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REMARKS

**by Mr. Vasyl DURDYNETS,
Director of the National Bureau of Investigation,
Head of the Coordinating Committee on Combating Corruption and
Organized Crime under the President of Ukraine
at the International Conference on Fighting Corruption
and Safeguarding Integrity among Justice and Security Officials
(Washington, DC, February 24-26, 1999)**

Dear Mr. Chairman,
Ladies and Gentlemen,

It is an honor for me to convey on behalf of the Ukrainian delegation our gratitude to the Government of the United States for inviting us to take part in this momentous and highly representative conference as well as to assure you of our profound interest in participating in its deliberations.

We share a serious concern expressed by the US Vice President Al Gore at the conference over the growing threat and scope of globalization of the criminogenic process, dangerous trends in its development, and the rising tide of transnational crime and corruption.

The Ukrainian delegation supports proposals to enhance international cooperation, mobilize efforts and jointly seek the ways, means and legal frameworks to address comprehensively problems related to battling corruption and organized crime.

This why we believe this conference is so important, in particular for Ukraine.

As it is known, my country, as well as other emerging nations, faces a rather acute problem of corruption.

Here I would single out two groups of factors which have adversely affected the situation with corruption in Ukraine.

First. The process of social transformations has not been completed in Ukraine. The conditions under which our nation enters the civilized market system are complicated and controversial, while the process of reforming the economy is still underway. All this leads to serious crisis phenomena in economy and social life.

Second. An appropriate legislative basis and public administration structures have not been developed yet. We lack well-trained personnel as well as experience, technical means and effective system of promoting and upholding the principles of integrity and civility.

All these factors created conditions conducive to the spread of corruption and organized crime.

I should, however, point out that corruption itself is not an outgrowth of an independent Ukrainian state. Corruption is deeply rooted in our totalitarian past.

At the same time, it is necessary to emphasize that the level of corruption in Ukraine is far from what some media and analytical research centers try to make the international community believe.

I would like to state that due to anti-corruption measures undertaken in the past few years, we managed to lower the level of danger posed by corruption and localized adverse trends of its development.

What is the essence of these measures?

First. Ukraine has developed an unambiguous organizational and practical system for preventing and combating the so called "white-collar crime", first and foremost bribery in the governmental structures, law enforcement, tax collecting and judicial agencies.

The congruity in the principles of state policy in this area, integrity in approaches and requirements, as well as coordination of activities at all levels of power and law enforcement institutions, both vertically and horizontally, have been ensured.

Second. The relevant programs have been developed and are currently implemented (*National Program to Combat Corruption, Concept of*

Combating Corruption for the Period through the year 2005). The documents outline the conceptual principles of this policy, and strategy and tactics of our activities in this sphere.

A system of monthly monitoring and reporting as regards their implementation has been hammered out and put to work. The President and the Government established a personal responsibility of chief executive officers for unconditional implementation of the outlined measures.

Third. Very active work is being done on improvement of the legal and normative basis for combating corruption and organized crime. In doing so we take into account both national and international experience.

A number of draft laws addressing amendments and supplements to the laws of Ukraine *On Combating Corruption, On Civil Service, On Combating Money Laundering* laws, as well as some other anti-corruption bills, including those of economic nature, have been prepared for their introduction in the parliament.

The formation of legislative basis which will lay the foundations for radical reform of public administration and judicial systems and their compliance with the requirements of Ukraine's Constitution is nearing completion.

Fourth. Today, the main efforts to combat corruption are concentrated, first and foremost, on elimination of causes and factors which bring it to life, conditions and opportunities for corruption activities by the officers of law-enforcement agencies, judges and civil servants.

This is facilitated, in particular, by implementation of concrete measures on deregulation of economy, and narrowing of the legal space for bureaucratic intervention in this sphere. Special attention is being paid to ensure the transparency of activities of the governmental structures and decision-making officials, their accountability and precise mechanism of effective control over their activity.

Fifth. In order to deal with corruption and organized crime in a meaningful way the Ministry of Interior, the Security Service, the State Tax Administration and the Custom Service of Ukraine created special units. In addition, within these agencies there is a system in place to eradicate incidents of corruption among the law enforcement officers. The

central executive bodies also have offices for preventing and countering corruption. At the same time, we are completing our work on the draft *Code of a Public Official*.

We have created a designated law enforcement body -- the National Bureau of Investigations of Ukraine -- that will directly deal with both corruption in the state institutions of all levels and organized crime.

All the work in this field is organized and coordinated by the special state agency -- the Coordinating Committee on Combating Corruption and Organized Crime under the President of Ukraine. Respective institutions, chaired by the heads of regional state administrations exist in the regions.

Sixth. The institutional structure that deals with corruption is at the same time a structure that is directly responsible for issues related to battling organized crime. This arrangement finds its logic in the fact that corruption is very closely related to organized crime: they always travel hand-in-hand and they serve each other as a source of energy.

Seventh. The essential element in the establishment of the anti-corruption system in Ukraine is the establishment through mass media, schools and training institutions of the climate of integrity based on clear moral principles.

Eighth. We pay great attention to the subject-related study and use of foreign experience in fighting corruption, as well as to the benefits and possibilities of international cooperation.

As of today, Ukraine is a party to eight (8) international conventions on the struggle against crime, it signed fourteen (14) international treaties on legal assistance, ten (10) bilateral treaties and forty (40) interagency agreements on these issues.

Taking advantage of this opportunity, I would like to express our sincere gratitude for very useful and substantial assistance provided to Ukrainian law enforcement and judiciary institutions by the US Administration, Department of Justice and Federal Bureau of Investigation. Important role in this regard is played by the Ukrainian-American Binational Commission also known as the "Kuchma-Gore Commission".

I have to state that we have come to the concluding stages in our work on the draft of the *Program of Ukrainian-American Cooperation in the Field of Assistance in Combating Corruption*, and we continue negotiating the *Plan of Action for Cooperation between the Law Enforcement Agencies of Ukraine and USA*.

With the technical and financial support of the United States Government, the legal assistance to and training of the Ukrainian law enforcement officers and judges in the field of combating corruption and organized crime have acquired a systematic character.

Thus, Ukraine already has been learning the advantages and possibilities of international cooperation. And we experience considerable demand in its enhancing and deepening, in particular in the context of issues raised at this conference.

International and interstate cooperation is very important in stopping depositing and laundering criminal capital in off-shore zones, opening accounts in foreign banks, escaping justice by criminals who flee abroad. Criminals must realize that there is no safe harbor for them in any country.

Ladies and Gentlemen!

All points that I mentioned are not just theoretical reflections but actual reality.

For the period of 1995-1998, just the number of uncovered cases of bribery rose by 32% and the number of criminal cases filed in this connection rose by 25%. 1,100 criminal cases have been filed with court for the last 3 years.

I would like to note that the law-enforcement, customs and tax collecting agencies resolutely get rid of officials who have compromised themselves or violated ethical norms or justice. In 1996-1998, 20 thousand officials were fired from the agencies of the Ministry of Interior. The rotation of law-enforcement officials has been actively conducted. The system of their hiring and training has been considerably improved.

The Supreme Council of Justice has been established and is actively working in Ukraine. The Council tackles the issues of integrity of judges

and prosecutors. A number of cases of bribery among judges and prosecution officials has been uncovered recently.

Summarizing I would like to draw your attention to the fact that we are realistic and critical in estimating our success. We realize that only the first steps have been made in the right direction. We see our drawbacks. But the gained experience, practical elaboration, vigorous anti-corruption activities of law-enforcement agencies, firm will of the leadership of the country to resolve these issues, enable us to state that Ukraine will overcome this evil.

Our intense activities aimed at detecting the so called corrupt top public officials is a vivid proof of it. I have in mind a particular case of criminal charges ^{made upon decision of the parliament} against Ukraine's former prime minister Pavlo Lazarenko and his detention.

It is with great attention that Ukrainians follow developments in solving the problem of extradition of Mr.Lazarenko and his accomplices to Ukraine. We view it as a practical test of effectiveness of the current system of international/interstate cooperation in combating corruption and organized crime. The more so as a whole number of criminal charges against senior public officials and parliamentarians are being investigated in Ukraine.

In closing, I would like to reconfirm once again Ukraine's position of principle regarding a resolute attack on corruption and organized crime.

I am convinced that this conference in its practical dimension of addressing the above issues is of paramount importance. In fact, it is ushering in a new era of intensified international cooperation and interaction in battling corruption, and it gives a new impetus to this process.

Let me express our sincere gratitude to the organizers of the conference for their warm welcome and hospitality.

Thank you for attention.