

## RESULTS OF CHAMBER CORRUPTION PERCEPTION SURVEY 2017

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ABOUT THE PROJECT

#### RESPONDENTS OF THE SURVEY

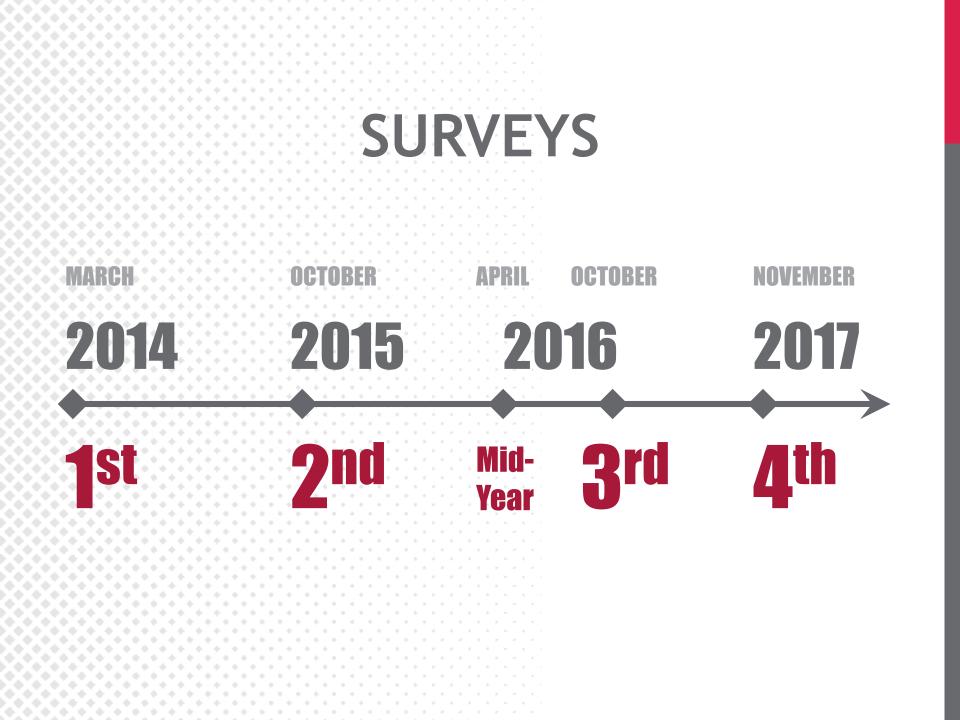
#### GENERAL ASSESSMENT OF CORRUPTION IN UKRAINE

COMPANY'S ANTI-CORRUPTION PRACTICES

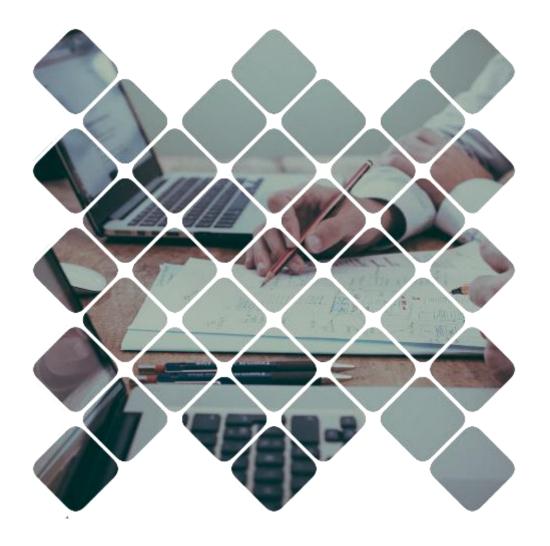
OPINIONS AND RECOMMENDATIONS

## **ABOUT THE PROJECT**





# **RESPONDENTS OF THE SURVEY**



#### respondents

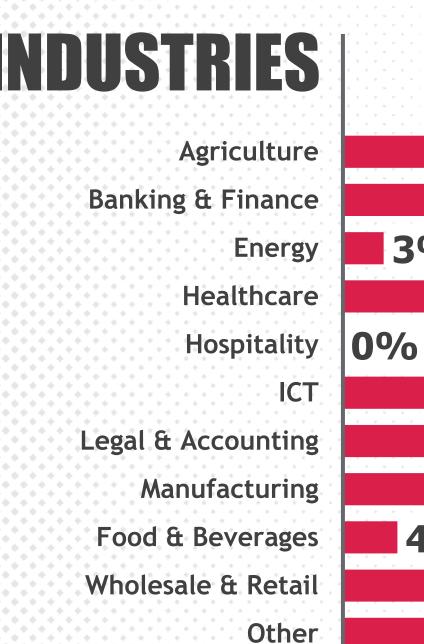
**147** international companies

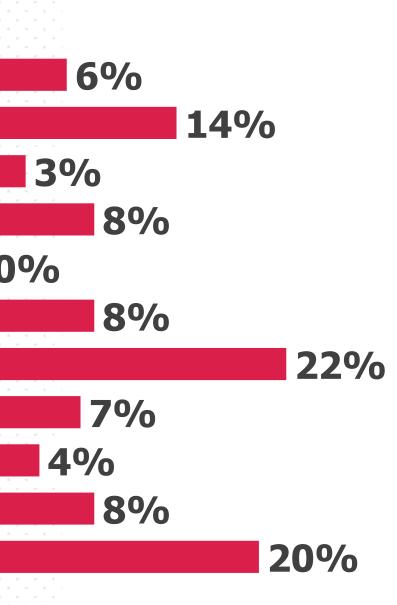
with more than 100 employees

81%

**49%** 

top managers

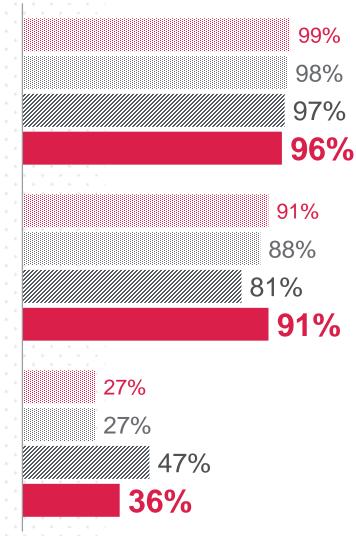




# GENERAL ASSESSMENT OF CORRUPTION IN UKRAINE



#### 2014 2015 2016 2017



Do you think corrupt practices are widespread in Ukraine?

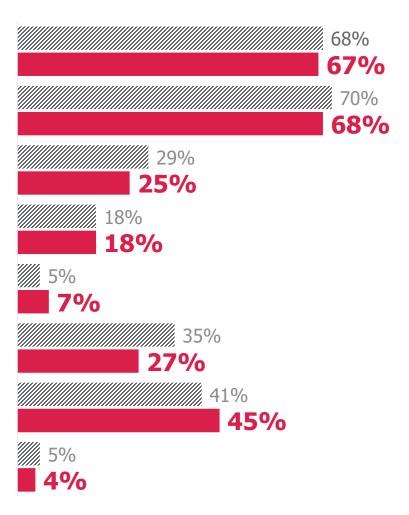
> Have you ever faced corruption while doing business in Ukraine?

Do you believe that the level of corruption in Ukraine has decreased over the last year?

\* Percentages of respondents who answered "Yes"

#### **MOST WIDESPREAD FORMS OF CORRUPTION**





Demanding a bribe

Misuse of official position

Request to partner with affiliated company

Request for donation

Request for sponsorship

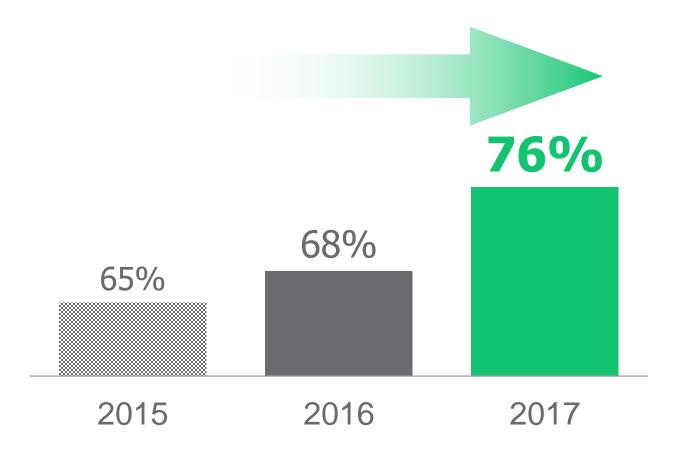
Request for a kickback to win the tender Request for a bribe to stop illegal

pressure

Other

#### **CORRUPTION AND COMPETITION**

Do you think that companies in Ukraine do not have to engage in corruption activities in order to have higher chances of success?



### **MOST CORRUPT INSTITUTIONS**

₩ 2016 2017

Local authorities

Central government

Tax and customs authorities

State enterprises

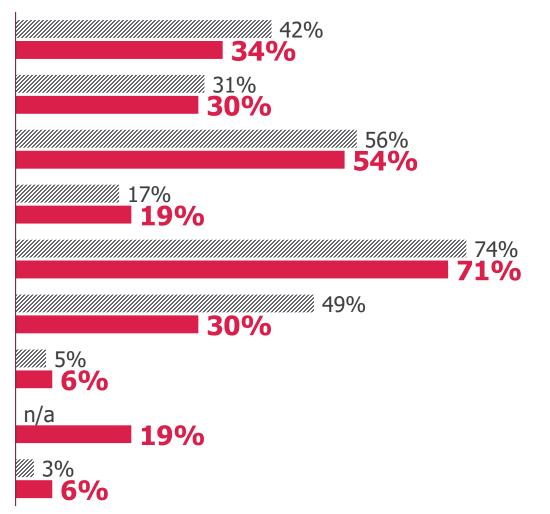
Courts

Prosecutor's offices

Police

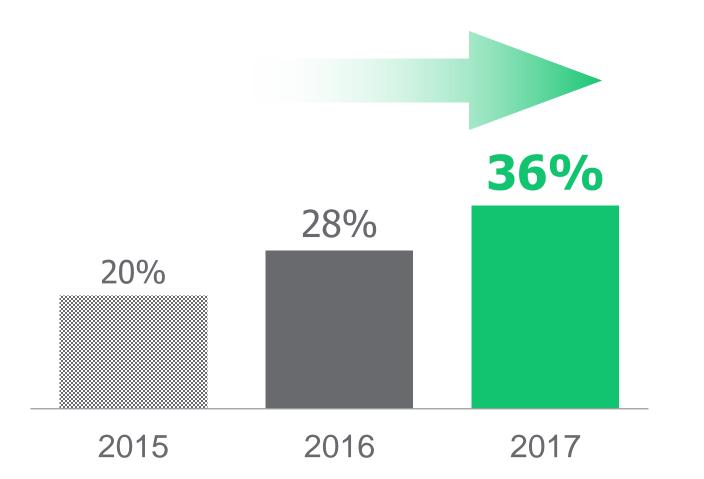
Security Service of Ukraine

Other

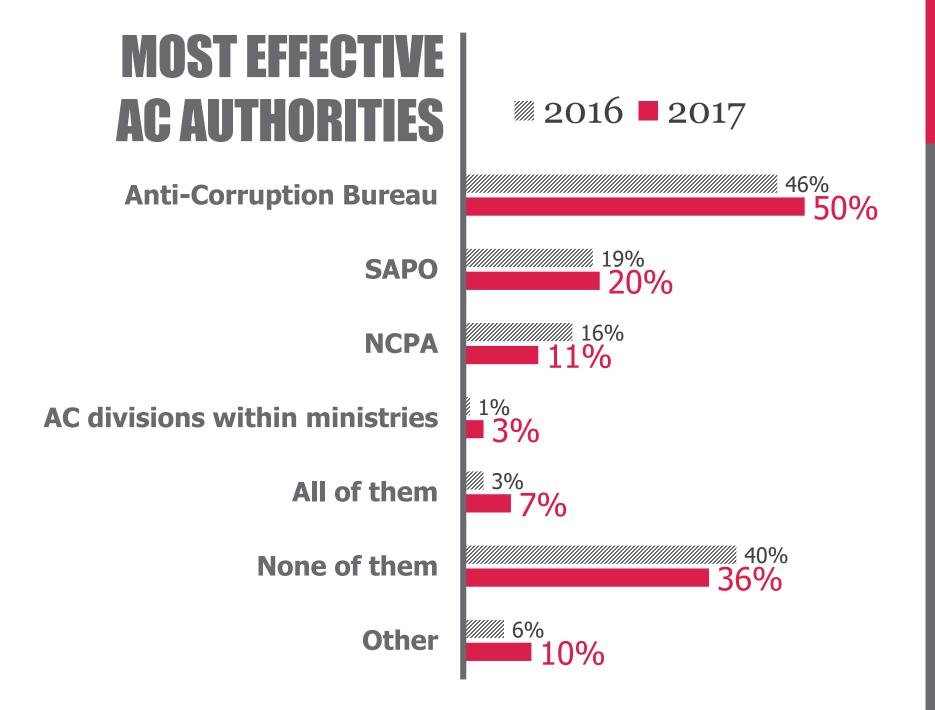


### **QUALITY OF ANTI-CORRUPTION (AC) LAWS**

Is Ukrainian anti-corruption legislation compliant with international standards?



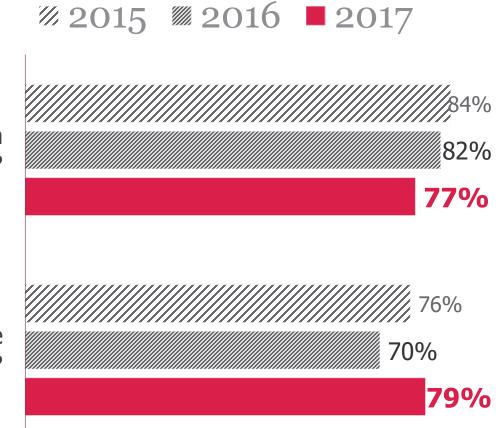
\* Percentages of respondents who answered "Yes"



# COMPANY'S ANTI-CORRUPTION PRACTICES



### **KEY ANTI-CORRUPTION MECHANISMS**

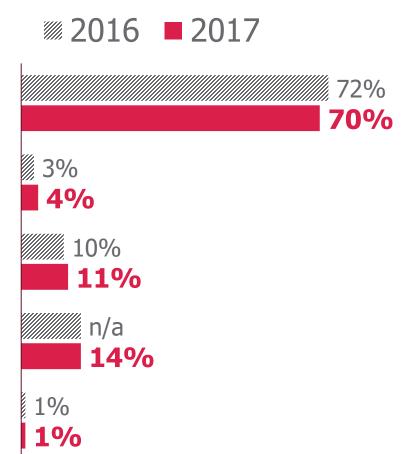


Do you have an anti-corruption program in your company?

Do your company currently have compliance officer?

\* Percentages of respondents who answered "Yes".

## **PROCEDURES FOR REPORTING CORRUPTION**



Internal reporting has been established

External reporting has been established

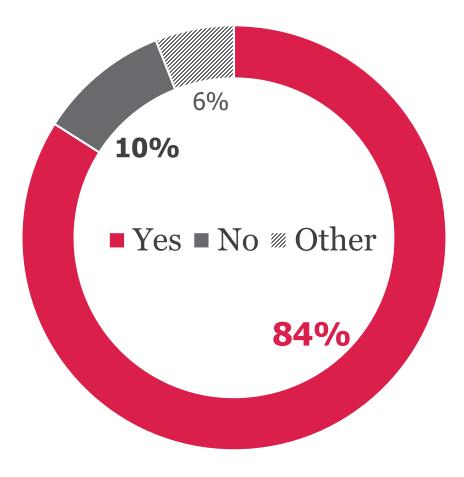
We don't have any reporting

I don't know whether we have reporting

Other

### HOW TO ENCOURAGE REPORTING?

Do you think that the anti-corruption measures established in your company are effective for creating culture of compliance and preventing corruption?



## HOW TO ENCOURAGE REPORTING?

In your opinion, what should be done to encourage businesses to report corruption offences?



- Ensure proper investigation and punishment of the offender
- Introduce the possibility to report corruption anonymously
  - Improve protection of whistleblowers
- Ensure that reporting does not negatively affect the company

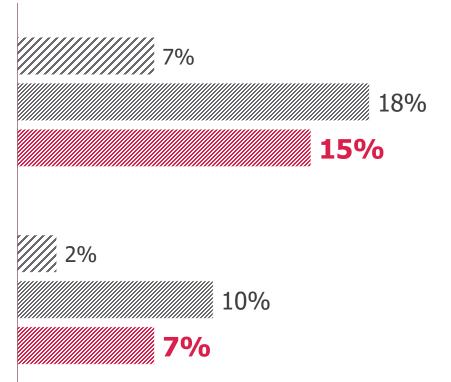


### **COOPERATION WITH AUTHORITIES**

*∞* 2015 *∞* 2016 *∞* 2017

Does your company have an example of successful cooperation with law enforcement agency on alerted corruption case?

Does your company have an example of successful punishment of corrupted person by the court?

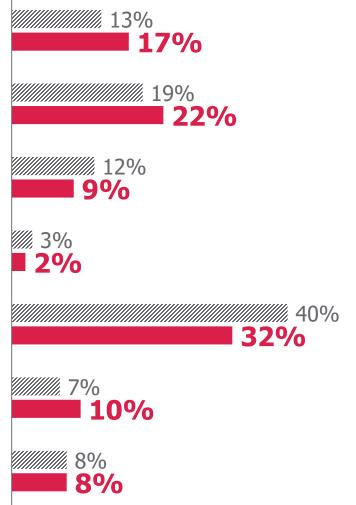


\* Percentages of respondents who answered "Yes".

## **HOW CORRUPTION IMPACTS BUSINESS?**

#### ₩ 2016 ■ 2017

Partners from other jurisdictions refuse to cooperate Corporate management is unwilling to expand business in Ukraine Risk for closure of business increases 3% Expenses on audit increase 2% Expenses on legal support and compliance increase No impact Other

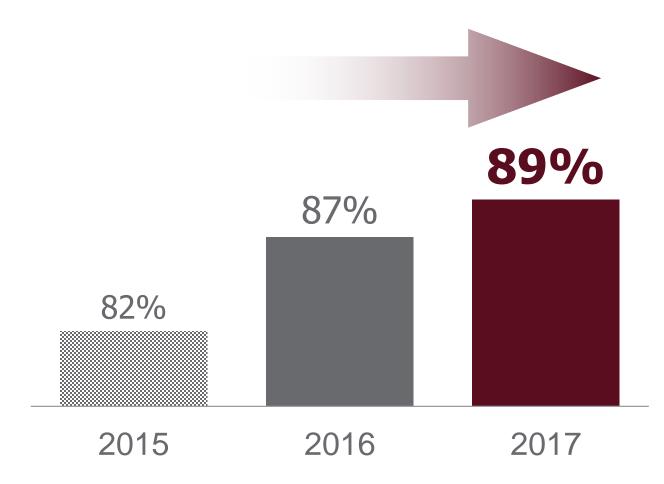


# OPINIONS AND RECOMMENDATIONS



### **IS FIGHTING CORRUPTION A NO.1 PRIORITY?**

Do you consider fighting corruption as the number one priority to improve business climate in Ukraine?



\* Percentages of respondents who answered "Yes"

### **BIGGEST OBSTACLES IN ELIMINATING CORRUPTION**

Absence of political will

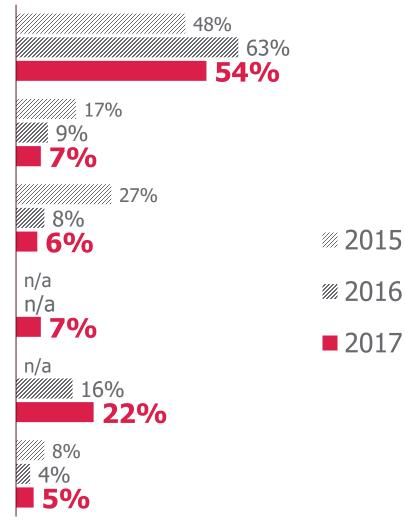
National mentality

Other

Resistance of the state bodies to reforms

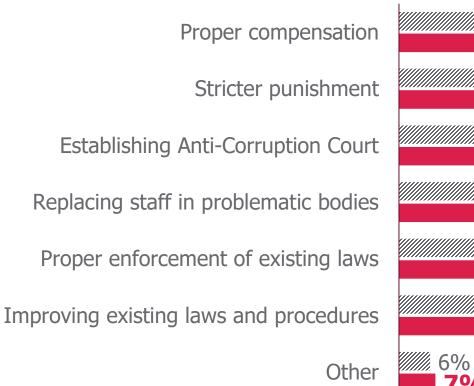
Low quality of investigations by competent authorites

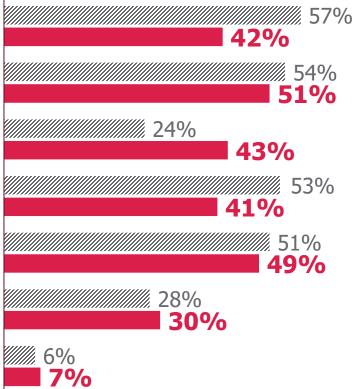
Courts' resistance to investigating and prosecuting corruption cases



#### **MOST EFFECTIVE WAYS TO FIGHT CORRUPTION**

≥ 2016 2017





#### **MONETARY REWARDS FOR WHISTLEBLOWERS**

Do you think that the introduction of a monetary reward for whistleblowers would be beneficial in anti-corruption fight?

Yes, it will be helpful in detecting and investigating corruption

No, it will lead to increasing of dishonest and false reports



Other

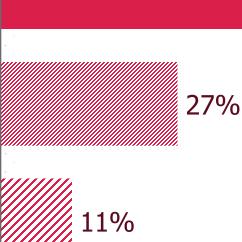
#### **BIGGEST SUCCESS IN ANTI-CORRUPTION FIGHT**

#### Criminal cases against top officials

#### Launch of e-declarations

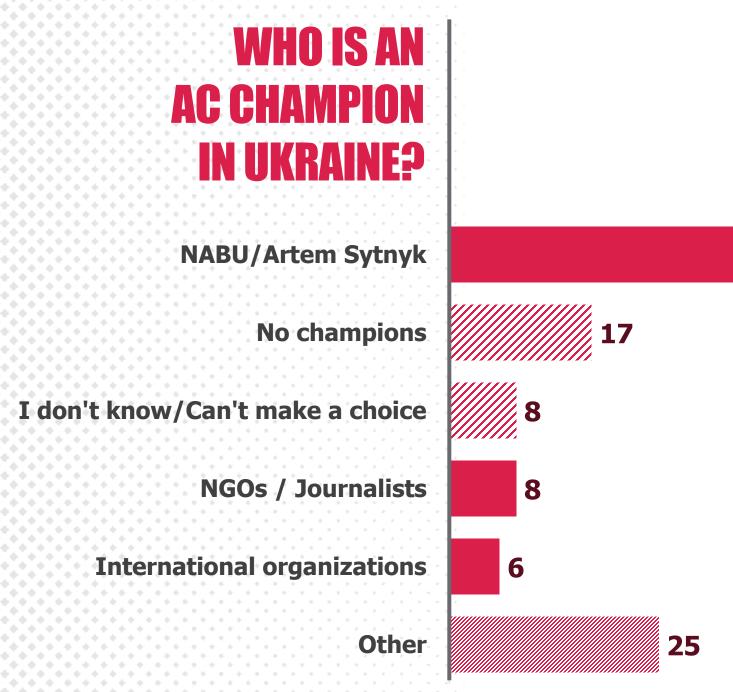
Other

#### Launch of e-registy of VAT refund



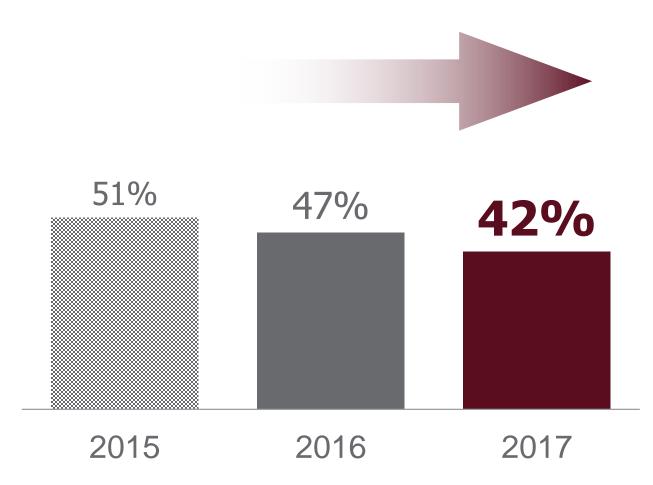
14%

#### 49%



#### **PREDICTIONS FOR THE UPCOMING YEAR**

Are you optimistic about prospects of anti-corruption fight in Ukraine in the upcoming year?



\* Percentages of respondents who answered "Yes"



Transparent establishment of Anti-corruption court Replacement of corrupted officials Bringing to liability corruption offenders Appearance of strong political will Strengthening liability for corruption offences Judicial reform

Educate society, business and officials for zero...



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**THANK YOU!** 

THE CHAMBER OF COMMERCE