

# **Ukraine Anti-Corruption Support Project**

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## **Final Report**

*Covering the Period May 5, 1999 – August 31, 2000*

### *Submitted to:*

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# 1. Objectives of the Project

The Ukraine Anti-Corruption Support Project began on May 5, 1999 and ended on August 31, 2000. The project's predecessor activity began in June 1997.

The goals of this project were to contribute to the reduction of corruption in Ukraine by:

- Working at the oblast level to strengthen the capacity of government, civil society and business to fight corruption.
- Facilitating the development of feasible anti-corruption action plans at the oblast level in Lviv and Donetsk.
- Providing follow-up technical assistance to oblast level groups in support of action plan implementation. This includes activities that increase government integrity, and improve service delivery and the business environment.
- Expanding the program to a third oblast, Kharkiv. This includes conducting a diagnostic assessment, holding a stakeholder workshop, developing an action plan, establishing a public-private partnership, and providing follow-up technical assistance in Kharkiv, as well as continued support to Lviv and Donetsk.

At the conclusion of this assignment, all objectives have been achieved. Public-private partnerships for integrity have been established in Lviv, Donetsk and Kharkiv and continue to implement activities in accordance with their locally-developed Action Plans. With the small grant support and technical assistance provided to them by this project, these partnerships have been able to enlarge their membership, gain legitimacy in the eyes of the public and the government, join forces in a nationwide coalition to mutually reinforce each other, and proceed effectively on implementing their Action Plans. These partnerships have worked:

- To develop reform measures that reduce the opportunities for corruption to occur (*prevention*)
- To increase the awareness of citizens rights that strengthen public knowledge and the will to fight corruption (*public education*)
- To build new anti-corruption institutions, such as the Citizens Advocacy Offices, that represent citizens and business people who are victims of corruption (*institution-building*)
- To strengthen enforcement of existing laws and regulations (*enforcement*).

## 2. Technical Assistance Provided

### 2.1 Guiding Principles

Visible successes have been achieved as a result of this project over a relatively short period of time. Our approach is grounded on three principles.

1. First, effective and sustainable anti-corruption programs require the active participation of all sectors of society working together – government, the private sector, and civil society – in **public-private partnerships**. Traditionally contentious relations among these sectors over the problem of corruption need to be transformed into carefully coordinated activity for a multi-pronged and persistent campaign against corruption to have a chance of being successful in

generating the necessary reforms, institutional change, and public awareness and trust. These partnerships must emphasize **non-adversarial interactions** among the sectors.

2. Second, it is essential to **attack the problem of corruption at a subnational (oblast) level**, where political will is likely to be stronger than at the national level. At this subnational level, it is more likely that anti-corruption initiatives will be implemented reliably because that is the level at which government and civil society naturally visualize the impacts and costs of corruption on their daily lives. But it is also important to consider how this decentralized approach can build momentum to affect change nationwide. As a result, it is essential to **build networks of local partnerships** that foster the sharing of experiences, offer mutual support and confidence, and develop an aggregated national movement to fight corruption.
3. Third, traditional anti-corruption campaigns usually conjure up images of stepped-up police investigations and legal prosecutions. By themselves, such government initiated enforcement actions do not often have lasting impacts on reducing corruption. An approach that **emphasizes preventive measures** is a more workable alternative. Preventive initiatives call for legal, regulatory, procedural and economic reforms that reduce bureaucratic discretion, eliminate loopholes that present opportunities for corruption, open government decision making, and make government officials more accountable for their actions. Such reforms can have a more sustainable effect and, in the near term, can reduce public cynicism and hopelessness about the problem of corruption.

## 2.2 General Approach

Since June 1997, USAID/Kyiv has supported the establishment of public-private partnerships for integrity in the Lviv, Donetsk and Kharkiv oblasts through this project. Over a short period of time, these “Partnerships for Integrity,” dubbed as civic movements, have taken on a life of their own, having significant impacts on administrative/procedural reforms; legislative reforms; the creation of awareness of citizen rights and responsibilities; and economic growth with the development of increased confidence and investment among domestic and foreign business interests. All of these experiments in public-private partnerships against corruption have brought together the three major sectors – government, civil society and business -- in a truly cooperative, non-contentious and equalizing working relationship against a common problem – in some cases, for the first time.

## 3. Accomplishments and Successes

This project has resulted in several major accomplishments in the fight against corruption in Ukraine. These achievements are described below in five categories:

- Institution Building
- Preventive Reforms
- Public Awareness and Education
- Enforcement
- Building Legitimacy and Sustainability.

## **3.1 Institution Building**

### **1. Citizens Advocacy Offices**

The first of three Citizens Advocacy Offices (CAO) was established in Donetsk in July 1999 under the leadership of the Donetsk “Partnership for Integrity” group. In April 2000, two additional CAOs began operation in Lviv and Kharkiv under the auspices of their Partnership groups. These CAOs serve as active sources of legal support for citizens and businesses with grievances about corrupt officials – operating entirely independently of government. They provide legal advice free-of-charge to citizens on their rights, represent them in court, and help them gather and submit evidence on cases of alleged corruption. 24-hour telephone hotlines have been in operation since July 1999.

From July 1999 through July 2000, the CAOs provided assistance to 783 citizens. About 300 of total complaints were related to excessive bureaucracy that could lead to corruption and about 60 cases were directly related to corruption.

Among the accomplishments to date of the Donetsk CAO are the following:

1. Government Whistleblower Successfully Defended and Vindicated. In 1995, the captain of a Ukrainian cargo ship in the Azov Fleet blew the whistle on several Fleet administration officials who allegedly were embezzling funds to their private bank accounts outside of Ukraine. These officials turned these allegations around and accused the captain of wrongdoing. He was brought to court, sentenced to 5 years in prison, his assets were confiscated, and he was fined. Although he appealed the court decision, he was able only to reduce the sentence. Finally, he contacted the USAID-sponsored Citizens Advocacy Office (CAO). The CAO's lawyers reviewed the case and brought it back to court again in October 1999. As a result, the allegations against the captain were dismissed and all previous sentences against him were cancelled.

2. Successful Defense Against Government Harassment of a Business Person. The Director and founder of a company in Donetsk was summarily fired from her position and excluded from the Board of Founders without justification. The company was then re-registered under a new name with a new Board of Founders and Director. These changes were initiated by two government officials, one of whom was a People's Deputy of the Ukrainian Parliament who is legally prohibited from participating in such private sector activities. The CAO brought the case to court, which canceled the company's illegal re-registration and restored the original Director's rights. The district prosecutor has now opened a criminal case against the government officials.

3. Successful Defense Against Government Favoritism toward an Illegal Business. A group of flower sellers, who had paid the required fee and taxes to the district government were refused permit renewal in 1998. They were told that permits could now be bought only from a private company. The CAO conducted a preliminary investigation of this case and found that this company was not properly registered and did not pay any formal taxes to the district government. Moreover, this company encouraged the flower sellers to conduct businesses in the shadow economy -- without providing receipts or recording cash income. The case has been passed to the proper authorities for formal investigation. As a result, the district government has been accused of wrongdoing and the flower sellers have been restored their rights to conduct business.

4. Successful Defense of Police Officer from Criminally-Influenced Official. Officials ordered a police team from Donetsk to arrest a criminal group in Kharkiv. Soon after that was accomplished, a criminal case was brought against the officer-in-charge from the Donetsk police force. The case was brought by the formal deputy head of the investigation unit of the prosecutor's office of Kharkiv oblast, Mr. Gotva. It appeared later that Mr. Gotva personally patronized the criminal group. The CAO appealed to the President of Ukraine and the Prosecutor General and the case against Donetsk officer was dismissed.

5. Allegations of Nepotism in Privatization Process. A village in the Donetsk oblast, Andreyivka, called upon the CAO to help investigate and support its claim of corruption against former government officials there. The allegations relate to abuses of the privatization process and nepotism. The grievances, along with documentation, were presented to appropriate oblast officials.

6. Pensioner Victim of Corruption Successfully Defended. CAO lawyers in Donetsk provided legal advice to one individual who brought his case to court; this case was resolved in favor of the plaintiff. It concerned a pensioner who claimed that, due to bureaucratic red tape, the authorities denied him status as a World War II veteran by the authorities and therefore he was denied certain pension benefits. With the assistance of the CAO's legal support, he was granted this status and is now receiving a better pension, as well as moral compensation.

7. Successful Defense of Anti-Corruption Journalist: One of the cases in which the Donetsk CAO lawyers provided legal advice was brought to court by them and the case was resolved in favor of the CAO client. It concerned a journalist, Victoria Granina, who had conducted an investigation and published several articles about corruption in schools and the City District Administration. She was fired. The court reestablished her at her job.

## **2. National Coalition for Integrity**

In April 2000, the three oblast-based Partnerships for Integrity banded together to establish the *National Coalition for Integrity*. Their purpose is to share experiences, lessons learned, materials, and actions. They also believe that by joining forces, their oblast-based constituencies can begin to make an impact on national policy directions. The objectives of the National Coalition for Integrity (NCI) are:

- To cooperate and coordinate efforts and exchange experience among organizations in Ukraine that work in the areas of fighting and preventing corruption and building citizen awareness of their rights and responsibilities.
- To develop and conduct joint anti-corruption actions among the members of the National Coalition on both regional and national levels.
- To disseminate experience and provide consultations and information support, while keeping Ukrainians exposed to national and international experience in fighting and preventing corruption.

This network of oblast-level Partnerships is now banding together to have a national presence. They have already begun to work together by conducting the Donetsk-developed tax inspection and citizen advocacy office workshops in Lviv and Kharkiv in April. The founders announced establishment of the NCI through the mass media at press conferences in Lviv and Kharkiv. The NCI produces a monthly electronic Newsletter in English and Ukrainian which is distributed to a list of over 600 interested parties in Ukraine and elsewhere. In addition, a website was created for

the Coalition at [www.nobribes.org/unci/](http://www.nobribes.org/unci/). In May and June 2000, two more regional organizations joined the Coalition which represent Lugansk and Nikolaevsk oblasts.

## **2. New Partnership in Kharkiv**

An Anti-Corruption Workshop was conducted in Kharkiv on February 24-25, 2000. More than 130 people participated in the workshop representing different stakeholder groups (government, businesses, and civil society). The major outputs of the workshop were as follows:

- (1) A Draft Anti-Corruption Action Plan was developed by the participants, which includes practical actions on preventing and fighting corruption and increasing public awareness. Participants committed themselves to implement these actions in the short term.
- (2) An anti-corruption coalition, "Partnership for Integrity," was established by the workshop participants. The Coordinating Council and the Secretariat of this coalition were selected.

## **3. Partnerships and Action Plans**

- New and revised Action Plans for 2000 were developed and approved by the Executive Committees of the three Partnerships.
- Based on the successes of the three existing Partnerships, new Partnerships and branches within the three oblasts and in neighboring oblasts have been established based on the initiatives of interested NGOs and business associations. For example, within the Donetsk Partnership, new branches have been established in Enakievo, Makeevka, and Kramatorsk. In addition, new Partnerships were developed in the Lugansk and Nikolaevsk oblasts.

## **3.2 Preventive Reforms**

### **1. Procedural Reforms – Traffic Police**

- In compliance with the Action Plan, the Traffic Police in Donetsk have simplified the technical inspection procedures for cars, developing a "one-stop shop" for inspections, minimizing bureaucratic interface with the public, and reducing the opportunities for bribe-taking.
- In Donetsk, the Traffic Police have reduced the number of traffic checkpoints, their locations have been randomized, and their staff reduced – thus minimizing the opportunities for corrupt transactions.

### **2. Procedural Reforms – Business-Government Interaction**

- On February 29, 2000, the Donetsk Partnership conducted a roundtable to discuss business concerns related to Tax Administration. The roundtable resulted in gaining the attention of the State Committee on Regulatory Reform and Entrepreneurship, which held a subsequent meeting in Donetsk on March 13 where about 200 people representing national and local government, the business sector and NGOs participated. That forum decided to lobby the national government to reform the current tax system through its members in the Rada. The other output of the meeting was establishment of a Coordinating Council headed by the Deputy Governor to address conflicts and arguments between business people and the Tax Administration. The members of the Council are representatives of the law enforcement agencies and Tax Administration. The cases will be brought to the Council through NGOs and business associations including the Partnership for Integrity, the League of Businesswomen, the Association of Taxpayers, and the regional representative of the State Committee on Regulatory Reform and Entrepreneurship.

### **3. Procedural Reforms -- Customs Service**

The Lviv Committee together with the Customs Administration and the Licensing Chamber is conducting a project on “Improving Transparency in Licensing and Customs Procedures.” The project has already conducted 2 roundtables among business people and public officials from the Customs Administration and the Licensing Chamber. Together, they have analyzed current procedures and regulations and three recommendations have already been implemented by these departments, resulting in procedural changes that can prevent corruption:

**(1) Single pass for border crossing.** Businessmen pointed out that Customs has several passes that impose different conditions and costs for businesses to export goods. Since there was no clear instruction which pass must be used in what case, discretion was left to the Customs Officers, who tended to require passes that impose higher costs. It also created the grounds for bribe extortion. Based on the recommendation at the first roundtable, the Regional Customs Office has now implemented a single pass, thus reducing the opportunity for corruption.

**(2) Streamlining crossing the border for exporters.** Customs requires exporters to submit a hard copy letter from the bank indicating that the exporter has already paid a customs fee, even though this information is available electronically directly from the bank within 2 hours after the payment is made. Due to this requirement, exporters lose money and time while waiting for this letter from the bank. To speed up this process, bribery has been common between customs and exporters and between banks and exporters. Thanks to the PAC roundtable, the Regional Customs Office revoked this requirement for a hard copy letter from the bank. This has now reduced the opportunity for corruption and streamlined the transport of goods across the border.

**(3) Transparency in customs procedures.** Opportunities for corruption and bribery at the border often appear because citizens are not aware about their rights and obligations concerning customs procedures. To address this, the Regional Customs Office in Lviv published and distributed a flyer describing the regulations governing citizen border crossings in plain language. The flyer discusses citizen rights and has a telephone number for the Customs hotline for citizen complaints.

### **4. Procedural Reforms -- Leasing/Privatization of Communal Property**

In March 2000, Kharkiv City Hall – for the first time -- published the list of all available communal property in a local newspaper. This action was in response to recommendations made at the February 2000 USAID-sponsored Anti-Corruption workshop in Kharkiv. The recommendations to make privatization and leasing of communal property more transparent were more fully elaborated by the Kharkiv Partnership after the workshop and passed on to City Hall authorities. The publication followed quickly after.

### **5. Procedural Reforms – Delivery of Public Services**

The Kharkiv Oblast Administration, in response to recommendations made at the February 2000 workshop, initiated a new program to make existing governmental regulations and procedures clearer and better organized. The Legal Department of the Oblast Administration has agreed to identify the governmental services that are most frequently requested by the public and develop straightforward and clear set of procedures for them.

## **6. Procedural Reforms – Education**

The Kharkiv Partnership analyzed the causes of corruption in the school system and developed written recommendations that were approved by the Oblast Administration. The Oblast Administration, in response to these recommendations, has initiated a new program to reform the school system, which will also address issues of preventing corruption.

## **7. Legal Reform**

Recommended changes to the existing Anti-Corruption Law made by members of the Partnership have been adopted by the Presidential Committee Against Organized Crime and Corruption in their new Draft Anti-Corruption Law.

## **3.3 Public Awareness and Education**

### **1. Newspapers, TV and Radio**

- All of the Partnerships worked closely with Internews in the production of a series of anti-corruption TV talk shows between January and July 2000.
- In Lviv and Donetsk, there has been a sharp increase in the number of newspaper articles, and TV and radio programs and interviews concerning corruption issues.
- The Lviv Committee and the Donetsk Partnership developed a mechanism with oblast authorities to obtain information on current corruption cases under investigation to pass to the mass media.

### **2. Brochures**

- The Lviv Partnership worked with the Traffic Police and Tax Administration on developing and disseminating brochures on citizen rights.
- Three brochures have been developed and published by the Donetsk Partnership under a grant from the Netherlands Embassy that describes citizen rights in relation to government-citizen interactions. One of the brochures is called "How to get paid your salary." It refers to the common practice of managers in state-owned or private companies who divert money earmarked for salaries to other purposes. The Donetsk Partnership received feedback from citizens that thanks to this brochure they sued their employers in court, won their cases, and were paid their back salary.
- Another Donetsk brochure relates to citizen rights when arrested. The Partnership has received many phone calls from citizens expressing their gratitude for this brochure, asking for additional copies and indicating that the brochure has been copied for broader distribution.
- The Lviv Committee developed a brochure that summarizes legal provisions in Ukrainian law related to corruption, bribery, civil servants responsibilities, and citizen rights. The Committee mobilized university students to broadly distribute this brochure among citizens of Lviv.
- The Lviv Committee published and distributed two flyers and one information card to raise public awareness. (1) The first flyer, entitled "Code of Ethics of Public Officials," describes the responsibilities of public officials. The flyer has also a coupon that people can send to the Committee informing them about abuses of power and misuse of public office by public

officials. The flyer has also includes a hotline phone number. (2) The second flyer, entitled "Ukraine against Corruption," describes in plain language the main provisions of the Ukrainian Anti-Corruption Law. It also has a hotline number on it. (3) The information card describes citizen rights if they get arrested and suggests people to contact at the Committee and its Advocacy Office if they are confronted with corruption or abuse of power by public officials.

- A brochure was published in coordination with the Kharkiv Partnership entitled, "*Corruption: Challenging Issues of Court Practice.*" It contains the laws and normative acts of Ukraine concerning the fight against corruption as well as analytical commentary. The brochure also discusses court practices in prosecuting corruption cases, and provides specific examples of legal court proceedings in the Kharkiv region along with an analysis of errors committed by judges and recommendations regarding the appropriate application of the anti-corruption law. This analysis of how the law has been put into practice in the courts will be submitted to the Kharkiv oblast Anti-Corruption Coordinating Committee, to the Public Prosecutor's Office, the Internal Ministry Administration, and the regional Security Service. The brochure also provides recommendations for changes to the current legal structure.

### **3. Roundtables and Workshops for Business and Government Leaders**

Many anti-corruption roundtables for mayors, business people, government officials and citizens have been conducted to enhance their awareness of the costs of corruption. Recommendations coming out of these roundtables include administrative actions such as rotation of governmental employees and one-stop shopping for business licenses.

- Four workshops were conducted in Kyiv, Donetsk, Lviv and Kharkiv in July 2000 on practical approaches to **simplifying administrative procedures** in government, with the byproduct of reducing opportunities for corruption. In the oblasts, the participants were oblast and city government managers, and in Kyiv, the participants were officials from various Ministries. The need for such reforms is being driven by recent Presidential orders that have initiated a Ukrainian administrative reform program on the national and local levels. This program requires governmental agencies to develop clear strategies and methodologies for restructuring. In all cases, governmental officials were very enthusiastic to learn about the practical techniques used in Vice President Gore's program on "Reinventing Government" which address these administrative reform issues and attacks the procedures and structures that make governmental departments vulnerable to corruption. As next steps, these officials expressed great interest in conducting some test cases in each oblast and at the national level.
- The Donetsk Partnership and its lawyers from the CAO developed and conducted several workshops for businesses in Donetsk oblast entitled "**The Tax Inspectors/Police Paid a Visit to You**". Two workshops were conducted in Donetsk oblast: one in Donetsk for 21 participants and one in Enakievo for 32 participants. Two more workshops were conducted in other oblasts: one in Lviv for about 35 participants and one in Kharkiv for about 25 participants. The workshop provided participants with practical advice and guidance on their rights and tax inspector responsibilities, and how to avoid and prevent corruption and harassment. Participants were given materials including current legal provisions and a checklist of what to do before and during inspections. There were several results from these sessions:
  - (1) Participants found inconsistencies between the Presidential Order of July 23, 1998 and the Tax Administration Order of September 25, 1998. They also found a need to make some amendments to the Presidential Order, in particular, to obligate all, not only some,

controlling agencies to have their inspectors register in the business registration book. The Kharkiv Partnership will develop a written recommendation to forward it to the national authorities.

- (2) Participants agreed on the necessity to educate business people on their rights. Kharkiv and Lviv Partnership lawyers will conduct more workshops for businesses on tax inspection and develop new workshops that extend to other inspecting agencies.
  - (3) In Lviv, participants suggested that business associations hire lawyers who can assist businesses during inspections and provide consultations
  - (4) Participants suggested that information be collected from businesses through their associations about the most common problems they confront with different inspections. This information should be analyzed and recommendations developed to improve current regulations when necessary.
  - (5) Participants in Kharkiv and Lviv recommended that the Tax Inspection Administration and the Police Department should train their staffs better on laws, regulations, and the rights of citizens.
- The Donetsk Partnership, in cooperation with the Oblast Administration, held a meeting in March 2000 concerning **corruption in the educational system**. Approximately 100 officials representing universities, colleges and vocational schools; public officials from the Oblast Administration; and law enforcement agencies attended. The meeting adopted a Resolution, of which one of the items included continued cooperation with the Partnership.
  - The Donetsk Partnership, in cooperation with the Donetsk branch of “Memorial” and the national branch of Amnesty International, held a workshop on human rights and journalism for the regional mass media. The focus was on raising public awareness of their legal rights.
  - The Lviv Anti-Corruption Committee in cooperation with the Lviv Oblast Administration conducted a workshop entitled “When Codes of Conduct for government officials are violated” attended by public officials in Drohobych rayon. The session was conceived of as a way to disseminate detailed information regarding the official governmental codes of conduct and ethical codes, and to inform the public on the government’s anticorruption initiatives.

#### **4. Anti-Corruption Monitoring**

- A **corruption survey** was conducted in Kharkiv of 800 households by the Kiev International Institute of Sociology (KIIS). The results were disseminated at the February 2000 workshop in Kharkiv.
- The **effectiveness of government-run fraud hotlines** in Donetsk were evaluated, results passed to the press, and recommendations discussed with officials.
- In Lviv, two newspapers published an “**Integrity Coupon**” which can be filled in and sent back to the Committee to report instances of alleged corruption. Newspapers also published information about the Committee and results from its recent survey of 500 businesses. Over 180 coupons were returned, investigated, and results passed on to government authorities.
- An **anti-corruption survey** of 500 business people was conducted by the Lviv Committee and disseminated through the press. Results indicate that 29% had been confronted with corruption directly, 25% said that government officials initiated illegal transaction, and 38% felt that legal reforms, ethical standards and public campaigns can help control corruption.

- A **survey** was conducted in Kharkiv of 100 businesses by the Kharkiv Municipal Legal and Consulting Center to identify corruption opportunities in communal property leasing and privatization procedures and to develop recommendations to enhance transparency and accountability in this process.

### **3.4 Enforcement**

- The quality and quantity of anti-corruption investigations by various oblast law enforcement departments have increased. In particular, investigations of the banking system, tax collection, privatization process, and the security service have taken place. In addition, financial violations in the coal industry that has prevented payment of worker salaries have been investigated.
- The Donetsk Partnership and Lviv Committee in cooperation with the oblast authorities collect and analyze information on corruption cases in their respective oblasts.
- The CAOs collect information through citizen complaints on corruption and bureaucratic harassment and pass this information to the governmental authorities and law enforcement agencies for their further actions. The CAOs monitor the governmental agencies' actions to address complaints passed to them by CAOs or their clients.
- The Kharkiv Coalition commissioned a study on court practices in prosecuting corruption cases. The brochure that summarizes the findings was published and the recommendations were passed to law enforcement agencies and the judiciary.

### **3.5 Building Legitimacy and Sustainability**

- An article about Partnership's activities and achievements was published in the official newspaper "Krok" of the Presidential Coordinating Committee against Corruption and Organized Crime.
- The Donetsk Oblast Head presented the Donetsk Partnership's achievements to the All-Ukrainian Meeting of the Presidential Coordinating Committee against Corruption and Organized Crime.
- An unsolicited letter of praise and encouragement was received from Prof. Anatoliy Zakaliuk of the Academy of Legal Sciences of Ukraine in Kiev. His Center helped draft the National Anti-Corruption Concept and works closely with the Presidential Committee Against Corruption and Organized Crime. He attended the February 2000 workshop in Kharkiv and has become a strong proponent of anti-corruption partnerships. He strongly believes that USAID should replicate this model elsewhere in Ukraine, and has talked to the Rector of the Odessa Legal Academy and the Head of the Kiev Institute of Private Law and Entrepreneurship who are both interested in working with future partnership initiatives.
- The Lviv Anti-Corruption Committee is now invited to attend all official meetings of the Oblast Committee against Organized Crime and Corruption.

- Several meetings and roundtables were organized under the joint sponsorship of oblast administrations and the Partnership. The Donetsk Partnership is currently working together with the Oblast Administration and several other institutions to organize a regional conference on corruption this fall.
- The Partnerships receive visitors from different locations of Ukraine to share their experience and consult on mobilizing anti-corruption constituencies and implementing coordinated actions. Inquiries have come from Nikolaev, Mariupol, Sumy, Lugansk, Sevastopol, and others.
- Leaders of the Partnerships and CAOs were invited to several international fora to share their experience. These include: the Annual Meeting of the Anti-Corruption Network for Transition Economies sponsored by OECD (Istanbul, November, 1999), Local Anti-Corruption Initiative sponsored by the Soros Foundation (Riga, November 1999), and Anti-Corruption Hotlines sponsored by Transparency International-Czech Republic (Prague, November 1999).

## **4. Lessons Learned**

We have learned several important lessons from our experience in conducting anti-corruption initiatives in Ukraine. In particular:

- Anti-corruption projects require the involvement and synergy of many cross-cutting disciplines to be successful.
- Local, bottom-up approaches can be effective. They require mobilizing the political will and resources at the level where corruption really impacts on peoples' lives.
- Public-private partnerships against corruption can work. They coordinate efforts across sectors, encouraging governmental and societal reforms and generating commitment. They also serve to reduce finger-pointing and antagonisms.
- Networking among these local partnerships is critical for greater efficiency, to build moral support, and to mobilize efforts that will affect national policies against corruption.
- Prevention strategies are critical in building public confidence and go hand-in-hand with stricter enforcement strategies.
- To ensure sustainability, local ownership of the anti-corruption program has to be developed and, thus, donors must plan their initiatives and commit themselves for the entire life cycle.
- Political will demonstrated by government leaders, *as well as* by civil society and business leaders is essential for success, but so is developing a sense of efficacy. Especially in Ukraine and countries of the former Soviet Union, civil society and private sector stakeholders need to understand that their actions can, in fact, make a difference. They need to be given the training, resources and exposure to strengthen their capacity to act on an equal basis with government.