

Transparency International Ukraine



ANNUAL REPORT

2013

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Dear colleagues and partners!

Transparency International Ukraine is an anti-corruption non-governmental organization, which promotes transparency in all kinds of social relations. That is why we always try to be more accessible for citizens, authorities and colleagues from civic activists sector. Every year we present our annual report under the results of our activity, providing detailed information on the achievements in each initiative and report on spending funds.

2013 was rather difficult for the life of our country. It brought severe challenges. The results of the researches in 2013, conducted by Transparency International all over the world (CPI, Global Corruption Barometer), warned about the deterioration of Ukrainian social crisis on the background of progressive corruption and on readiness of the citizens to defend their rights. Unfortunately, the warnings were not in time heard.

In Ukraine, practically full delegitimization of the state power took place, its runaway out of control of the society. Instead its constitutional purpose – to serve the interests of Ukrainian society – public authorities used the power for the purpose of self-enrichment. Corruption became a component of the state administration and basic way of settling life problems. The citizens, deprived of legal ways to protect their rights and freedoms, have to come to mass protests, and the actions of the authorities to suppress these protests caused numerous human losses.

When new authorities got the power, the citizens had expected effective and urgent corruption fighting. That is why the achievements of civil society in anti-corruption reforms became more relevant than ever. To make the government to implement the anti-corruption reforms in full and complete way, Transparency International Ukraine was a co-founder of the civil initiative “Set of Emergency Reforms”. Within this initiative TI Ukraine developed the Anti-Corruption Strategy for 2014-2014 and promotes a number of important legislative solutions, directed to radical reduction of corruption level in Ukraine.

We believe that Ukraine is able to get out of the vicious circle of corruption and eventually become a state, where the laws and human rights are equally respected by both the state and the citizens. Understanding that the standards of transparency and integrity shall grow not only in the authorities, but also in the public environment, we hereby propose our annual report.

Sincerely,
Oleksii Khmara
Executive Director
Transparency International Ukraine

SHORTLY ABOUT US

2013 IN NUMERALS

Basic results of the year



Reached:

- ✓ opening data on public procurement of Lviv City Council,
- ✓ public disclosure of the register of the persons, committed corrupt offenses, by the Ministry of Justice of Ukraine,
- ✓ official accession of Ukraine to the global Initiative of transparency in extractive industries (EITI),
- ✓ updating the State Anti-Corruption Program of Ukraine etc.



Launched:

- ✓ regular discussion with business, authorities and civil society on risks of corruption in private sector;
- ✓ coordination of the efforts of civil activists in corruption counteraction.



Started:

- ✓ implementation of the Standard of Transparency in Public Procurement in 6 municipalities (cities and towns);
- ✓ National campaign for monitoring the lifestyle of high-ranking officials of Ukraine “Declarations without decorations”;



***Transparency International Ukraine** is a chapter of the global anti-corruption non-governmental organization Transparency International, which has 90 national chapters and works in more than 100 countries of the world. TI Ukraine mission is to reduce corruption level in Ukraine by promoting transparency, accountability and integrity of the authorities and civil society.*

DETAILED INFORMATION
ON THE ACTIVITY OF THE
ORGANIZATION CAN BE
FOUND HERE

WWW.TI-UKRAINE.ORG



✓ National information campaign “Corruption kills!”.



Developed:

✓ complete online base of the property declarations of high-ranking officials from all over Ukraine;

✓ a draft law on regulation conflict of interests of officials; a draft law of Anti-Corruption Strategy of Ukraine for 2014 – 2017.



Detected:

✓ meeting the requirement of the Istanbul Anti-Corruption Action Plan by Ukraine as a part of commitments to the Organization of Economic Cooperation and Development;

✓ actual state of implementation of the requirements of the global initiative “Open Governance Partnership” by Ukraine.



Published:

✓ 6 guidelines on corruption fighting at the national and local levels (see [Our publications](#)»).



Strengthened:

✓ TI Ukraine team, having improved the internal procedures of the work in organization, and involving 5 new qualified experts to the organizations, expanding the offers for volunteers to work. In this year each team member of TI Ukraine passed a specialized training in necessary direction.






How did we act in 2013?

- ✓ we influenced the solution of the key problems of the country (13 initiatives) in coalitions and civil networks;
- ✓ we provided journalists with the true information on corruption (11 thematic press conferences, 8 analytical developments, 5 specialized infographics);
- ✓ we trained representatives of local authorities and civic anti-corruption activists (8 seminars);
- ✓ we proposed the ways of settling the key problems of Ukraine at the international level (5 initiatives);
- ✓ we demanded that the authorities should act transparently and actively in anti-corruption reforms by performing public events (2 peaceful actions – “They put a break” and “Break through the wall of bureaucrats”);
- ✓ we advocated amendments to the legislation (5 draft laws).



Transparency International Ukraine in mass media

In 2013 we raised the following themes in mass media:

-  Hiding property declarations of officials and lie in the declarations
-  The need of fundamental amendments to the State Anti-Corruption Program
-  The need of real anti-corruption reforms as a part of the commitments of Ukraine to the EU:
-  Openness of public procurement at the local level:
-  Corruption in the state authorities:
- OGP** Standards of Open Governance in Ukraine:

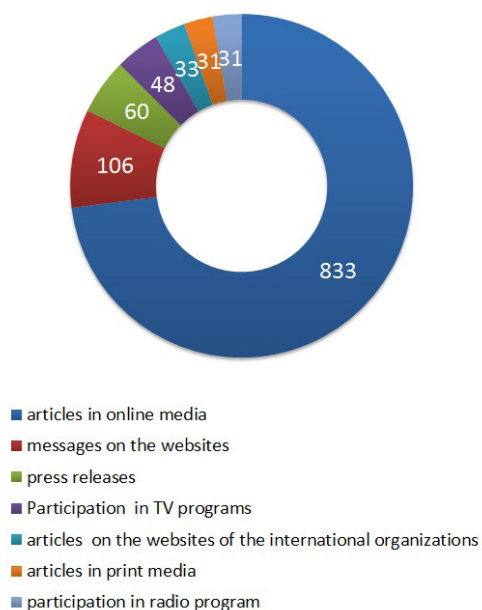
👍 Importance of public disclosure of state registers

📄 Citizens' participation in corruption

these themes were raised in the following:



The most often ways of informing on our work were:



We also inform on our work via:

- **Website of Transparency International Ukraine**
www.ti-ukraine.org

Here you can find detailed information on the organization's activity, news, services, trainings and other products of Transparency International Ukraine.

- **Social networks**





- **Thematic pages of TI Ukraine initiatives in social networks:**

[Civic Partnership «For integrity in public procurement» at Facebook \(news of the partnership\)](#)

[Civic Partnership «Open Governance» at Facebook \(news of the partnership\)](#)

[Expert Initiative «Desktop of a civil expert»](#)

[Coalition for monitoring the lifestyle of high-ranking officials in Ukraine “Declarations without decorations” at Facebook](#)

[Civil Project Dr. Doolittle \(Aybolit\) at Facebook](#)



ТОРО"
://ti-ukraine.org/

Board



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*Freelance correspondent for the newspaper “Dzerkalo Tyzhnia”
(Mirror of the Week), independent expert in public procurement*
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For citizens:

- ✓ information on corruption in the state, its specific forms, unfair representatives of the state;
- ✓ methodical assistance and consultations on the ways of corruption counteraction;
- ✓ training program for corruption detection and implementation of anti-corruption mechanisms.

For non-governmental organizations:

1. trainings in the following themes:

- ✓ strategic planning of the organization activity;
- ✓ civic monitoring, civic expertize and civic anti-corruption expertize;
- ✓ work standards of non-governmental organizations on the experience basis of TI Ukraine;
- ✓ civic monitoring of high-ranking officials' lifestyle;
- ✓ advocacy campaigns and use of tools to influence the decisions of the authorities at different levels;

2. consultations on forming effective anti-corruption policy;

3. supporting anti-corruption initiatives, citizens networks, organization of public anti-corruption events and actions.

For business:

- ✓ conducting seminars, trainings on regulating conflict of interests and ensuring openness in public procurement;
- ✓ assistance in preparing compliance programs;
- ✓ training programs for implementation of anti-corruption standards.

For the state:

- ✓ analysis of corruption risks in draft laws and regulatory acts of the Government, as well as sufficiency of the state anti-corruption policy;
- ✓ independent and impartial information on corruption;
- ✓ qualitative proposals on anti-corruption policy, reflecting the needs of the society;
- ✓ monitoring and evaluation of corruption risks in the process of implementing big infrastructure projects;
- ✓ consultations and trainings for the issues of anti-corruption policy, anti-corruption legislation, conflict of interests, public procurement etc.;
- ✓ methodical assistance and consultations for local councils in the process of implementing the Standard of openness and transparency in local public procurement.

DIRECTIONS OF OUR ACTIVITY

DIRECTIONS OF OUR ACTIVITY



ДЕРЖАВНА АНТИКОРУПЦІЙНА ПРОГРАМА
ПІД КОНТРОЛЕМ ГРОМАДСЬКОСТІ!

Інформаційно-правовий центр
НАШЕ ПРАВО



Advocating amendments to the State Anti-Corruption Program
concerning the approaches of its implementation

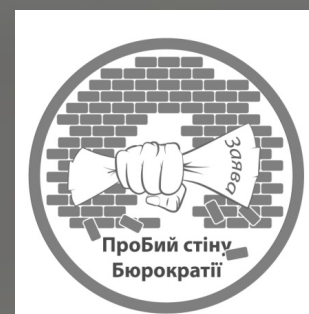
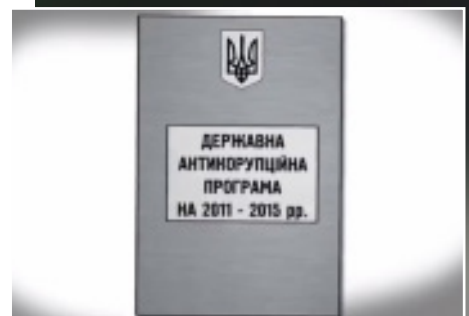
As a result of large-scale advocacy campaign for lobbying the amendments to “The State Anti-Corruption Program on Corruption Prevention and Counteraction for 2011 - 2015” and due to enough attention of mass media, the Government of Ukraine approved the updated anti-corruption program

What does it mean?



FOR CITIZENS:

An opportunity to influence the reduction of the corruption and bribing level in social relations: domestic, administrative, political. Simplification of administrative procedures.





FOR BUSINESS:

Simplifications to conduct business activity due to establishment of multi-functional centers for providing individuals and legal entities with administrative services, introduction of “the single window” system at the national and local levels, introduction of e-procurement systems etc.



FOR THE STATE:

Functioning anti-corruption national policy, which allows to save the budget funds, increase effectiveness of the system for corruption prevention and counteraction, reduce the size of shadow economics, form the position to prevent and counteract corruption for civil society.

What has been made for this, key points:

- ✓ experts in monitoring the State Anti-Corruption Program in all regions of Ukraine agreed a common action plan to advocate the amendments to the program;
- ✓ civic experts gave specific comments and recommendation to the Cabinet of Ministers during the public event “THEY INHIBIT the anti-corruption reforms in Ukraine” at the Presidential Administration and Cabinet of Ministers of Ukraine;
- ✓ experts researched key problems of the state program and determine the average score of success for its implementation in 2.7 of possible 5. Video-graphics on the topic «Failure to Implement the State Anti-Corruption Program is not fun!» gathered more than 6,000 reviews;
- ✓ Ukrainian media, especially Forbes Ukraine, published online infographics concerning each of 15 points of the state program;



✓ activists demanded to visit the Prime Minister of Ukraine Mykola Azarov and representatives of his secretariat;

✓ the peaceful dramatized action “Break through the wall of bureaucrats” was performed for the purpose to provide the results of public evaluation directly to the President of Ukraine and other key officials;

✓ achieved a fundamental revision of the State Anti-Corruption Program.



“WEAPON” IN THE HANDS:

Guidelines containing civic evaluation of the implementation status of The State Program for Corruption Prevention and Counteraction for 2011 - 2015



PARTNERS:

Netherlands Embassy in Ukraine (MATRA Program)

International Renaissance Foundation

United Nations Development Program in Ukraine (UNDP)

Anti-Corruption Council of Ukraine

And Civil Anti-Corruption Activists – Participants of the Platform.



БЕЗ ДЕКОРАЦІЙ

Civil society engagement to monitoring of policy on conflict of interests

The initiative continues. At present, we have analyzed the models for regulating conflict of interests in different countries of the world, such as Moldova, Armenia, Ukraine, Poland, the USA, New Zealand, Sweden, Canada, Kenya, Portugal, and Singapore. We developed the concepts of anti-corruption preventing body, which shall supervise the issues of integrity in public service and issues of strategy and coordination of anti-corruption policy. We prepared the draft Anti-Corruption Strategy of Ukraine for 2014 – 2017.



What does it mean?



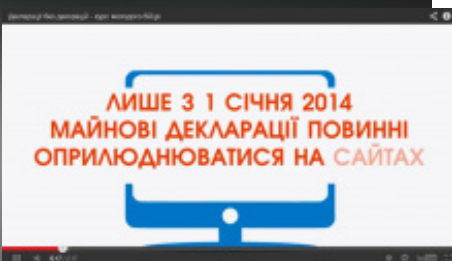
FOR CITIZENS:

Confidence in transparency and integrity of the authorities because of availability of information on possible conflict of interests. The possibility to control over officials and bring them to liability in case conflict of interests is detected.



FOR BUSINESS:

Fair and transparent relations with the authorities. Possibility to take part in impartial bids, reducing monopolization of services market and expanding healthy completion.





FOR THE STATE:

Increasing the confidence level among the citizens due to transparency, integrity. Proper performance of the commitments in accordance with the international anti-corruption standards. Compliance with ethics of public servants and preventing him to take decision under certain pressure.

What has been made for this, key points:

- ✓ studies the experience of regulating conflict of interests in Moldova, Georgia, Armenia and Poland;
- ✓ developed the campaign to advocate topical legislation in Ukraine;
- ✓ conducted legal analysis of the issue on conflict of interests in Ukraine and compared it with other countries, where the same legislation is used;
- ✓ developed questionnaire for public servants to know their awareness on conflict of interests and mechanisms of its regulation;
- ✓ developed the concepts of the draft law on implementation of the anti-corruption preventive mechanism in public service, containing the issue on regulating conflict of interests;
- ✓ started advocacy of anti-corruption reform as a part of the citizens' requirements to the government within the "Set of Emergency Reforms".



PARTNERS:

Transparency International Moldova

Transparency International Anticorruption Center

Transparency International Secretariat

Ukrainian Institute of Public Policy

Stefan Batory Foundation

Advocacy campaign “Declarations without decoration” to implement the policy of proper regulating the issue of conflict of interests in Ukraine

The intermediate result of the initiative, achieved in the end of 2013: public discussion on necessity to declare true information on the assets of high-ranking officials and compliance of the authorities with the right of access to information was initiated. The first stage of the initiative is finished. Online base of the declaration of more than 400 high-ranking officials is formed. Due to this base, the declarations of officials became available to the public.

What does it mean?



FOR CITIZENS:

Controlled accounting and transparency of local officials will reduce the risks of corrupt offenses, which rather influence local budgets. Officials' awareness of vigilant civil control will encourage them to serve better to the interests of territorial communities.



FOR THE STATE:

Reducing the level of corrupt offenses, committed by high-ranking officials, understanding individual liability to the citizens. As a result we will have increase of civil confidence to fair officials and understanding of inevitability of compliance with the laws.

What has been made for this, key points:

✓ Transparency International Ukraine has formed the network for monitoring high-ranking officials'

lifestyle as a civil partnership “For openness of property declarations of public servants in Ukraine”;

- ✓ developed methodology for evaluation of correspondence of high-ranking officials’ lifestyle to the assets, provided in the declarations and trained activists to use it;

- ✓ campaign “Declarations without decoration” was launched on June 20, 2013. It received wide publicity in the media. The profile of the initiative is created at Facebook and on the website; video-infographics is prepared, which shows the sense of the initiative;

- ✓ sent a number of requests (including repeated) to 80 bodies of state power, 47 of which provided declarations; 29 bodies provided the letters with the information, mentioned in the property declarations, and 4 ministries proposed to find information in media or on their official websites;

- ✓ together with the Fund for protection of the right to access to information of the Media Law Institute filed a lawsuit against the Ministry of Internal Affairs, Ministry of Ecology and Natural Resources, Ministry of Energetics and Coal Industry and Ministry of Health because they had violated the requirements of the laws “On Access to Public Information” and “On Grounds of Corruption Prevention and Counteraction”;

- ✓ the data of the declarations of more than 400 high-ranking officials are gathered in the open base, online map of declarations is prepared.



“WEAPON” IN THE HANDS:

Bank of declarations of more than 400 high-ranking officials of Ukraine, containing information on their official income and assets for 2011 - 2012



PARTNERS:

International Renaissance Foundation

Netherlands Embassy in Ukraine (MATRA Program)

The EU Embassy in Ukraine

Representative office of Friedrich Naumann Fund in Ukraine

Project “UNITER”, financed by the USA Agency for international development (USAID) and implemented by Pact in Ukraine

Non-governmental organization “Polissia Fund of International and Regional Researches”, Chernihiv

Donetsk Regional Organization – All-Ukrainian Civic Union “Committee of Electors of Ukraine”, Donetsk

Non-governmental organization – Informational and legal center “Our right”, Lviv

Non-governmental organization “Dnipropetrovsk Coordination and Expert Center for the Issues of Regulatory Policy”, Dnipropetrovsk

Pilot implementation of the Informational Standard of openness and transparency in public procurement for local self-government bodies of Ukraine



Lviv City Council made public procurement open, using the Standard of openness and transparency in public procurement, developed by Transparency International Ukraine. Then about 30 city/town councils from all over Ukraine were interested in this Standard, and 6 cities/towns expressed their intention to implement this tool in the work of executive committee of local councils: Kryvyi Rih, Vinnytsia, Kuznetsovsk (Rivne Region), Kyiv, Komsomolsk (Poltava Region), Lutsk. Together with the representatives of Transparency International department in Ukraine and the Czech Republic Lviv City Council signed the tripartite Memorandum on implementation of the Standard of openness and transparency in public procurement. It requires the municipality to make all stage of public procurement transparent.

What does it mean?



FOR CITIZENS:

They will be able in a real time mode to track, where the community's money is spent, influence local authorities' priorities and quality of the procurement, for example, procurement of medicine for local hospitals and foods for kindergartens and schools.





FOR BUSINESS:

Due to increased access to procurement information local business will be able to participate in procurement of municipalities under really favorable conditions, which provide fair competition and exclude corrupt transactions.



FOR THE STATE:

Implementation of open approach to procurement will substantially promote the development of transparent local self-government in Ukraine and strengthening of trust relationship between territorial communities and their representatives. The efficiency of municipalities' procurement will be increased and, as a result, satisfying the needs of local communities. Accountability and transparency will improve possibilities of involving foreign (including international) financial resources in the region.



What has been made for this, key points:

- ✓ the first general meeting of the representatives of the municipalities was organized in April 2013. The experts of TI Ukraine and TI Czech Republic presented the possibilities of using the Standard and acquainted with the peculiarities of its implementation;
- ✓ the training visit of the representatives of Lviv, Mykolaiv, Berdiansk to the Czech Republic was conducted. The purpose of this visit was to receive practical experience on implementing the Standard at the level of territorial communities;
- ✓ signed tripartite Memorandum on implementation of the Standard of transparency between Lviv City Council and TI Ukraine, as well as TI Czech Republic.



“WEAPON” IN THE HANDS:

The algorithm of transparency for every municipality:
10 step to transparency

Methodological guideline “Standard of openness
and transparency in public procurement for local
self-government of Ukraine”



PARTNERS:

Transparency International Czech Republic

Civic partnership of Ukraine “For integrity in public
procurement”

Lviv City Council

City Institute

Monitoring of the implementation in Ukraine of the National
Action Plan for the implementation of the international initiative
“Open Governance Partnership”

The public has prepared an alternative monitoring report on the implementation by Ukraine of the requirements of the initiative «Open Governance Partnership». It was presented in London during the summit of countries participating in the initiative “Open Governance Partnership”.

The civil society and the government have begun a real dialogue on implementation of OGP-initiative, which was still suspended at the end of 2013. There is a permanent coalition in action that consists of over 50 non-governmental organizations interested in the proper implementation of the national action plan for implementation in Ukraine of the initiative “Open Governance Partnership”.

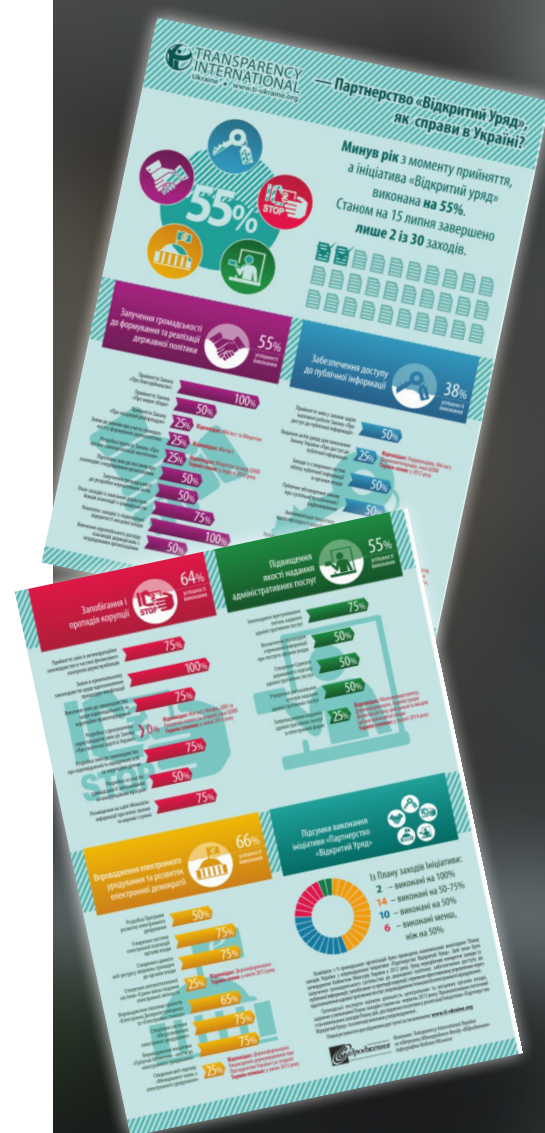
Ukraine has received the status of the candidate country to the global Extractive Industries Transparency Initiative (EITI).

What does it mean?



FOR CITIZENS:

an opportunity to freely exercise their right in the decision-making process by government, to have a free access to public information, to enjoy the benefits of the governance and have a direct impact on reduction of corruption levels in Ukraine.





FOR BUSINESS:

easier access to licensing procedures and reduction of the costs of running a business.



FOR THE STATE:

a better quality work by the state agencies, increasing public confidence in the government.

What has been made for this, key points:

- ✓ presented to the Government of Ukraine an alternative public report on the state of implementation in Ukraine of the initiative “Open Governance Partnership”
- ✓ issued a public report for the widespread use in Ukrainian and English languages, including printed infographics;
- ✓ presented the public report to the international organizations and to the journalists both in Ukraine and during the global summit “Open Governance Partnership 2013” in London;
- ✓ achieved gaining by Ukraine the candidate status to the global Extractive Industries Transparency Initiative (EITI).



“WEAPON” IN THE HANDS:

The full collection of results of the public monitoring report and infographics



PARTNERS:

United Nations Development Program

International Renaissance Foundation

More than 60 members of the Public Partnership supporting the initiative “Open Governance”

British Embassy in Ukraine

The implementation of the online tool for ranking of medical institutions regarding combating corruption- an electronic platform «Aybolit»

The anticorruption platform “Aybolit” has been started in Kirovohrad region to collect reviews about virtuous doctors. The platform has been developed by Transparency International Ukraine. Currently, the database additionally includes all medical institutions of Ukraine. The launching of the platform at the national level is being prepared.

The citizens of Ukraine will soon be able to use an online resource that will include a collection of positive experiences of the patients, which have received a proper treatment without the need for corruption in any form.

What does it mean?



FOR CITIZENS:

an opportunity to use the services of the honest doctors and a possibility to share their experience of stay in a medical institution





FOR THE STATE:

a possibility to encourage honest doctors and contribute to the promotion of standards of fairness in the community of doctors.

What has been made for this, key points:

- ✓ conducted a focus group to launch a website among public leaders which work in the health care, medical workers and private medical practices;
- ✓ launched the website "Aybolit" in Kirovohrad region
- ✓ prepared and widely distributed the leaflets among visitors of hospitals in Kirovohrad region
- ✓ developed a promotional video that explains the essence of the initiative
- ✓ gathered information about medical facilities throughout Ukraine on one website.



"WEAPON" IN THE HANDS:

website aybolit.in.ua – the public tool to monitor medical workers. Video infographics about the website and the Facebook page of the project.



PARTNERS:

Transparency International Secretariat

Preparations for the launch of the national awareness campaign “Corruption kills”

Transparency International Ukraine and the advertising agency Cheil Ukraine have prepared for publishing series of provocative layouts for outdoor anticorruption advertising. The advertising providers agreed to place it throughout Ukraine under the terms of pro bono.

The aim of the campaign is to draw the attention of the public to the phenomenon of corruption and to change the public perception of corruption from neutral to strongly negative. Experts from TI Ukraine provide advice through the platform www.anticorruption.in.ua regarding the application of the tool for fighting corruption.

What does it mean?



FOR CITIZENS:

access to a simple and clear platform for self-education about fighting corruption and public control. Concerned communities of citizens will be supported in conducting their own anti-corruption campaigns.



FOR BUSINESS:

reduction of the effects of corruption in the business environment and promotion of transparent and expected rules of running a business by establishing a principle of inevitable punishment for corruption.





FOR THE STATE:

Activation of the public requests to fight corruption; increasing number of active citizens who are involved in the fight against corruption, gradual reduction of the level of consumer and administrative corruption.

What has been made for this, key points:

- ✓ Team of TI Ukraine has developed the idea and a strategy of the external information campaign aimed at changing the attitude of the average citizen to corruption;
- ✓ Together with Social Advertising Exchange has held a competition among the advertising agencies in Ukraine on a better implementation of the ideas under the terms of pro bono. The winner of the competition advertising agency Cheil Ukraine together with the team of TI Ukraine has made a number of photo shoots and has made layouts for external advertising;
- ✓ 200 billboards were placed throughout Ukraine with the support of the Outdoor Advertising Association of Ukraine.



"WEAPON" IN THE HANDS:

website of the most efficient ant-corruption practices
www.anticorruption.in.ua



PARTNERS:

Social Advertising Exchange

Advertising agency Cheil Ukraine

Association of the outdoor advertising Ukraine

INSTITUTIONAL DEVELOPMENT OF TRANSPARENCY INTERNATIONAL UKRAINE

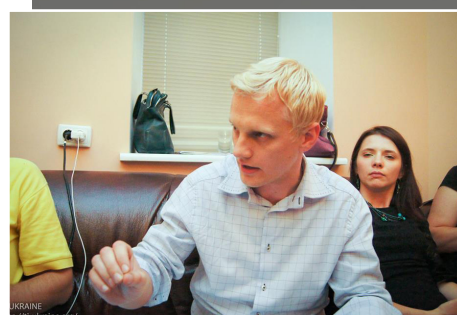
The strengthening of the national office of Transparency International in Ukraine has become a priority in 2013. For this purpose, internal procedures of the organization were improved. The success of this difficult process was passing international audit. This new highly qualified experts joined the team of TI Ukraine. The training of staff in foreign offices of Transparency International was organized. At the end of 2013 IT professionals have developed an authorized program for all non-governmental organizations in Ukraine and conducted a series of introductory trainings for public sector regarding the application of standards of governance in NGOs.

The truth about Transparency International Ukraine

One of the events that attracted wide public attention was the open meeting «The truth about Transparency International Ukraine», which was attended by the team and the Board of TI Ukraine. The executive Director Oleksii Khmara and the members of executive board of TI Ukraine Andrii Meleshevyh and Andrii Marusov for 3 hours reported on the current activities of the organization and answered all tricky questions asked by the journalists. Public, experts, students, journalists, government officials, donors and just interested people, just over 50 guests, came to learn the truth about the anti-corruption organization.

TI Ukraine successfully passed the international audit in October

NGO Transparency International Ukraine successfully passed the international auditors and received a positive opinion. Comprehensive audit of the organizations for compliance with USAID was conducted by the audit company Emergex Business Solutions. The auditors reviewed the financial and tax statements for 2012, use of



funds, documentation, and all the internal procedures of the organization. According to the auditors, the financial statements reflected fairly accounting. The audit has become a stimulus to improve the internal procedures of the organization. The audit was conducted with the support of UNITER. Transparency International Ukraine is grateful for the opportunity to demonstrate its partners the accountability in work and continue its own organizational development.

Under the auspices of TI Ukraine the meeting between representatives of business and government on the issue of combating corruption has taken place



As part of the International Day against Corruption Transparency International Ukraine together with the American Chamber of Commerce in Ukraine has held a special meeting on «What shall business and the public expect from the novels in the anti-corruption legislation of Ukraine?”. The event launched an ongoing open dialogue between the government, business and civil society regarding combating corruption in the private sector.

Monthly digest of activity of TI Ukraine

Since May 2013, Transparency International Ukraine has implemented the tradition of monthly report on its activities. In the form of short informative digest we tell about the status of ongoing initiatives and report what we have done during the previous month. Digests are available for viewing and downloading on the [website](#) of Transparency International Ukraine.

International newsletter Ukraine Revolution against Corruption

During the revolutionary events in the country, Ukrainian national office of Transparency International has started a weekly newsletter informing the international community on the uprising of the Ukrainian people against the tyranny of corruption.



Newsletter “Ukrainian Revolution against Corruption” is designed for international journalists, international and diplomatic missions. Newsletter is distributed in English and Russian among key international media and diplomatic missions.

The photo exhibition «What is #Euromaidan?»

On the International Day for Combating Corruption on December 9 Transparency International Ukraine introduced to the world an online photo exhibition “What is #Euromaidan?”. Among 23 photographs we have tried to convey the basic idea of Euromaidan - Ukrainians want to live in a virtuous state. TI Ukraine showed the citizens of the world, that peaceful protest of Ukrainians is sincere and has one goal - to restore the values of democracy and respect for human rights in Europe’s largest country, almost left bloodless because of corruption.

Photo exhibition is permanently available for viewing on the website of IT Ukraine.

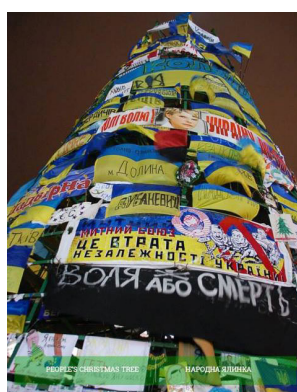


Photo by: Victor Kovalenko, Alina Shevchenko, Oleh Tolmachov, Mykola Tymchenko, Illia Varlamov, Valerii Myrhorodskyyi. Pictures used from newspapers “Day”, “Ukrainian Truth”, Agency “UNIAN”, ICTV, radio “Freedom”, Kyiv Post, Globalvoice.

OUR PUBLICATIONS

.....
As a result of the studies, TI Ukraine prepares, publishes and distributes specialized manuals and analytical papers. They are freely available on the official website of the organization in the sections "Publications" and "Research".
.....

In 2013, the world saw the following editions of Transparency International Ukraine:

State program for corruption prevention and counteraction for 2011 – 2015. Status of implementation.

Civil evaluation of the first year of implementing the initiative "Open Governance Partnership" in Ukraine

Recommendations on updating Maastricht Strategy of the Organization of Safety and Cooperation in Europe in economical and environmental dimensions

Evaluation of satisfaction of the citizens with regard to certain aspects of courts functioning

Phenomenon of political corruption: theoretical and methodological analysis

Methodology of conformity evaluation between lifestyle of high-ranking officials and declared by them assets.

Corruption research

[Corruption Perceptions Index, CPI 2013](#)

[Global Corruption Barometer 2013](#)

[Report on world corruption level in the sphere of education](#)

[Transparency in corporate reporting: evaluation of the international campaigns of the developing countries \(Transparency in Corporate Reporting: Assessing Emerging Market Multinationals\)](#)

[Corruption and Eastern Partnership](#)

[Analysis of the draft law of the Ministry of Justice with amendments to the legislation concerning improvement of legal regulation in the sphere of corruption prevention and counteraction](#)

[Index of the State Anti-Corruption Policy in the Sphere of Defense](#)

OUR PLANS FOR THE YEAR 2014

Priorities of TI Ukraine for 2014

We advocate



-  • new conflict of interests legislation;
-  • fair bidders register;
-  • effective system of financial control over public officials assets and interests;
-  • open public procurement in 10 municipalities of Ukraine.

We monitor



-  • way of life of 400 high officials of Ukraine;
-  • state of Ukraine's fulfillment of GRECO and OECD Istanbul Action Plan obligations;
-  • corruption risks during implementation of huge infrastructural projects.


We develop



-  • network of accredited TI Ukraine representatives;
-  • inner integrity standards of Ukrainian business;
-  • standards of Open Governance in Ukraine and post-Soviet countries.




We analyze



-  • corruption risks of draft laws and acts of Government;
-  • effectiveness of state anti-corruption policy.

We inform



-  • citizens on devastating influence of corruption;
-  • interested citizens on tackling local corruption;
-  • international community on the real state of corruption in Ukraine.

OUR PARTNERS

Transparency International Ukraine is part of the key public coalitions in Ukraine in the following areas:

- Public control over public procurement - Founder and Secretariat (since the foundation of partnership and until April 2012) of Public Partnerships “For the Integrity of Public Procurement”, www.integrity.pp.ua ;
- Public monitoring of declarations of officials – coordinator of the national network of monitors of the Civic Alliance “For open declaration of assets of public officials of Ukraine” www.ti-ukraine.org/declarations;
- Proper Governance - Co-founder and secretariat of the public partnership to support in Ukraine implementation of initiatives “Open Government”, <http://ti-ukraine.org/what-we-do/projects/project-2546.html> ;
- public participation in combating corruption - Co-founder and secretariat of Ukrainian informal coalition of anti-corruption public leaders, www.anticorruption.in.ua;
- Access to public Information - co-founder of the public partnership “New Citizen”, www.newcitizen.org.ua;
- Public Examination of public administration - co-founder and secretariat of Ukrainian informal coalition to support implementation in Ukraine of the tool “Public examination of public authorities”, www.civicexpert.in.ua.

FINANCIAL RESULTS OF ACTIVITIES OF TI UKRAINE IN 2013

INCOME

Name of the project	Donor	Reasons for financing	The sum of receipts
1. The institutional development of national organization TI Ukraine	«Pact Inc.»	Agreement No.380AO571 as of 01.16.13 p	204190,12
2. Involving the civil society in monitoring policy regarding the conflict of interest	TI Moldova	01.07.2013-30.06.2015, agreement No.ENPI/2013/313-750 as of 02.07.13 p.	132707,61
3. Advocacy campaign aimed at introducing in Ukraine a policy of an independent regulation of conflicts of interest(in the part of asset declarations of public officials)	International Renaissance Foundation	15.10.2013-31.08.2014, agreement 47941 as of 02.07.13 p.	130000,00
4. Evaluation of the first year of implementation of the initiative Open Government Partnership	International Renaissance Foundation	01.04.2013-31.12.2013, agreement No.47509 as of 31.01.2013	155000,00
5. Evaluation of the quality of work of courts based on methodology of citizen report cards	USAID	1.05.2012 - 15.01.2013, FIAR-STA-TOR-08 as of 16.05.12 p	16434,18
6. Minimal rules for transparency of public procurement	Transparency International –Czech Republic	01.04.13-31.12.13, agreement of partnership as of 01.04.13 p.	118888,13
7. Evaluation of national integrity system in the Eastern region of the European neighborhood	TI-Secretariat	01.03.2013-28.02.2015, agreement No.ENPI/2012/310-064 as of 23.05.13 p.	305257,00
8. National anti-corruption policy under the public control	International Renaissance Foundation	Agreement No.PO-5020035385 as of 01.08.2012	40000,00
9. To the Open Government Partnership in the countries of Eastern partnership and Russia	The British Embassy	угода №PO-5020035385 від 01.08.2012	569423,66

Name of the project	Donor	Reasons for financing	The sum of receipts
10. Promoting partnership and dialogue between NGOs and the government	UNDP	Agreement No.DHRP-GA-CSD-04 as of 00.07.2013	81480,00
11. Open government: achieving real results not empty promises an paper	TI-Secretariat	Period 15.11.2013-18.03.2016, agreement No.Б/H as of 29.11.2012	507338,33
12. National anti-corruption policy under the public control	The embassy of the Kingdom of Netherlands	Agreement No. Matra/Rol/UA/12/03 as of 21.09.2012	43985,00
13. Other donations for statutory activities			26079,00
The sum of all receipts			2330783,03

EXPENSES

Expenses by categories	Amount, UAH	%
Expenses by categories	882733,00	
Balance on 01.01.2013 p.	1978857,37	81,57
Projects expenses (including)	1418627,98	58,47
Events, research	114374,15	4,71
Printing services, creation of promotional videos	423598,14	17,46
Salary of coordinators, involved experts	12507,1	0,52
Purchase of equipment	9750,00	0,40
Development of a website	447186,26	18,43
Total sum	2426043,63	100,00
Balance on 31.12.2013 p.	787472,4	

OUR CONTACTS

You can:

VISIT US AT THE ADDRESS:

40, Yehorova Str., of. 203, Kirovohrad, 25006

69, Saksahanskoho Str., of. 6, Kyiv, 01033

WRITE A LETTER:

Kirovohrad, p/o box No.8/3, 25006

WRITE E-MAIL

info@ti-ukraine.org

VISIT THE WEBSITE

www.ti-ukraine.org

CALL

tel. +38(044)360-52-42

fax +38(0522)27-27-54

Independent Auditor L.O. Sehal
16/1-100, Zhovtnevoi Revolutsii Str., Kirovohrad, Ukraine

Certificate of the Audit Chamber of Ukraine
on registration in the register of audit activities under No. 2682

**REPORT (OPINION) OF AN INDEPENDENT
AUDITOR ON FINANCIAL STATEMENTS**

Non-governmental Organization "Transparency International Ukraine"
as of December 31, 2013

We have audited the financial statements of the non-governmental organization “Transparency International Ukraine” (hereinafter referred to as the “Organization”), which are annexed hereto. These financial statements contain cash flow (Ф No.1-м) as of December 31, 2013 and financial results report (Ф No.2-м), ended on this date.

Non-governmental organization “Transparency International Ukraine” (former name – Kirovohrad regional civic organization “Creative Union “TORO”), registered as of November 17, 1999, record number in the Unified State Register of Legal Entities and Individual Entrepreneurs is No. 14441200000001653.

Non-governmental organization “Transparency International Ukraine” received the Extract from the Unified State Register of Legal Entities and Individual Entrepreneurs series АБ No. 416741, date of issue – June 10, 2013.

Mission of the Organization is to unite the efforts of its members to promote in Ukraine the ideas of transparency, accountability and integrity of public authorities and civil society as a precondition for reducing corruption in the country.

As of December 31, 2013 number of the staff in the Organization is 4 employees.

Address: 40, Yehorova Str., office 203, Kirovohrad, 25006, Ukraine.

Financial audit was conducted in accordance with the Law of Ukraine “On Accounting and Financial Reporting in Ukraine”, “On Auditing Activity”, International Standards on Auditing (ISA), especially 700 “Opinion Formulation and Providing a Report on Financial Activity”.

Responsibility of the management for financial reporting

Management bears responsibility writing and significant providing this financial reporting in accordance with the Law of Ukraine “On Accounting and Financial Reporting in Ukraine” as of July 16, 1999 under No. 996-IV (as amended), national Provisions (standards) of accounting (as amended), and for internal control, which the management think fit, for the purpose to ensure writing financial reporting, which does not contain material misstatements as a result of fraud or mistake.

Responsibility of the auditor

Our responsibility is to express an opinion on this financial reporting on the basis of the audit results. We have conducted the audit according to the International Standards on Auditing. These standards require compliance with the relevant ethical requirements, as well as planning and conducting the audit to obtain reasonable assurance that financial reporting does not contain material misstatements.

Audit scope

The audit involves performing procedures to obtain the audit evidence on sums and disclosure in the financial reporting. Selection of the procedures depends on the auditor’s judgment, including assessment of risks of material misstatements in financial reporting as a result of fraud or mistake. In the process of assessing these risks, the auditor considers the measures of internal control related to writing and significant providing financial reporting by the Organization for the purpose to develop audit procedures according to the circumstances. The audit also involves assessment of conformity of used accounting policies, reasonableness of accounting assessments, made by the management, and the assessment of general providing financial reports by the management. The auditor conducted inspection of the financial

statements by selective method using standard methods of audit: documentation inspection, survey and analysis using analytical procedures and tests of control systems.

We consider that we have received sufficient and reliable auditing evidence for expressing opinion.

Expressing opinion

On our opinion financial statements of the non-governmental organization "Transparency International Ukraine" justly and fairly reflect the financial state of the Organization as of December 31, 2013, its financial result for the year that ended on that date, in all material respects in accordance with applicable conceptual framework of the National Provisions (Standards) of Accounting, as well as comply with the requirements of the legislation and regulatory acts of Ukraine on organizing accounting.


Information on the independent auditor – individual entrepreneur
Liubov Oleksandrivna Sehal

- Identification code - 1842906906.
- Location: 75, Tymiriazieva Str., office 10, Kirovohrad, 25006, Ukraine.
- Certificate on State Registration of Individual Entrepreneur series BOO No. 876868, date of state registration: August 13, 2001, record No. 2 444 017 0000 000746.
- Audit activity is conducted on the basis of the Certificate on Registration in the Register of Subjects of Audit Activity under No. 2682, (Decision of the Audit Chamber of Ukraine as of September 28, 2001 under No. 103, validity of the certificate is extended to September 29, 2016 by the decision of the Audit Chamber of Ukraine as of September 29, 2011 under No. 239/3, current certificate of an auditor series A No. 004534 as of February 23, 2001, which validity was extended to February 23, 2015 by the decision of the Audit Chamber of Ukraine under No. 209/3 as of December 24, 2009).
- Contact phone - (0522) 22-05-96

Basic information on agreement and terms for conducting audit.

Audit was conducted in accordance with the agreement No. 5/8 as of May 05, 2014, in the scope sufficient for forming independent professional opinion. Terms of audit are from May 05, 2014 to May 14, 2014.




(signature)

Date of the auditor report:

May 14, 2014

FINANCIAL STATEMENTS OF A SMALL BUSINESS ENTITY

Entity Non-Governmental Organization "Transparency International Ukraine"
 Location Kirovohrad region
 Business legal structure Non-Governmental Organization
 Body of State Administration
 Type of economic activity ACTIVITY OF OTHER NON-GOVERNMENTAL ORGANIZATIONS, NOT INCLUDED IN OTHER GROUPS
 Average number of employees 4
 Unit of measure : thousand UAH
 Address 40, Yehorova Str., office 203, Kirovohrad, Kirovohrad region
 Phone 27-23-21
 Written (write "v" in a relevant box):

Date (year, month, day)

USREOU
 KOATUU¹
 KOPFH²
 KODU³
 KVED⁴

Codes		
2014	01	01
23906275		
3510136300		
815		
94.99		

under provisions (standards) of accounting
 under international standards of financial statements

V

Form N 1-m
 Code in DKUD⁵ 1801006

1. Cash flow as of December 31, 2013

Assets	Line code	As of the beginning of the reporting period	As of the end of the reporting period
1	2	3	4
I. Fixed assets			
Capital investments in progress	020	--	--
Capital assets:			
residual value	030	75.4	87.5
base cost	031	200.1	240.2
depreciation	032	(124.7)	(152.7)
Long-term biological assets:			
fair (net book) value	035	--	--
base cost	036	--	--
accumulated depreciation	037	(--)	(--)
Long-term financial investments	040	--	--
Other fixed assets	070	--	--
Total in the section I	080	75.4	87.5
II. Current assets			
Production reserves	100	14.0	5.2
Current biological assets	110	--	--
Final product	130	--	--
Debtor indebtedness for goods, works, services:			
net sales value	160	--	--
base cost	161	--	--
doubtful debts allowance	162	(--)	(--)
Debtor indebtedness under settlements of budgetary payments	170	--	--
Other current debtor indebtedness	210	139.0	7.3
Current financial investments	220	--	--
Cash and cash equivalents:			
in national currency	230	882.7	787.5
including till	231	--	--
in foreign currency	240	--	--

¹ KOATUU – State Classifier of Objects of Administrative and Territorial Structure of Ukraine

² KOPFH – Classifier of Business Legal Structure of Economy Management

³ KODU – Classification of State Administration Bodies

⁴ KVED – Classification of Economic Activity Types

⁵ DKUD – State Classifier of Administrative Documentation

Other current assets	250	--	--
Total in the section II	260	1,035.7	800.0
III. Unexpired costs	270	0.3	0.4
IV. Fixed assets and disposal groups	275	--	--
Cash flow	280	1,111.4	887.9

Liabilities	Line code	As of the beginning of the reporting period	As of the end of the reporting period
1	2	3	4
I. Equity capital			
Registered capital	300	--	--
Additional capital	320	--	--
Reserve capital	340	--	--
Reserve (uncovered loss)	350	--	--
Called-up capital	360	(--)	(--)
Total in the section I	380	--	--
II. Cover of deferred charges and special purpose funding	430	1,016.9	800.4
III. Long-term liabilities	480	--	--
IV. Current liabilities			
Short-term bank loans	500	--	--
Current long-term debt	510	--	--
Creditor indebtedness for goods, works, services	530	13.6	--
Current liabilities for settlements:			
with budget	550	0.6	--
with insurance	570	1.6	--
of labor payment*	580	3.2	--
	605	--	--
Other current liabilities	610	0.1	--
Total in the section IV	620	19.1	--
V. Deferred income	630	75.4	87.5
Cash flow	640	1,111.4	887.9

* from line 580 column 4 Overdue liability for labor payment (665) --

Executive director

Chief accountant



(signature)

(signature)

Oleksii Serhiiovych Khmara

Right of a single signature

2. FINANCIAL RESULTS REPORT for 2013

Article	Line code	In the accounting period	For the same period last year
1	2	3	4
Product sales income (revenues) for goods, works, services	010	--	--
Indirect taxes and other deductions from income	020	(--)	(--)
Products sales net income (revenue) (goods, works, services) (010-020)	030	--	--
Other operating income	040	2,524.1	1,775.9
Other income	050	--	--
Total net income (030 + 040 + 050)	070	2,524.1	1,775.9
Cost of products sold (goods, works, services)	080	(--)	(--)
Other operating expenses	090	(2,524.1)	(1,775.9)
including: income tax	091	5.6	--
	092	(--)	(--)
Other expenses	100	(--)	(--)
Total expenses (080 + 090 + 100)	120	2,524.1	1,775.9
Financials before tax (070 - 120)	130	--	--
Income tax	140	(--)	(--)
Net income (loss) (130 - 140)	150	--	--
Securing material rewards	160	--	--
Income from initial acknowledgement of biological assets and agricultural products and income from valuation changes of current biological assets	201	--	--
Expenses from initial acknowledgement of biological assets and agricultural products and expenses from valuation changes of current biological assets	202	--	--

Executive director

Chief accountant



(signature)

(signature)

Oleksii Serhiiiovych Khmara

Right of a single signature

¹ DKUD - State Classifier of Administrative Documentation