.

The Global Fraud Survey 2016 conducted by Ernst & Young in October 2015-January 2016 providing insights from over 2,800 senior executives in 62 countries and territories across the world, showed that the number of respondents who believe that bribery and corruption are widespread in Ukraine has been growing steadily over the last three years: this index increased from 60% to 88%²⁹.

Under the results of the Chamber Corruption Perception Survey – 2015 held by American Chamber of Commerce in Ukraine among executives and managers employed mainly in major international companies in March 2014 - October 2015, 98% of respondents thought that corrupt practices are widespread in Ukraine and 39 % of respondents indicated local authorities as one of three most problematic institutions in terms of corruption³⁰.

The 'All-Ukrainian municipal survey' held in 2016 by Sociological group "Rating" on behalf of the International Republican Institute and financed by the Government of Canada showed the following³¹. The respondents were offered a question 'In your opinion, how serious are these problems for your city? Corruption'. According to the results, 63% of respondents indicated corruption as a significant problem; 28% said that it is somewhat of a problem; 3% said that it is not really a problem; only 1% said that it is not a problem at all, while 5% found it difficult to answer.

The corruption issue reflected in mass-media and in projects of NGOs which are fighting against corruption

Taking into account the significance of a problem in Ukraine, the community tends to seek ways for combatting corruption, including making facts of corruption public. Therefore, there are multiple journalist's investigations initiatives, as well as NGOs' projects aimed at fight against corruption in Ukraine. We will indicate only some of them for your general understanding of the anticorruption activities in Ukraine.

²⁶ <http://www.transparency.org/cpi2015>

²⁷ <https://www.traceinternational.org/Uploads/MatrixFiles/2014/11/TRACE-Matrix-Ukraine.pdf>

²⁸ <https://freedomhouse.org/report/nations-transit/2016/ukraine>

²⁹ <http://www.ey.com/UA/uk/Newsroom/News-releases/news-EY-increasing-global-cooperation-in-enforcement-against-corruption-raises-the-stakes-for-companies-and-their-executives>

³⁰ <http://chamber.ua/Content/Documents/-436507952Corruption-perception-survey-report-ENG.pdf>

³¹ The data was collected in 24 cities of Ukraine (Kyiv and all regional centers; in Donetsk oblast - Mariupol, in Luhansk oblast - Severodonetsk) in a period of January 20 - February 8, 2016:

http://www.iri.org/sites/default/files/wysiwyg/municipal_poll_2016_-_public_release.pdf

In 2010, a web site «Our money»³² supported by the International Renaissance Foundation started publishing anti-corruption investigations. The site is supported by journalists from different publications in Ukraine.

In 2012, a partnership of the Institute of Mass Information, international organization “Freedom House” and the Norwegian Embassy resulted in a project titled “Bloggers against Corruption” aimed at creating a network of journalists and civil society activists from different regions of Ukraine and providing them with a single resource, “No Corruption!”³³, an online forum where they could publish information about government corruption and abuse of power.

NGO “Internews Ukraine” supported by the NGO “National Endowment for Democracy” and the Royal Netherlands Embassy launched an anti-corruption project in 2012³⁴ as well. The project provides for an online platform «CorruptUA.org», the main product of which is journalistic investigations and articles thoroughly exploring the work of public authorities, especially in terms of openness, accountability and corruption.

In 2013, a platform “National Anti-Corruption Portal "ANTIKOR”³⁵ supported by NGO “Committee for the fight against corruption of the authorities” was created to publish information on cases of raider takeovers of enterprises and corruption in public authorities.

Another online platform publishing journalistic investigations is “Anti-Corruption Portal of Public Investigations” (corr-icps.com.ua) launched by the International Centre for Policy Studies within the project “Coalition of Regional CSOs for Public Finance Control” supported by British Embassy in Kyiv in 2015. The project aimed at improving monitoring of local finances and increasing the number of investigations on violations in public procurement at the local level. The ICPS also implemented two more anticorruption projects concerning control over public finances, one funded by Embassy of Finland, and another - by the Black Sea Trust for Regional Cooperation of the German Marshall Fund.

In 2014, NGO "Committee of Voters of Ukraine" in partnership with “Transparency International – Ukraine” and supported by The European Union and Embassy of Finland in Ukraine started implementing 2-year project “the Civil Society and Media for the Transparent Local Budgets!”³⁶. One of the main project goals was to create partnership of NGOs and media "For Transparent Budget!"³⁷ for increasing overall transparency, openness and integrity of the budget process at the local level through the introduction of permanent public control over its progress.

In 2015, the NGO “Stop Corruption” launched an informational portal “stopcor.org” in order to publish anti-corruption investigations³⁸.

The Center for Political Studies and Analysis³⁹, founded in 2007, has a department for combating corruption involved in projects on monitoring public procurement, anti-corruption examination of legislation etc. Its recent projects were “Raising public awareness of local budgets in Ukraine” (April 2015-September 2015); “Implementation of advocacy campaign for the implementation of the new anti-corruption legislation by local authorities” (April 2015-May 2016).

Other anti-corruption initiatives in Ukraine include the activities of NGO “The Anti Corruption Action Centre”⁴⁰, NGO “Anti-Corruption Monitoring”, as well as projects: “Procurement and crime” implemented by NGO "Ukrainian Galician Assembly" for civic monitoring public procurement carried

³² <http://nashigroshi.org/>

³³ <http://nikorupciji.org/>

³⁴ <http://corruptua.org/>

³⁵ <http://antikor.com.ua/>

³⁶ <http://cvu.org.ua/nodes/view/type:news/slug:23233431344>

³⁷ <http://probudget.org.ua/>

³⁸ <http://stopcor.org/>

³⁹ <http://cpsa.org.ua/>

⁴⁰ <http://antac.org.ua/en/pro-nas/>

out public authorities and local government⁴¹; “Women’s Anti-corruption Movement” implemented by NGO “Center for Public Activity “RESULT”⁴² etc.

Anti-corruption institutions of Ukraine

During the last couple of years, the 3 new key anticorruption institutions have been established and a new national strategy for the fight against corruption has been adopted.

A new law creating a National Anticorruption Bureau of Ukraine (NABU) was adopted on October 14, 2014 and came into force on January 25, 2015. The institution was formally established in April 2015. The NABU is a state law enforcement body assigned with preventing, detecting, stopping, investigating and solving corruption offenses within its jurisdiction⁴³.

A law on corruption prevention entered into force on April 26, 2015, providing for the creation of a National Agency for Corruption Prevention (NACP). The NACP’s functions include formation and implementation of anti-corruption policy, drafting normative legal acts on these issues, drafting the Anti-Corruption Strategy and State Program on its implementation, monitoring, coordination and evaluation of the effectiveness of Anti-corruption strategy, controlling over the observance of the rules of ethical behavior for public officials and monitoring/controlling over the officials’ declarations of assets and income etc.⁴⁴. As of now, the NACP is still on the stage of formation.

The third anticorruption institution is envisaged by the law adopted on February 12, 2015 - the Specialized Anti-Corruption Prosecutor's Office (SACPO)⁴⁵, being an independent structural unit of the General Prosecutor’s Office of Ukraine. The SACPO was established in September 2015. Its main functions include: supervision over observance of laws in operational and investigative activities of prejudicial investigations by the NABU; maintenance of public prosecution in the respective proceedings; representation of interests of citizens or the state in the court in cases stipulated by the law and related to corruption or corruption-related offenses.

Statistics about corruption at the local level

Unfortunately, there is no consolidated statistics on corruption at the local level in Ukraine. However, we believe that the analysis of certain fragments of data will let you build a picture of general tendencies of the researched field.

According to the court statistics in a period of 2006-2011⁴⁶, in **2006** there was **1056** officials of local government penalized for corruption, which was 25,80% of all persons penalized for corruption. Until 2010 the proportion of penalized local government officials to other penalized groups tended to grow – in 2010 the number of penalized local government officials reached a number of **2 137**, which was 48,20% of all persons penalized for corruption. In **2011** the number of penalized corrupted local government officials decreased to **178**, but it still was 46,60% of all persons penalized for corruption.

In **2013**, **216** local government officials were brought to administrative liability (fined) for corruption out of 1696 fined officials. Among 1818 officials who committed criminal offences related to corruption, **162** were the local government officials. The court sentences came into force in respect of **123** local government officials, including **10** cases of imposing imprisonment as penalty⁴⁷.

⁴¹ <http://www.uha.org.ua/uk/projects/monitoring-derzhavnyh-zakupivel/>

⁴² http://www.ngo-result.com.ua/projects/women_anti-corruption/

⁴³ The Law of Ukraine “National Anticorruption Bureau of Ukraine” dated October 14, 2014, # 1698-VII (in wording as of May 1, 2016)

⁴⁴ The Law of Ukraine “On Corruption Prevention” dated October 14, 2014, # 1700-VII (in wording as of May 1, 2016)

⁴⁵ The Law of Ukraine “On Amending Certain Legislative Acts of Ukraine for Ensuring the Activities of National Anticorruption Bureau of Ukraine and the National Agency for Corruption Prevention” dated February 12, 2015 (on wording as of April 25, 2015)

⁴⁶ Consolidated data of judicial statistics concerning consideration of cases pursuant to fulfill requirements of the Law of Ukraine "On Combating Corruption" by local general and appellate courts in civil and criminal cases and cases on administrative offenses in 2006-2011, available at: http://sc.gov.ua/ua/sudova_statistika.html

⁴⁷ Statistics of the Ministry of Internal Affairs of Ukraine: http://www.mvs.gov.ua/ua/pages/274_Statistika.htm

In **2014**, **322** local government officials were fined for corruption out of 1914 fined officials. Out of 1713 officials who committed criminal offences related to corruption, **152** were the local government officials. The courts in 2014 passed sentences in respect of **103** local government officials (out of 935 corrupt officials), including **6** cases of imposing imprisonment as penalty⁴⁸.

In **2015**, **318** local government officials were fined for corruption out of 1720 fined officials. Among 1956 officials who committed criminal offences related to corruption, **142** were the local government officials. The court sentences came into force in respect of **54** local government officials, including **7** cases of imposing imprisonment as penalty⁴⁹.

The NABU started its first investigations in October 2015. As of February 01, 2016, the NABU detectives included 56 cases to the register of prejudicial investigations, 11 of which concerned public officials and officials of local government of 1 and 2 categories⁵⁰. However, the outcome of these cases is unknown.

This data confirms the magnitude of the problem of corruption that has no trend to disappear in local government in Ukraine. The most common punishment for corruption is a fine while the strict punishment of imprisonment is quite rare.

Studies and analyzes on corruption

There are relatively few studies and analyzes on corruption in the local level in Ukraine. Therefore, the researches we will mention, as well, concern corruption or related studies in administration, economics, finance, etc. The most substantial and relevant studies we found are the following:

- In 2004, the Institute of Applied Humanitarian Research published a research “Corruption in Ukraine 2004. Analysis of the Nature and Causes of Problem”⁵¹.
- In 2009, the Centre of Policy and Legal Reform and Fund "Democratic Initiatives" developed Analytical and Sociological Reports “Corruption risks of administrative services and control and supervision activity in Ukraine”⁵²;
- In 2012, the Institute of Applied Humanitarian Research published a research “the Nature and Prevalence of Corruption”⁵³.
- In 2012, the Swiss-Ukrainian project "Decentralization Support in Ukraine - DESPRO" published a Practical Handbook “Preventing and combating corruption in local government bodies”⁵⁴;
- In 2012, think tank ‘Laboratory for Legislative Initiatives’ issued a handbook “Public participation in decision-making at the local level”⁵⁵;
- In 2014, the Association of Ukrainian Cities published an analytical report “The interaction of local governments with the public: state, perspective, recommendations and practices”⁵⁶;
- In 2015, Association of Ukrainian Cities developed a manual for local government officials called “Providing administrative services in the municipal sector”⁵⁷.

⁴⁸ Statistics of the Ministry of Internal Affairs of Ukraine: http://www.mvs.gov.ua/ua/pages/274_Statistika.htm

⁴⁹ Statistics of the Ministry of Internal Affairs of Ukraine: http://www.mvs.gov.ua/ua/pages/274_Statistika.htm

⁵⁰ Report of the NABU for the period of August 2015-February 2016, available at:

https://nabu.gov.ua/sites/default/files/reports/NAB_report_02_2016_site.pdf

⁵¹ http://www.iahr.com.ua/files/works_docs/36.PDF

⁵² https://www.coe.int/t/dghl/cooperation/economiccrime/corruption/Technical%20Papers/UPAC/System%20Studies/344-UPAC_Corruption_Admin-Control-Sup_uk.pdf

⁵³ http://www.iahr.com.ua/files/works_docs/116.pdf

⁵⁴ http://despro.org.ua/media/articles/07_book_banchuk_zapob_gannya__protid_ya_korupc____.pdf

⁵⁵ <http://parlament.org.ua/upload/docs/GUIDE%20final%20version%20UKRAINIAN.pdf>

⁵⁶ <http://auc.org.ua/sites/default/files/norukrout.pdf>

⁵⁷ <http://auc.org.ua/sites/default/files/5adminbwweb.pdf>

- In 2015, the Center for Political Studies and Analysis published the study “Monitoring of access to public information provided by city councils”⁵⁸;
- As well, the Center for Political Studies and Analysis published a Handbook “Best practices of budget transparency and accountability of local governments”⁵⁹;
- In 2015, Transparency International Ukraine developed and published the “Alternative report on assessment of the state anti-corruption policy”⁶⁰;
- In 2016, NGO “European Dialogue” published a “Methodical Handbook on Prevention of Corruption in Local Public Authorities and Local Governments”⁶¹;

Anti-corruption strategies and legislation

During the recent years, Ukraine has been actively passing legislative acts and strategies to counter corruption and ensure transparency and accountability.

The previous Anticorruption Strategy in Ukraine was for 2011–2015⁶². We found no official assessment of the rate of its implementation. However, taking into account the current state of affairs, we may conclude that the steps implemented did not manage to radically influence the corruption level in the state.

In 2013, the Ministry of Justice of Ukraine approved the Methodical Recommendations “Preventing and Combating Corruption in State Bodies and Local Government”⁶³.

On October 14, 2014, the Parliament of Ukraine adopted the Law of Ukraine “On Corruption Prevention”⁶⁴ and approved the Anticorruption Strategy for 2014–2017⁶⁵. On April 29, 2015, the Cabinet of Ministers of Ukraine approved the State Program for Implementation of the Anticorruption Strategy in 2015–2017⁶⁶.

In 2015 new legislation requiring open ownership registers, introducing control over political financing, creating anticorruption institutions, and regulating public broadcasters was adopted.

On September 3, 2015 the parliament adopted legislation introducing mandatory disclosure of media ownership, including final beneficiaries⁶⁷. In addition, the law bans ownership of broadcast outlets by individuals-entrepreneurs and companies registered in offshore economic zones. The law is aimed at limiting corrupt practices and shadowy oligarchic interference with media freedoms.

A law adopted on July 14, 2015 granted public access to national registries, including those for real estate, other property, and vehicles⁶⁸. The law eased the work of investigative journalists: immediately

⁵⁸ <http://eidos.org.ua/vydannya/monitorynh-zabezpechennya-miskymy-radamy-dostupu-do-publichnoji-informatsiji/>

⁵⁹ http://eidos.org.ua/wp-content/uploads/2015/09/Best_budget.compressed.pdf

⁶⁰ http://reforms.in.ua/sites/default/files/upload/docs/shadow_report_anticorruption_policy_ti_ukraine.pdf

⁶¹ <http://dialog.lviv.ua/en/ukrayinska-metodichniy-posibnik-iz-zapobigannya-koruptsiyi-v-mistsevih-organah-derzhavnoyi-vladi-ta-organah-mistsevogo-samovryaduvannya/>

⁶² Order of the President of Ukraine “On the National Anticorruption Strategy for 2011-2015” dated October 21, 2011 # 1001/2011

⁶³ Methodical Recommendations “Preventing and Combating Corruption in State Bodies and Local Government” approved by the Ministry of Justice of Ukraine on October 16, 2013

⁶⁴ The Law of Ukraine “On Corruption Prevention” dated October 14, 2014, # 1700-VII (in wording as of May 1, 2016)

⁶⁵ The Law of Ukraine “On Principles of the State Anticorruption Policy in Ukraine (Anticorruption Strategy) for 2014-2017” dated October 14, 2014 # 1699-VII (in wording as of August 08, 2015)

⁶⁶ Resolution of the Cabinet of Ministers of Ukraine “On Approving the State Program for Implementation of Principles of the State Anticorruption Policy in Ukraine (Anticorruption Strategy) for 2015-2017” dated April 29, 2015, #265 (in wording as of September 01, 2015)

⁶⁷ The Law of Ukraine “On Amending Certain Laws of Ukraine for Ensuring Transparency of Ownership of Media and Implementing Principles of the State Policy on Television and Radio Broadcasting” dated September 3, 2015 # 674-VIII

⁶⁸ The Law of Ukraine “On Amending Certain Legislative Acts of Ukraine for Enhancing Transparency in Ownership Relations in Order to Prevent Corruption” dated July 14, 2015, # 597-VIII

after the law came into effect, journalists were able to obtain information on the properties owned by officials.

The parliament adopted a law on political party financing in October 2015⁶⁹, allowing the financing of parties from the state budget and introducing mandatory reporting on all parties' incomes and expenditures.

According to the Sustainable Development Strategy "Ukraine - 2020", "the increase in transparency and efficiency of public finances distribution and use should be the priority in their management. The process of public procurement should be as transparent as possible and conform with the general principles of competition. Corruption component in the implementation of public procurement should be eliminated."⁷⁰

Therefore, the Verkhovna Rada of Ukraine passed a new law on public procurement in September 2015 providing for the monitoring of procurements' compliance to the legislation at all stages of the procurement procedure through systematic observation (including using electronic means), according to information posted on the official web portal of the authorized body for procurement or through obtaining relevant information from the customer⁷¹. The monitoring of procurements shall be carried out by the central executive body implementing the state policy in the field of financial control, and by its local bodies.

In addition, in December 2015, Parliament adopted the Law of Ukraine "On Public Procurement" providing for the introduction of electronic public procurement⁷². The use of a pilot online system for public procurement called "ProZorro" has started, introducing accountable and transparent standards for procurement policy.⁷³ The year of the pilot operation of the system "ProZorro" resulted in UAH 1,8 billion saved. Moreover, the European Bank for Reconstruction and Development recognized "ProZorro" as the recommended electronic procurement system. Under the prestigious international contest "Procurement Award 2016", the system "Prozorro" was recognized as the best electronic public procurement system in the world⁷⁴.

In February 2016, the Cabinet of Ministers of Ukraine approved the Rules of Ethical Behavior for Public Officials.⁷⁵

However, notwithstanding the adoption of new anti-corruption legislation, it is important to implement it in proper manner. According to the monitoring carried out in 2015-2016 by the coalition "Transparent Councils" in 7 oblasts, the level of implementation of anticorruption legislation by local councils is only 44%⁷⁶.

Areas vulnerable to corruption at the local level

Management of administrative-territorial units' property

Land manipulations are being one of the main problems in the local government. According to the effective legislation, local councils have powers for the allocation of land plots within the boundaries of the inhabited localities. When the local government reform will be implemented (decentralization

⁶⁹ The Law of Ukraine "On Amending Certain Legislative Acts of Ukraine for Preventing and Combating Political Corruption Prevent Corruption" dated October 8, 2015, # 731-VIII

⁷⁰ Order of the President of Ukraine "On the Sustainable Development Strategy "Ukraine - 2020" dated January 12, 2015 # 5

⁷¹ The Law of Ukraine "On Amending Certain Laws of Ukraine Concerning Public Procurement for Bringing Them in Line with International Standards and Taking Measures for Combating Corruption" dated September 15, 2015 # 679-VIII (in wording as of April 01, 2016)

⁷² The Law of Ukraine "On Public Procurement" dated December 25, 2015 # 922-VIII (in wording as of June 4, 2016)

⁷³ <https://prozorro.gov.ua/>

⁷⁴ [http://www.me.gov.ua/News/Detail?lang=uk-UA&id=1b1546d4-a92a-4fe8-b55b-](http://www.me.gov.ua/News/Detail?lang=uk-UA&id=1b1546d4-a92a-4fe8-b55b-901fba610407&title=KomandaProzorroRozpochinaReklamnuKampaniiuDliaZaluchenniaBiznesuVPublichniZakupivli)

⁷⁵ Resolution of the Cabinet of Ministers of Ukraine "On Approving the Rules of Ethical Behavior for Public Officials" dated

February 11, 2016, #65

⁷⁶ <http://eidos.org.ua/novyny/menshe-polovyny-mistsevyh-rad-implementuvaly-antykoruptsijne-zakonodavstvo/>

reform), the local government will also be entitled to allocate land plots outside the inhabited localities, within the territory of the united territorial community.

The main abuses in this field include:

1. Illegal transfer of rights to land plots to persons associated with deputies of local councils.
2. Transfer of rights to land plots to persons who legally have priority right to obtain land (ATO participants, participants of military actions, orphans, etc.) using forged documents or straw persons.
3. Illegal change of the land plot's designated use.
4. Rent of the land plots, without conducting proper procedures.
5. Groundless allocation of land plots on favorable terms or free of charge.

Public Procurement

The Law "On State Procurement"⁷⁷ adopted in 2014 was expected to cut the channels of corruption. However, the report on the analysis of the functioning of public procurement system in 2015⁷⁸ showed the following results:

- Funds of local budgets occupy 28.55% in the structure of sources for financing concluded contracts of procurement of goods, works and services.
- The Treasury issued 225 warnings on identified violations of the procurement requirements towards local budgets funds for the sum of UAH 277 247 719,87.
- The Antimonopoly Committee of Ukraine received 1,342 complaints of violations of the legislation on public procurement (44% more than in 2014). Herewith, 494 complaints were satisfied.
- State Financial Inspection of Ukraine and its territorial bodies found violations of the legislation on public procurement for UAH 11 309,2 million, including UAH 8.8 million that led to the loss of state resources.
- The most common violations, according to the Monopoly Committee of Ukraine include: vague and unclear technical and qualification requirements of tender documentation; artificial expansion of the procurement subject (unjustified combining of goods/services in one lot/subject of purchase, vague, general definition of procurement); artificial narrowing of the of the procurement subject (excessive details on the procurement subject); demanding documents that may be filed only by a limited number of persons; admission to evaluation of offers within competitive bidding procurement procedures of persons who do not meet the requirements of the tender documentation etc.

The most common violations under information of the Security Service of Ukraine cited in Report of the Ministry of Economic Development and Trade of Ukraine in January-September 2014⁷⁹ are:

- division of the subject to procurement in order to avoid public procurement procedures and to determine a particular participant as the winner;
- collusion between actors of procurement procedures at the stage of the budget expenditures formation and when submitting the tender offers;
- application of a discriminatory approach in the evaluation of the tender offers;
- unjustified application of procedure for procurement from one participant.

⁷⁷ The Law of Ukraine "On State Procurement" dated April 10, 2014 # 1197-VII (in wording as of April 1, 2016)

⁷⁸ Report of the Ministry of Economic Development and Trade of Ukraine in 2015:

<http://www.me.gov.ua/Documents/List?lang=uk-UA&tag=Zviti>

⁷⁹ Report of the Ministry of Economic Development and Trade of Ukraine in January-September 2014:

<http://www.me.gov.ua/Documents/List?lang=uk-UA&tag=Zviti>

There are also other schemes for illegal public procurement. For example, procurement at an overrated value, including the deliberate creation of conditions for involving the related companies with knowingly inflated prices to the procurement procedure⁸⁰.

However, it is worth mentioning that the Law of Ukraine “On Public Procurement”⁸¹ providing for the introduction of electronic public procurement system will gain force in respect of the local government on August 1, 2016. It is quite problematic to assess its effectiveness and rate of implementation in the future, as well as its effectiveness in terms of combatting corruption.

Local public services

The field of public services in Ukraine has always suffered from corruption problems and had features of low quality.

According to the “Assessment of the administrative services quality by the population of Ukraine” conducted by the Ilko Kucheriv Democratic Initiatives Foundation in December 2014⁸², only 5% of the population assessed quality of administrative services in Ukraine positively (7% less than in 2013). Herewith, the share of those who consider the quality of services as poor, increased from 32% in 2013 to 40% in 2014. The negative aspects of the administrative services were: large queues (42%), lack of clear explanations regarding the necessary documents and the need to visit institutions for several times (30%), delays in the proceedings (28%), the need to go to other institutions (20%) and to purchase forms and pay for any "additional services" (19%). Under the survey, 11% of population gave bribes (including money, services in return, gifts, etc.) over 12 months previous to the survey to obtain administrative services. The respondents named the following reasons of giving bribes: “It's easier to solve problems this way”(29%); “this is normal in conditions of our life” (21,5%); 17% said that people give bribes they are required to; 13% explained that the officials would not do anything to resolve their issues otherwise, even if they did not demand a bribe.

The most common negative factors and violations by local government that increase the risk of corruption in administrative services are: demanding documents not envisaged by legislation; unsubstantiated demanding of notarized copies of documents; violation of terms of providing certain types of services; putting administrative responsibilities to collect information, sightings, approvals etc. on individuals; limited days and hours of reception of citizens; problems of access to information necessary for administrative services; unsubstantiated long terms for the provision of certain services; actual obligation of individuals to receive the concomitant paid services and to pay "voluntary" contributions⁸³.

In 2015, Ukrainian authorities took steps for improvement of public services through amending the relevant legislation⁸⁴. The most significant change was the improvement of regulation of operation of Centers of Administrative Services (CAS) being a permanent working bodies or a structural units of the local state administrations or local government bodies, which provide administrative services through the administrators by interacting with the subjects of administrative services. These Centers started to appear on 2010-2011 as pilot projects and now they became obligatory. CAS is to be created in executive body of the city council of oblast importance, importance of the ARC. It, as well, may be created in executive body of the city council of rayon importance, settlement, village council upon the

⁸⁰ Alternative report on assessment of the state anti-corruption policy”

http://reforms.in.ua/sites/default/files/upload/docs/shadow_report_ant Corruption_policy_ti_ukraine.pdf

⁸¹ The Law of Ukraine “On Public Procurement” dated December 25, 2015 # 922-VIII (in wording as of June 4, 2016)

⁸² The Foundation interviewed 2008 respondents in all regions of Ukraine, except for the Autonomous Republic of Crimea: <http://www.dif.org.ua/ua/publications/press-relizy/jijidjijjhrhgjkj.htm>

⁸³ "Decentralization Support in Ukraine - DESPRO" published a Practical Handbook “Preventing and combating corruption in local government bodies”, 2012

http://despro.org.ua/media/articles/07_book_banchuk_zapob_gannya__protid_ya_korupc____.pdf

⁸⁴ The Law of Ukraine “On Amending Certain Legislative Acts of Ukraine Regarding the Simplification of Conditions for Business Activity (Deregulation)” dated February 12, 2015 # 191-VIII;

The Law of Ukraine “On Amending Certain Legislative Acts of Ukraine Regarding the Extension of Powers of Local Governments and Optimization of Administrative Services” dated December 10, 2015 #888-VIII

decision of the respective council. The list of administrative services provided through the CAS shall be determined by the body that has decided to establish the respective CAS. Such Centers in Kyiv often have electronic system of queues and terminals for payment of the required administrative fees. However, for residents of most villages and settlements, the distance (territorial unavailability) is now the main problem as basic administrative services may be received only in the rayon or even oblast Center.

Amendments, as well, provide for introduction of Single State Portal for Administrative Services⁸⁵ for the provision of administrative services in electronic form. Currently, the Portal operates as pilot project in testing mode. However, it already contains the list of all Ukrainian CAS and information on provision of different administrative services.

The ‘All-Ukrainian municipal survey’ held in 2016⁸⁶ showed that an average score of the quality of public goods and services in the city ranges from 2.5 points to 3.4 points (where 1 indicates a terrible score and 5 indicates an excellent score). The respondents were also offered a question “In the past two years, how often, if ever, have you or an acquaintance had to do a favor, give a gift or pay a bribe to a local official in order to get service or document from him/her?”. The results showed that respondents of all regions gave bribes to the local government at least once, which means that there is no corruption-free regions in Ukraine. Uzhhorod appeared to have the most corrupted local government: 3% of respondents gave bribes more than 5 times; 14% of respondents gave bribes 3-5 times; 28% gave bribes 1 or 2 times; 7% of respondents refused to answer the question. In the same time, the Mykolayiv region had the lowest local government bribe-rate: 1% of respondents gave bribes more than 5 times; 8% of respondents gave bribes 1 or 2 times; 7% of respondents refused to answer the question.

We may conclude that the field of administrative services is going through the reformation period. Although certain steps have already been taken for the improvement of services, it did not dramatically affect the attitude of population towards the services.

Conflicts of interest in local government

Conflict of interest is one of the most acute problems in local governments. Especially in small cities the nepotism is very common: officials and local deputies have formed clans existing for years. The most common fields, in which a conflict of interest appears, are the appointment to positions, allocation of land, granting preferences to local businesses, etc. This phenomenon undermines public confidence in local government, prevents the formation of partnerships between the communities and representatives of local governments, and potentially becomes one of the major corruption sources.

According to the ‘All-Ukrainian municipal survey’⁸⁷ we mentioned earlier, the respondents were offered a question ‘In your opinion, how serious are these problems for your city? Nepotism’. According to the results, 56% of respondents indicated nepotism as a significant problem; 29% said that it is somewhat of a problem; 7% said that it is not really a problem; only 1% said that it is not a problem at all, while 7% found it difficult to answer.

The new Law of Ukraine “On Corruption Prevention”⁸⁸ contains improved general provisions on the conflict of interest, however, according thereto “Laws and other normative and legal acts defining powers of ... local government bodies, procedure for rendering certain types of public services and conducting other activities related to functions of ..., local government, shall envisage the procedure and ways of managing the conflict of interest of officials whose activities they regulate.”, “terms of the

⁸⁵ <https://poslugy.gov.ua/>

⁸⁶ The data was collected in 24 cities of Ukraine (Kyiv and all regional centers; in Donetsk oblast - Mariupol, in Luhansk oblast - Severodonetsk) in a period of January 20 - February 8, 2016:
http://www.iri.org/sites/default/files/wysiwyg/municipal_poll_2016_-_public_release.pdf

⁸⁷ The data was collected in 24 cities of Ukraine (Kyiv and all regional centers; in Donetsk oblast - Mariupol, in Luhansk oblast - Severodonetsk) in a period of January 20 - February 8, 2016:
http://www.iri.org/sites/default/files/wysiwyg/municipal_poll_2016_-_public_release.pdf

⁸⁸ Art. 28, 35 of the Law of Ukraine “On Corruption Prevention” dated October 14, 2014, # 1700-VII (in wording as of May 1, 2016)

settlement of a conflict of interest of ... heads, deputy heads of oblast, rayon councils, city, village, settlement heads, secretaries of the city, village, settlement councils, deputies of local councils shall be determined by laws regulating the status of the respective persons and principles of organization of the respective bodies". Now, we observe lack of the respective special regulation for the local government.

The main violations in the field of conflict of interests include:

1. Granting benefits to certain participants of the procedure for selection of suppliers of goods and services within the procurement competition. There is a quite common practice, when the public procurement is won by the company owned by person being a direct relative to the local government representative, a deputy of the local council, head or deputy head of the council.
2. Allocation of land directly to the relatives of local government representatives, or to legal entities owned by the relatives of the local government representatives.
3. Giving preferences in employment with local government bodies or communal (utility) enterprises to the relatives of the local government representatives.

Access to the Public Information/Transparency of local government

According to Open Government Index Report 2015 prepared by the World Justice Project, Ukraine ranks 43 among 102 countries worldwide.⁸⁹ Under the report, WJP's General Population Poll administered in the country's three largest cities showed that 73% of the population rated the accessibility of information published by the government as very good or good. However, only 27% replied that the quality of information published by the government was very good or good, and 26% thought that the published information was reliable.

Results of the survey conducted in September-November 2015 in respect of 120 municipal councils, showed that city councils violate applicable information legislation in varying degrees. It is quite problematic even to find own websites of city councils of small cities in certain oblasts. Often, the website navigation is uncomfortable and the basic information in different extents is absent (e.g. no contact details; no information on names, powers, declaration of income, schedule of reception, reports of the head of the council, his deputies and secretary; no information on the city council deputies and political parties; no list of divisions, departments and offices of the executive bodies; no information on utility services; no information on the executive committee as the minutes of its meetings; no decisions of the city council published etc.).

The content analysis of the city councils' websites showed that sections "Access to Public Information" and "Public Information" have no indicated e-mail address for the requests in 34% cases. In 19% cases (14 city councils), the indicated e-mail address did not exist. Moreover, in 30% cases there were no response to the requests for information received (only 421 request out of 600 were responded). Herewith, only 48% of the replies contained answers to all the questions, while 52% of replies contained only part of the requested information. According to the monitoring conducted in September-December 2015, the average level of openness of city councils in Ukraine in respect of provision of responses to the requests for the public information was only 54%⁹⁰.

According to the 'All-Ukrainian municipal survey' 2016⁹¹, the percentage of people who think that the municipal authorities have demonstrated transparent activity ranges from 9% to 49% depending on the region.

Involvement of citizens in activities of local government and the decision-making process

⁸⁹ <http://data.worldjusticeproject.org/opengov/#/groups/UKR>

⁹⁰ "Monitoring of access to public information provided by city councils" (2015) <http://eidos.org.ua/vydannya/monitorynh-zabezpechennya-miskymy-radamy-dostupu-do-publichnoji-informatsiji/>

⁹¹ 'All-Ukrainian municipal survey' 2016 - The data was collected in 24 cities of Ukraine (Kyiv and all regional centers; in Donetsk oblast - Mariupol, in Luhansk oblast - Severodonetsk) in a period of January 20 - February 8, 2016: http://www.iri.org/sites/default/files/wysiwyg/municipal_poll_2016_-_public_release.pdf

The realities from municipalities show low involvement of citizens in the decision making process. The process of continuous and effective communication between local governments and citizens is missing.

According to the survey held in June-July 2014⁹², population felt skeptical about the capacity to influence the decisions of local authorities - 77% of respondents thought that there is no possibility of such influence; only 15,5% of respondents declared the availability of opportunities to influence the decisions of local authorities; about 1% refused to respond; 6,3% hesitated to answer. Experts estimated the possibilities of citizens to influence decision-making processes at the local level at the level of 2.1 points on a 4-point scale. More than half of experts believe that the main cause of the citizens' low-level of influence in decision-making at the local level is their passivity. They also named the following significant barriers to this process: "Lack of knowledge of legislation governing these issues" (38.7%), "Imperfect legislation regulating these issues" (25.3%), and low professional level NGO representatives (17.8%). However, almost a quarter of the experts (24.4%) noted the absence of obstacles for residents to impact the decision-making processes at the local level.

As regards the types of the residents' participation in local government, according to the survey, the most common form of participation is the elections. About 22% of respondents attended meetings of the city council deputies with citizens, 18.4% have met the mayor, 9,9% - appealed to local authorities with suggestions, complaints, 9.3% - signed petitions, collective appeals, and 4.4% - collected signatures personally. More than 17% of urban residents participated in the general meeting of citizens, almost 10% - in public hearings, 7.4% - in local initiatives. Only 4.5% of respondents participated in public discussions of important decisions of the authorities and draft legal acts, 3.9% participated in seminars, round tables, consultations. Another 3.4% - requested the local government for public information, 1.8% - took part in the public examination of activities of local authorities⁹³. However, these figures are somewhat inflated as residents active in their participation in local government activities were more open to answer the survey questions, as well.

In 2016, the percentage of people who think that the municipal authorities have facilitated citizens' participation in decision-making processes ranges from 5% to 36% depending on the region. However, when asked whether they are ready to join the process on providing detail for proposals for the city council, there were only 10% to 40% positive responses depending on the region⁹⁴. This could mean that the citizens of local communities do not know about their right to participation in local decision-making process or do not believe that their opinion would be seriously considered. As we sited earlier, due to difficult political and economic situation, many citizens feel disappointed in the authorities, which, *inter alia*, is demonstrated by low turnout at elections.

⁹² Survey collected information from 2000 respondents in 11 cities-oblast centers and 9 cities of oblast importance/ "The interaction of local governments with the public: state, perspective, recommendations and practices": <http://auc.org.ua/sites/default/files/norukrout.pdf>

⁹³ Survey collected information from 2000 respondents in 11 cities-oblast centers and 9 cities of oblast importance/ "The interaction of local governments with the public: state, perspective, recommendations and practices": <http://auc.org.ua/sites/default/files/norukrout.pdf>

⁹⁴ 'All-Ukrainian municipal survey' 2016 - The data was collected in 24 cities of Ukraine (Kyiv and all regional centers; in Donetsk oblast - Mariupol, in Luhansk oblast - Severodonetsk) in a period of January 20 - February 8, 2016: http://www.iri.org/sites/default/files/wysiwyg/municipal_poll_2016_-_public_release.pdf