



NATIONAL AGENCY
ON CORRUPTION
PREVENTION



CORRUPTION IN UKRAINE 2021: UNDERSTANDING, PERCEPTION, PREVALENCE

*REPORT BASED ON THE RESULTS OF THE SURVEY
WITH THE PUBLIC AND ENTREPRENEURS*

CORRUPTION IN UKRAINE 2021: UNDERSTANDING, PERCEPTION, PREVALENCE. REPORT BASED ON THE RESULTS OF THE SURVEY WITH THE PUBLIC AND ENTREPRENEURS. — Kyiv, 2022.

This Report was prepared based on the results of sociological research based on the Methodology of the Standard Survey on the Corruption in Ukraine, approved in 2021 by the NACP. The survey was conducted in 2021 by the sociological company Info Sapiens. The interpretation of the results of the sociological research and preparation of this report was carried out by the team of Info Sapiens researchers, including D. Savchuk, A. Shurenkova, and T. Yablonovska.



The research data is presented, where it is possible, in comparison with the first wave conducted in 2017 by the sociological company GfK Ukraine with the support of the OSCE Project Coordinator in Ukraine within the project "Support to Diagnosis, Monitoring and Prosecution of Corruption in Ukraine" (see Corruption in Ukraine: Understanding, Perception, Prevalence. Report based on interviews with entrepreneurs, experts, and the public /Team of authors. – Kyiv: Vaite, 2018. - 42 p.) and the second wave in 2020 (Corruption in Ukraine 2020: Understanding, Perception, Prevalence. Report based on interviews with entrepreneurs, experts, and the public. – Kyiv, 2020). The structure of the report, the description of the methodology, as well as some conclusions of the study (if they coincided with the conclusions of 2017 and 2020) are taken from the reports of 2017 and 2020.

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LIST OF MAIN ABBREVIATIONS

- CPAS** — Center for providing administrative services
- EU** — European Union
- EUACI** — the European Union Anti-Corruption Initiative in Ukraine
- FOP** — Individual entrepreneur
- HACC** – the High Anti-Corruption Court of Ukraine
- MIA** — Ministry of Internal Affairs of Ukraine
- NABU** — National Anti-Corruption Bureau of Ukraine
- NACP** — National Agency on Corruption Prevention
- OSCE** — Organization for Security and Co-operation in Europe
- SAPO** — Specialized Anti-Corruption Prosecutor’s Office
- SBU** — Security Service of Ukraine
- UN** — United Nations

CORRUPTION IN UKRAINE 2021: UNDERSTANDING, PERCEPTION, PREVALENCE — SUMMARY

In November-December 2021, the third national survey of the population and entrepreneurs was conducted for a comprehensive assessment of the corruption situation in Ukraine. The first wave of the study was conducted in 2017, the second – in 2020.

Despite the fact that this report is published in the summer of 2022, all data was collected before the full-scale invasion of Ukraine by the Russian Federation. Unfortunately, the preparation of the report took longer than expected due to objective reasons, but this study does not lose its relevance because of the war. According to the authors, it gave a unique opportunity to obtain reference data, which, on the one hand, summarize successes and failures of the anti-corruption policy before the invasion, and on the other hand, allow comparing post-war data with pre-war data in the future.

According to the survey of the *population*, **corruption** ranks **third** among the main **problems** (following the high cost of living and hostilities), the list of which was offered to the respondents – **68.6%** of the population consider corruption to be a very serious problem. The analysis of data in the dynamics shows that at the end of 2021, compared to the previous research wave, the problem of corruption moved from the second to the third place in the ranking of problems amid rising prices and the expected aggravation of the military conflict with the Russian Federation. According to the survey of the *entrepreneurs*, corruption ranks **second** – **73.3%** of entrepreneurs interviewed consider corruption to be a very serious problem.

Like in the previous research waves, the respondents (both the population and entrepreneurs) are not quite aware of behavioral patterns which seem to be corruption, but actually they are not corrupt from the point of view of the law, and vice versa. For example, depending on the type of the proposed “projective situation”, 13.3% to 70.7% of respondents consider some cases to be corruption, but they are not, according to the current legislation. Entrepreneurs have somewhat greater understanding (vs. the population) of cases which are manifestations of corruption and which are not.

Speaking about the indicator of perception of the prevalence of corruption in general, then **85.4%** of the *population* and **84.2%** of *entrepreneurs* believe that corruption is somewhat or very common in Ukraine. The general index of perception of the prevalence of corruption on a 5-point scale equals 4.39 points for the public (**increased** slightly compared to 4.46 points in 2020) and 4.34 points for *entrepreneurs* (**decreased** slightly compared to 4.26 points in 2020). At the same time, the index of perception of the prevalence of corruption in the field where the surveyed entrepreneurs work is 2.25 points on a 5-point scale.

According to the *population*, the **top 3 fields** in terms of the prevalence of corruption are the **judicial system, customs service, and land relations**. They are followed by border control, movement of people and goods across the boundary line with the temporarily occupied territories of Donbas, the activities of the National Police, the SBU and the prosecutor’s office (except for the activities of the Patrol Police, service centers of the Ministry of Internal Affairs), and medical services. According to the *entrepreneurs*, corruption is the most prevalent **in the fields of issuance of permits and extraction of minerals, and customs**; they are followed by privatization of

enterprises, forestry, public procurements, and land relations. Indices of perception of the prevalence of corruption in all these fields exceed 4 points on a 5-point scale.

41.8% of the *population* and **36.1%** of *entrepreneurs* believe that the level of corruption in Ukraine has **increased** over the last 12 months. For the population, this indicator is by 15.4% **higher than that of the previous year**.

Both the population and entrepreneurs are most likely to consider the central authorities **responsible** for overcoming corruption along with such specialized institutions as the National Anti-Corruption Bureau of Ukraine and (in case with the population) the National Agency on Corruption Prevention.

According to the *population*, among the authorities, the President and his Office, the Security Service of Ukraine and local authorities fight corruption **most effectively**, while the Cabinet of Ministers, ministries, and the Verkhovna Rada are the least effective in combating corruption. However, the *population* evaluates the anti-corruption activity of all governmental bodies **below 2 points** ("ineffective").

Entrepreneurs evaluate the anti-corruption activities of the State Financial Monitoring Service, the National Police and the SBU the highest, while the activities of the Cabinet of Ministers, ministries, and the Verkhovna Rada – the lowest. Although the entrepreneurs have slightly better opinions about the anti-corruption activities of the authorities than the population, even the highest ratings of entrepreneurs **are below 3 points** on a 5-point scale.

The **indicators of the corruption experience** of the respondents by **research field** were identified, and corruption situations that could occur when citizens and entrepreneurs applied for services in various fields (or during contacts with representatives of relevant agencies and institutions) were analyzed.

In addition to the analysis of corruption experience, we also analyzed who **initiates** the corruption situation. In all the analyzed situations, the initiators are mostly the **representatives of the party that provides services** (government officials, representatives of supplier companies, administrators or specialists of educational and medical institutions, etc.). In general, over the last 12 months, **14.4%** of the *population* of Ukraine and **4.7%** of *business* representatives were the initiators of corruption. At the same time, **25.9%** of the population and **12.1%** of the entrepreneurs were involved in corruption because they were forced to do so. Thus, routine petty corruption is more than two times more common than corruption in business, and citizens who found themselves in a corruption situation were three times more likely than entrepreneurs to be the initiators of such situations.

The summarized indicators of the assessment of the **corruption experience** of the *population by field* are shown in the table below. The public most often go through a corruption experience during their contacts with **state or municipal medical institutions**. More than half of citizens (55.7%) turn to such institutions during the year. Thus, despite the fact that the level of corruption in health care is lower than in such fields as the **activities of law enforcement agencies, construction and land relations**, it's medical institutions where the majority of Ukrainians have **corruption experience** (**39.4%** of those who applied for services). So, in general, more than a fifth of

Ukrainians (**21.9%**) went through corruption experience in medical institutions personally or know about such experience from their family members.

Summarized indicators of the assessment of corruption experience of the population by field

Field of activity	Corruption experience according to self-assessment	Initiated corruption relations	The corruption occurred due to the demand to do so	Encountered the field
	Of those who encountered the field			
Law enforcement activities (Patrol Police, National Police, SBU, Prosecutor's Office)	50,1%	17,4%	35,7%	3,1%
Construction and land relations	45,3%	12,8%	40,3%	4,4%
State and municipal medicine (medical services)	39,4%	14,1%	31,4%	55,7%
Services of higher education institutions	38,4%	16,6%	33,5%	11,6%
Activities of the service centers of the Ministry of Internal Affairs	37,8%	11,7%	25,1%	6,3%
Services of educational institutions (primary and secondary education)	33,5%	12,2%	13,8%	23,0%
Services of educational institutions (municipal kindergartens)	33,3%	7,8%	19,8%	11,3%
Services for connection and maintenance of electricity, gas, water supply, and sewerage systems	28,8%	10,3%	23,5%	13,5%
Provision of administrative services by executive bodies and local self-government authorities (except for administrative service centers and service centers of the Ministry of Internal Affairs)	18,0%	7,7%	18,9%	6,9%
Activities of the administrative service centers (CPAS)	11,4%	6,9%	9,9%	20,4%

The summarized indicators of the assessment of corruption experience of *entrepreneurs* are shown in the table below. The entrepreneurs contact the state less often than the population and are less likely to encounter corruption situations during these contacts. It is worth noting that the level of corruption is the lowest in the field of **tax authorities**, while the contacts with it are the most frequent. The fields of **construction and land relations, customs, electricity, gas and water supply** are in the lead among the most corrupt fields.

The following three fields can be singled out to conduct a **comparative analysis** of the corruption experience of *the public* and *entrepreneurs*:

- 1) services for connection and maintenance of electricity, gas, water supply and sewerage systems;
- 2) law enforcement activities;
- 3) construction and land relations.

Summarized indicators of assessment of corruption experience of entrepreneurs by field

Field of activity	Corruption experience according to self-assessment	Initiated corruption relations	The corruption occurred due to the demand to do so	Encountered the field
	Of those, who encountered the field			
Customs (customs control, preparation and clearance of customs documents for business entities)	42,8%	2,7%	23,2%	8,0%
Construction and land relations	32,5%	8,5%	22,4%	12,8%
Services for connection and maintenance of electricity, gas, water supply and sewerage systems, except for the services associated with current payments	29,0%	6,8%	20,5%	15,5%
Law enforcement activities to ensure law and order, pre-trial investigation	27,2%	7,0%	16,1%	16,4%
Control and supervision of business activities	27,2%	3,6%	21,9%	17,5%
Judicial system (including enforcement of court decisions)	19,0%	4,7%	11,8%	12,8%
Activities of tax authorities (accrual and collection of tax and other mandatory payments)	13,2%	4,0%	9,5%	26,3%

When resolving the issues with **suppliers of electricity, gas and water**, the risk of encountering corruption is the **same** for *entrepreneurs* and the *public*. And when dealing with the issues of **construction and land relations** and when contacting **law enforcement agencies**, the risk of going through corruption is **higher** for the *population*.

In accordance with the Methodology of the standard survey on corruption in Ukraine, **5 indicators** of the effectiveness of the state anti-corruption policy were calculated, which are listed in the table below.

There is a gradual **increase** in the *share of the population* that has a **negative attitude towards manifestations of corruption**. In 2021, it reached almost half (49.4%)

The share of the population that went through **corruption experience** (according to respondents' self-assessment of their involvement in corruption) remains stable – slightly exceeding a quarter (26%)¹.

The share of those **willing to report** on the corruption cases decreased in 2020. However, in 2021, it **increased** up to 9.8% among the population and to 22.7% among entrepreneurs.

¹ The results of this indicator reflect the self-perception of the population/entrepreneurs' own experience of corruption, in other words, they are of a subjective "informative" nature and may differ (be lower) from the real estimates of their involvement in corruption (if analyzing certain situations for the presence of a corruption component in accordance with the legislation).

The share of those who experienced and **reported on the corruption** to the relevant authorities **increased** from 3.3% to 5.7% among the *population*, although that was still a very low indicator. Among entrepreneurs, it was almost twice as high – 10.5%.

The share of those **supporting the activities of whistleblowers** decreased both among the population (**60.6%**) and among the entrepreneurs (**79.5%**).

Only **13.4% of the population** can be considered **properly informed** on the guarantees of legal protection of whistleblowers.

No.	The name of the indicator	Category	2017	2020	2021
1	The share of those having negative attitude towards manifestations of corruption ¹	Public	43,3%	↑46,8%	49,4%
		Entrepreneurs	56,7%	↓51,5%	55,3%
2	The share of those having own corruption experience ²	Public	ND	27,0%	26,0%
		Entrepreneurs	ND	ND	21,6%
3.1	The share of those willing to report on the corruption cases ³	Public	10,9%	↓8,1%	↑9,8%
		Entrepreneurs	21,0%	17,9%	↑22,7%
3.2	The share of those who experienced and reported on the corruption to the relevant authorities ⁴	Public	ND	3,3%	↑5,7%
		Entrepreneurs	ND	ND	10,5%
4	The share of those supporting the activities of whistleblowers ⁵	Public	ND	71,8%	↓60,6%
		Entrepreneurs	ND	84,5%	↓79,5%
5	The share of those who are properly informed on the guarantees of legal protection of whistleblowers ⁶	Public	ND	ND	13,4%

1) The symbols ↑ and ↓ in the table indicate data that is statistically significantly higher (lower) than the values of the previous research wave. The significance level is 0.95.

2) ND (no data) indicates the situations when it is impossible to calculate the value of the indicator due to the lack of relevant data.

¹ Based on the results of the analysis of answers in the projective situation, a proportion of respondents who refused corruption as a way of resolving certain problems (from the use of a corrupt model of behavior) was determined. For more details, please see Section 3.

² The proportion of respondents who answered the question affirmatively: "Have you encountered corruption in the last 12 months – in other words, did you give or were demanded a bribe, used connections, etc.?" was calculated. (for entrepreneurs – "...for the benefit of the enterprise where you work?"); personally encountered or members of their family encountered – for the public; personally encountered or the employees of the enterprise (as its representatives) encountered – for entrepreneurs.

³ Based on the results of the analysis of the answers in the projective situation, the proportion of the respondents who would inform the relevant authorities or mass media about the possibility of using the corruption way of dealing with a certain problem was determined. For more details, please see Section 3.

⁴ The proportion of respondents who answered the question affirmatively: "Have you filed a complaint to the authorities or law enforcement agencies regarding a case of corruption?" was calculated (for entrepreneurs – as a head/representative of the enterprise).

⁵ The share of respondents who gave an answer "Completely support" or "Rather support" to the question: "What is your attitude to people who file complaints (reports) to the authorities or law enforcement agencies regarding a case of corruption?" was calculated.

⁶ The proportion of respondents who correctly identified at least 5 answer options out of 8 when answering the question "In your opinion, do citizens who report cases of corruption to the competent authorities have the following rights?" was identified.

INTRODUCTION

The results of the study “Corruption in Ukraine 2021: Understanding, Perception, Prevalence” are published in the summer of 2022 in wartime conditions after the beginning of the full-scale invasion of Ukraine by the Russian Federation on February 24, 2022. We, the authors of this report, recognize the priority of the defense of Ukraine over all other fields of activities. At the same time, the problem of corruption does not disappear due to military actions, and the relevance of the effectiveness and efficiency of the state in combating this phenomenon is rather increasing, not decreasing. Thus, anti-corruption authorities should work. Policy development and decision-making should be based on data, at least where it is available. In this case, the data was collected before the invasion, at the end of 2021. We believe that this does not reduce the value of this study. On the contrary, it makes it possible to summarize the anti-corruption policy in the period before the Russian invasion. We also hope that this study will be useful in the future to compare post-war corruption studies with more recent pre-invasion data.

The need to develop and implement a special toolkit as a basic element of the system for assessing the level of corruption is determined by up-to-date requirements for the mechanisms of development and implementation of state anti-corruption policy formulated, in particular, in the UN Convention against Corruption (2003).

Article 61 of the Convention states that each participating state, in consultation with experts, considers the possibility of conducting the analysis of corruption trends in its territory, as well as the conditions in which corruption crimes are committed. In order to develop (to the possible extent) common definitions, standards and methodologies, the possibility of expanding statistical data, analytical knowledge about corruption and information are considered, including those about optimal types of practices in the field of preventing and fighting corruption, and exchanging them through the mediation of international and regional organizations. Each participating state considers the possibility of monitoring its policies and practical anti-corruption measures, as well as evaluating their effectiveness and efficiency¹. The specification of these provisions is presented in the recommendations of international monitoring organizations, which are also included in the Ukrainian anti-corruption legislation.

So, according to Clause 5, Part 1, Art. 11 of the Law of Ukraine “On Prevention of Corruption”, the National Agency must ensure the organization of the studies on the situation with corruption in Ukraine. The methodology of the standard survey on corruption in Ukraine approved by the NACP allows to monitor the situation in the field of prevention and combating corruption in Ukraine, which captures the dynamics of indicators of the prevalence of corruption and the public’s perception of the effectiveness of anti-corruption activities.

The purpose of the research is a comprehensive assessment of the corruption situation in Ukraine in 2021. The tasks of the research include assessment of state anti-corruption activities in Ukraine, assessment of understanding and perception of corruption, identification of corruption experience of the public and entrepreneurs, as well as the assessment, in accordance with the Methodology, of the level of prevalence of corruption practices in the following fields:

¹ UN Convention against Corruption // https://zakon.rada.gov.ua/laws/show/995_c16#o519

Sociological research component	Field	
<i>Nationwide survey of the public</i>	1	State and municipal medicine (medical services)
	2	Services of higher education institutions
	3	Services of educational institutions (<i>primary and secondary education</i>)
	4	Services of educational institutions (<i>municipal kindergartens</i>)
	5	Activities of the service centers of the Ministry of Internal Affairs
	6	Activities of the administrative service centers (CPAS)
	7	Provision of administrative services by executive bodies and local self-government authorities (<i>except for administrative service centers and service centers of the Ministry of Internal Affairs</i>)
<i>Nationwide survey of the public/ Nationwide survey of entrepreneurs</i>	8	Services for connection and maintenance of electricity, gas, water supply, and sewerage systems (<i>except for the services associated with current payments</i>)
	9	Construction and land relations
	10	Law enforcement activities to ensure law and order, pre-trial investigation
<i>Nationwide survey of entrepreneurs</i>	11	Activities of tax authorities (<i>accrual and collection of tax and other mandatory payments</i>)
	12	Control and supervision of business activities
	13	Customs (<i>customs control, preparation and clearance of customs documents for business entities</i>)
	14	Judicial system (<i>including enforcement of court decisions</i>)

The survey of the public and entrepreneurs provides a reliable assessment (representativeness) of the main indicators for Ukraine in general and for 6 economic and geographical regions of Ukraine, in particular:

- Kyiv city;
- Northern region: Kyivska oblast, Zhytomyrska oblast, Sumska oblast, Chernihivska oblast;
- Central region: Cherkaska oblast, Poltavaska oblast, Kirovohradska oblast, Vinnytska oblast;
- Eastern region: Dnipropetrovska oblast, Donetska oblast, Zaporizka oblast, Luhanska oblast, Kharkivska oblast;
- Southern region: Odeska oblast, Mykolayivska oblast, Khersonska oblast;
- Western region: Ivano-Frankivska oblast, Khmelnytska oblast, Chernivetska oblast, Lvivska oblast, Rivnenska oblast, Ternopilka oblast, Volynska oblast, Zakarpatska oblast.

This research was conducted in November-December 2021 before the full-scale military invasion of Ukraine by the Russian Federation on February 24, 2022 and the subsequent occupation of some of its territories. It covers all the regions of Ukraine, except for the temporarily occupied territories of Donetska and Luhanska oblasts at that time, the city of Sevastopol and the Autonomous Republic of Crimea. The survey of the public and business representatives is the third wave of a nationwide study on a comprehensive assessment of the corruption situation in Ukraine.

The first wave of the study was conducted in 2017; the second wave — in 2020, during the COVID-19 epidemic, which might have affected the results (for example, fading attention to the problem of corruption) in that research wave; and the survey – in 2021. In 2017, the fieldwork stage was carried out by the team of the independent research company GfK Ukraine during the period from May to

July. The researchers of the independent research agency Info Sapiens LLC implemented field stage of work during the period from March to April 2020, and from November to December 2021.

The comparison of the results of this survey with the previous ones is presented in the report in the cases where it was methodologically appropriate, in other words, when the wording of the questions and the range of answers coincided.

Survey of the public

The survey was carried out using Computer-Assisted Personal Interviewing (CAPI). The sample represents the adult population of Ukraine. The first research wave was conducted from May 29 to June 21, 2017; the second wave – from March 4 to April 6, 2020; and the third – from November 29 to December 29, 2021. 2,585 personal interviews were conducted within the first wave; 2,516 – within the second wave, and **2,636** – within the third. The maximum theoretical error of the population sample does not exceed ± 2 percentage points without taking into account the design effect. The samples of all three research waves have a similar design: stratified by oblast and type of settlement, multistage, random at each stage. In the households, respondents were randomly selected for interviewing with a last birthday method. The weighting coefficients are applied in accordance with the data of the State Statistics Service of Ukraine on the socio-demographic structure of the population.

Survey of entrepreneurs

The survey was carried out using Computer-Assisted Personal Interviewing (CAPI). The sample represents individual entrepreneurs (FOP) and business owners and/or managers of enterprises – legal entities. The first research wave was conducted from June 12 to July 7, 2017; the second – from March 12 to April 8, 2020; and the third – from November 23 to December 28, 2021. 1,005 telephone interviews were conducted within the first research wave; 1,093 – within the second, and **1,224** – within the third. The maximum theoretical error of the sample of entrepreneurs does not exceed ± 3 percentage points without taking into account the design effect. The vast majority of respondents are owners, co-owners, directors or deputy directors of enterprises; in isolated cases – chief accountants, heads of departments and other respondents holding managerial positions. The sample¹ is random, stratified by the region of registration and the size of business entity. It is formed by random selection of telephone numbers contained in the UDR (except for those operating in the temporarily occupied territories). The weighting coefficients are applied in accordance with the data of the State Statistics Service of Ukraine on individual entrepreneurs (FOP), size of business entities, type of economic activity, and region of registration.

After introductory questions, questions about the importance of problems, assessment of the corruption nature of the situations and self-assessment of awareness, the following information was

¹ Approaches to designing the sample of entrepreneurs changed in different waves. For example, in the last wave, the share of FOPs was set in proportion to the distribution of the number of FOPs and legal entities – 29% (in the first wave – 20%, in the second – 50%). For uniformity, the previous samples were reweighted according to the last wave approach. This allows data to be compared, but the survey figures of entrepreneurs in this report differ from those indicated in the 2017 and 2020 reports.

read out to all categories of the respondents in order to ensure the same understanding of corruption:

"Corruption involves various forms of behavior. In this study, we would like you to understand corruption as:

- 1) abuse of powers by a public servant (government employee or employee of local self-government bodies) or employees of enterprises (organizations) in order to receive a bribe (illegal benefit);*
- 2) giving a bribe (illegal benefit) to a public servant or employee of an enterprises (organizations) with the aim of inducing him to abuse his official powers.*

*Thus, **corruption** is always associated with **illegal benefits** (money, other property, advantages, benefits, services, etc.) that a public servant or employee of enterprises (organizations) actually receives or tries to receive as payment for the abuse of his official powers or opportunities associated with them".*

If it is indicated that there are changes in the text, tables or figures compared to the previous years, it should be borne in mind that a confidence level of 0.95 was used for statistical calculations everywhere.

Statistical analysis for subgroups of respondents was performed when the number of responses in a subgroup was 50 or more.

SECTION 1. INDICATORS OF PERCEPTION OF CORRUPTION

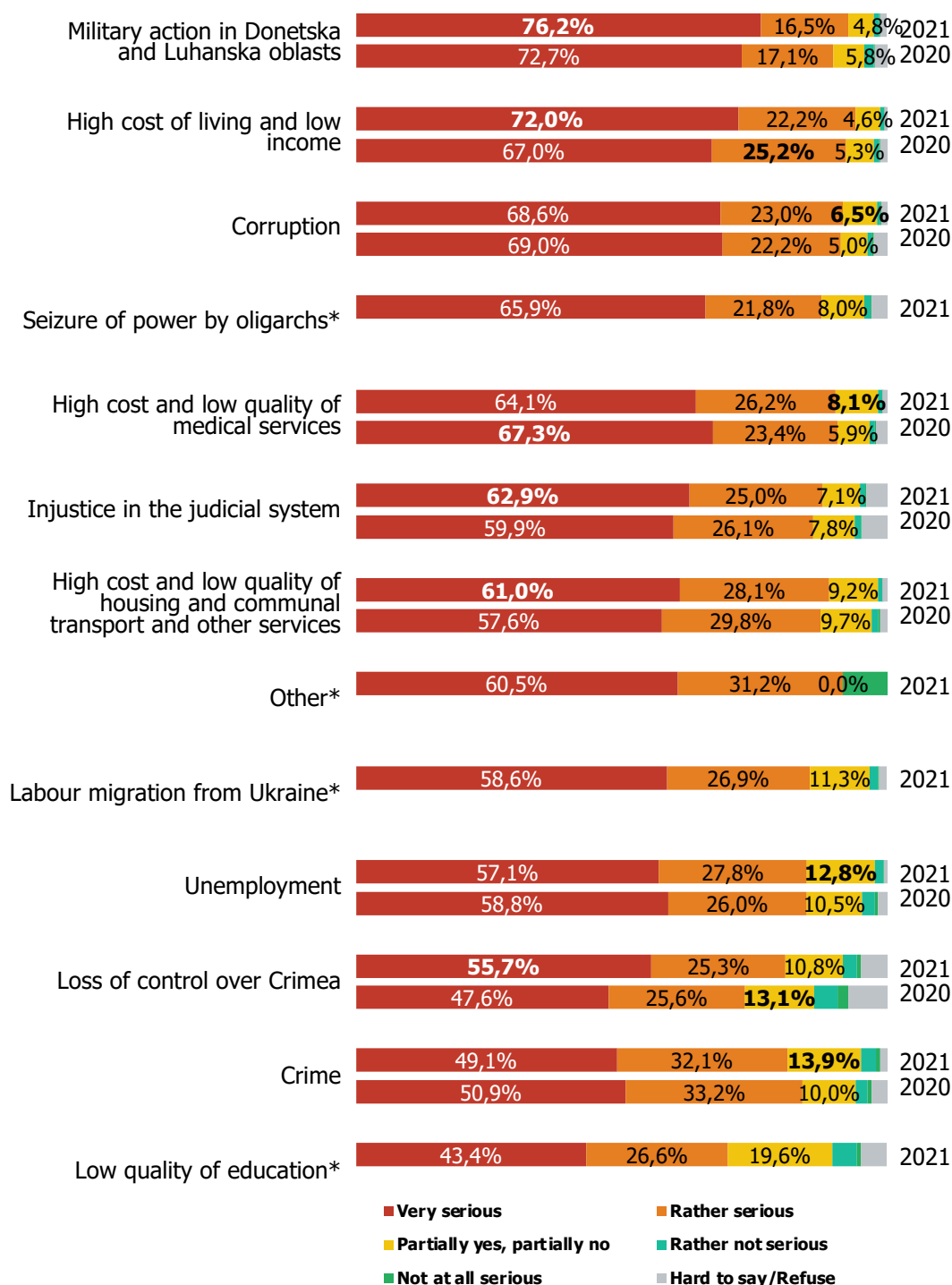
1.1. Perception of the importance of corruption

According to the *population* survey, corruption ranks **third** among the main problems, the list of which was offered to the respondents (Figure 1.1), – **68.6%** of Ukrainians consider corruption to be **a very serious problem**. This indicator has not statistically changed compared to the results of the previous survey (69% in 2020).

If we combine the answers “very serious problem” and “serious”, the **“leaders”** among other problems as of December 2021 were the following three problems: **high cost of living and low income** (94.2), **military actions in Donbas** (92.8 %), and **corruption** (91.6%). The analysis of data in dynamics shows that at the end of 2021, compared to the previous research wave, the problem of corruption moved from the second to the third place in the ranking of problems amid rising prices and the expected aggravation of the military conflict with the Russian Federation at the end of 2021. In particular, hostilities are regarded as a very serious problem by 76.2% of respondents versus 72.7% in 2020; high cost of living and low income are considered a very serious problem by 72% of respondents versus 67%.

It should be noted that there is a more serious attitude of the population to the loss of control over the Crimea (55.7% of the population interviewed consider this problem very serious vs. 47.6% in 2020). Concern has also increased about such problems as **injustice in the judicial system** (62.9% of the surveyed population consider this problem to be a very serious one vs. 59.9% in 2020), the high cost and low quality of housing, communal transport and other services (61.0% vs. 57.6% in 2020).

Figure 1.1. Perception of the main problems for Ukraine: the public¹



* The answer option was available only in 2021.

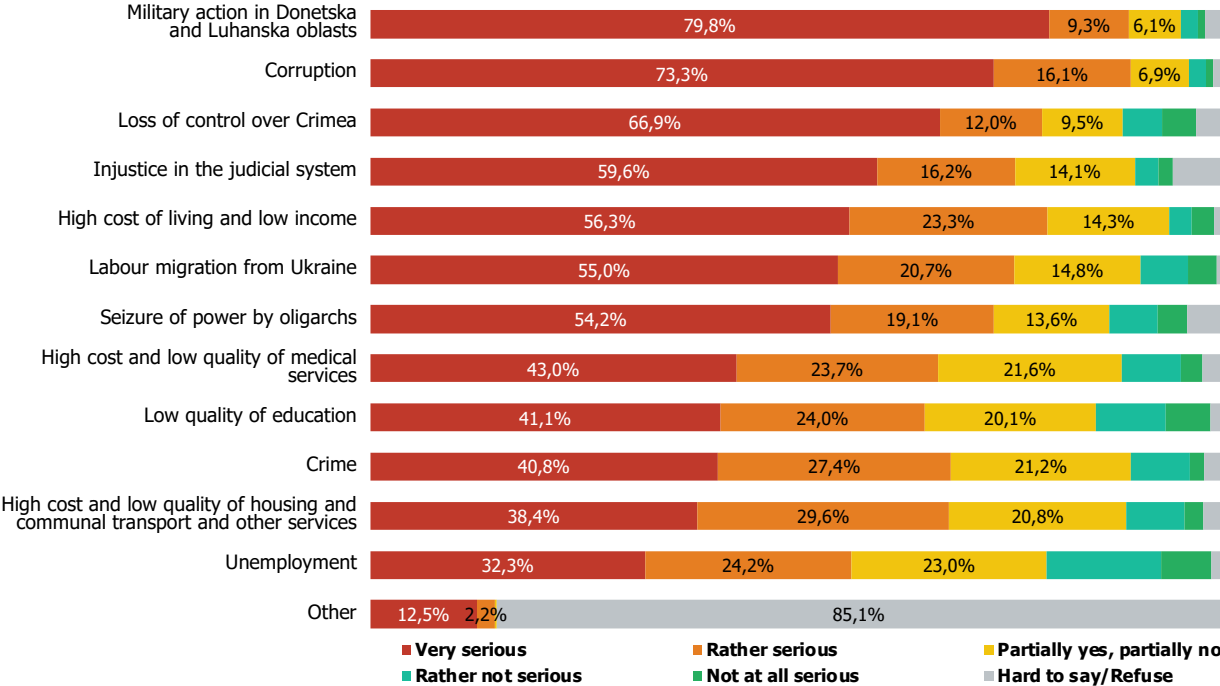
** Here and further, the data statistically significantly different from 2020 data is marked in bold in the graphs. The significance level is 0.95.

¹ Question: "In your opinion, how serious are the following problems for Ukraine?"

According to the surveyed entrepreneurs, corruption ranks **second** among the main problems, the list of which was offered to the respondents (Figure 1.2), – **73.3%** of the interviewed entrepreneurs consider corruption to be a very serious problem.

If we combine the answers “very serious problem” and “rather serious”, two problems are **at the top of the ranking** of the problems, being far ahead of the others: **corruption** (89.4% of respondents) and military actions in Donbas (89.1%). In other words, 9 out of 10 respondents indicated each of these problems. They are followed by such problems as the loss of control over the Crimea, injustice in the judicial system, high cost of living and low income, and labor migration from Ukraine – each of them was mentioned by more than two thirds of the entrepreneurs interviewed.

Figure 1.2. Perception of the main problems for Ukraine: entrepreneurs^{1, 2}



¹ Question: "In your opinion, how serious are the following problems for Ukraine?"

² Entrepreneurs' perception of the importance of various issues was not studied in the 2020 survey

1.2. Understanding and perception of prevalence of corruption

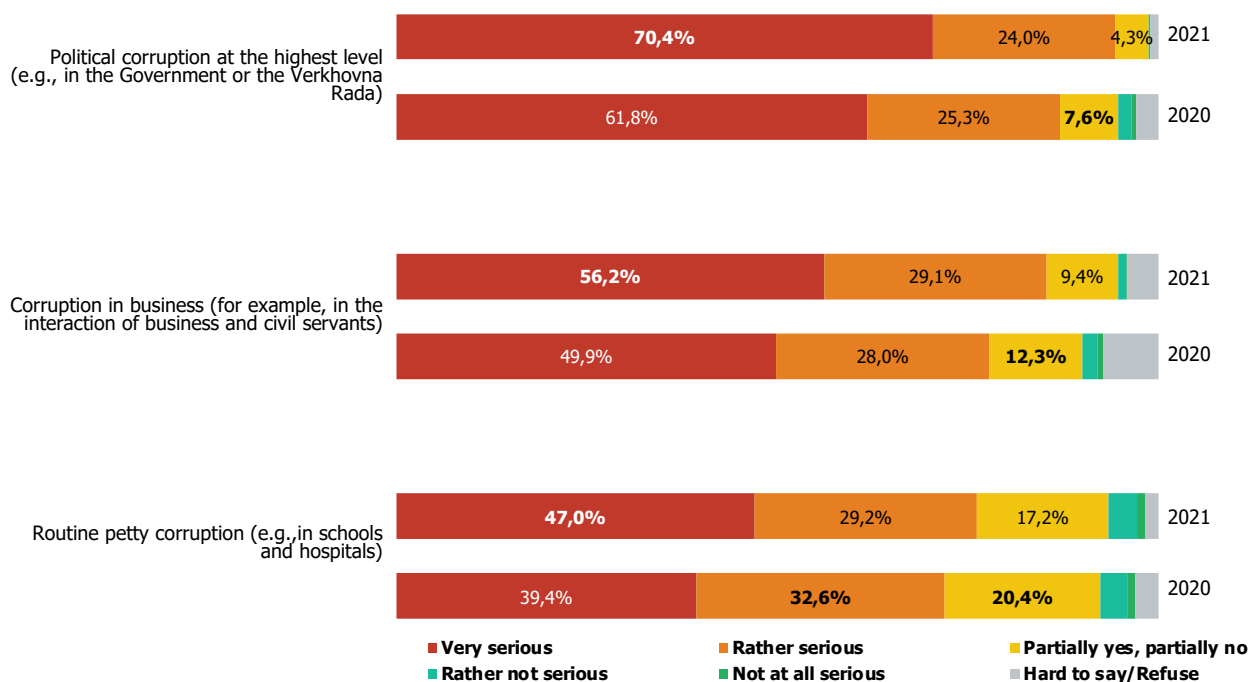
Assessment of types of corruption as a serious problem for Ukraine

According to the survey of the *population*, almost all respondents (**94.4%**) consider **political corruption at the highest level** (e.g., in the Government or the Verkhovna Rada) to be rather serious or very serious problem for Ukraine. More than three quarters of the respondents consider **corruption in business** (e.g., in the interaction of business and civil servants) and **routine petty corruption** (e.g., in schools and hospitals) to be serious: **85.3%** and **76.2%** of respondents, respectively.

In general, in this research wave, a **larger share** of the respondents considers all three mentioned types of corruption to be a serious **problem** for Ukraine (combination of the answers “very serious problem” and “rather serious”) (see Figure 1.3). In particular, political corruption at the highest level is considered a serious problem for Ukraine by 94.4% of the respondents among the public, while in the previous wave it used to be 87.1%.

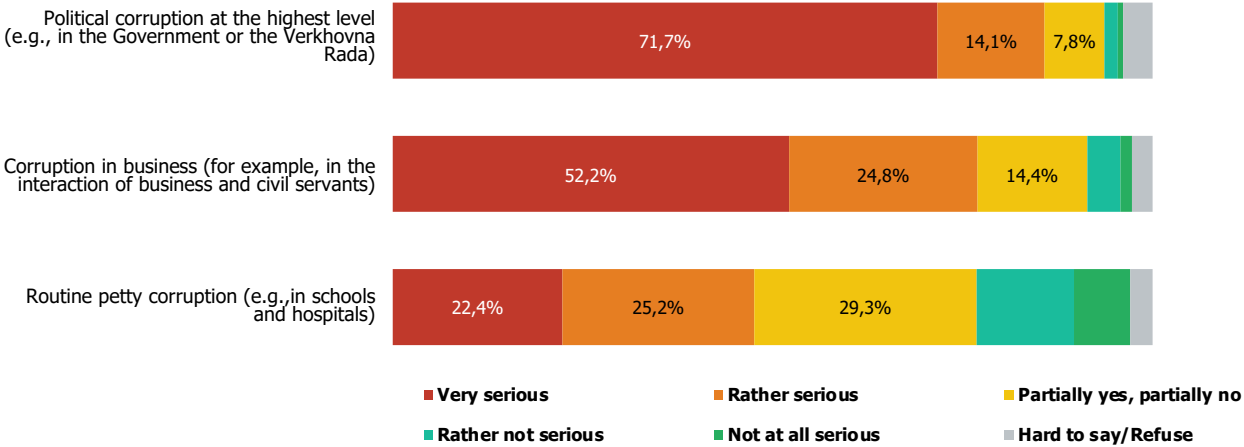
85.3% of respondents indicated corruption in business to be a serious problem.

Figure 1.3. Seriousness of various types of corruption in Ukraine: the public¹



¹ Question: "In your opinion, how serious is a problem with the following types of corruption for Ukraine?"

Figure 1.4. Seriousness of various types of corruption in Ukraine: entrepreneurs



The *entrepreneurs* interviewed also consider **political corruption** at the highest level to be the most serious type of corruption among the three proposed, but they assess the situation more positively than the general public. In particular, political corruption at the highest level is considered to be a serious problem by 85.8% of business representatives, routine petty corruption – by less than half of the respondents (Figure 1.4).

The **assessment of seriousness of the problem of corruption in business for Ukraine** by entrepreneurs is indicative – **77%** of respondents share this opinion.

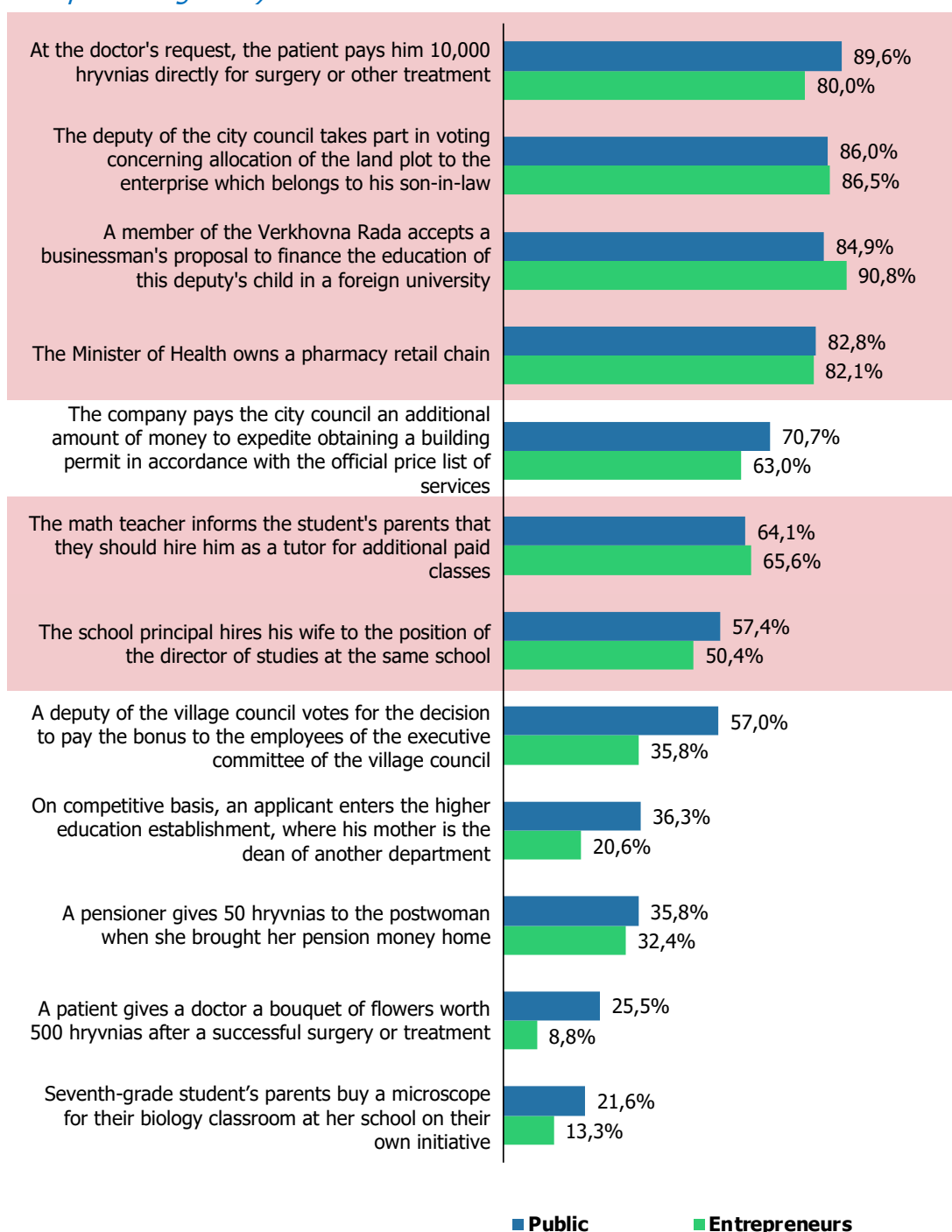
Understanding (identification) of corruption

In general, in mass consciousness, corruption can be identified according to various criteria, and the legal model is not always clear to the population. There are some types of behavior that may look like corruption but actually they are not from the point of view of the law, and vice versa. Therefore, it is important to find out how ordinary people tend *to identify corruption* in specific domestic or everyday situations.

The research used the method of “projective situations” – the respondents (*both the public and entrepreneurs*) were given a set of typical life situations (which are conditional in nature and in no way related to specific individuals) with a request to find out the presence or absence of the corruption component in these situations. The results of this research component are shown in Figure 1.5.

The results of the 2021 population survey are generally **consistent** with the 2020 findings. A significant proportion of respondents consider cases that are not corruption according to the law to be corrupt. It leads to the fact that a behavioural pattern may be highly likely perceived as a corruption, which is actually not true. In particular, 70.7% of the population and 63.0% of entrepreneurs see signs of corruption in the situation where *“the company pays the city council an extra amount of money to expedite obtaining a building permit in accordance with the official price list of services.”*

Figure 1.5. Identification of corruption: distribution of the share of responses by situation that respondents consider to be corruption (in the figure, corruption situations according to the law are written on a pink background)¹



The interpretation of situations as corrupt ones among the population tend to **differ by region**: the difference can exceed 20 percentage points. The explanation of such differences requires a separate study. The biggest difference is found out in the situations that are not corrupt from the point of view of the law. For example, the situation "A patient gives the doctor a bouquet of flowers

¹ Question: "In your opinion, are the following situations manifestations of corruption or other violations of anti-corruption legislation?"

worth 500 hryvnias after a successful surgery or treatment” is recognized as corruption by a third of respondents in the Center and only 10% in the South.

In general, **entrepreneurs understand better** than the public which cases are not manifestations of corruption according to the law.

Regarding the dynamics of awareness, there is no clear trend. For example, public awareness of some situations that are manifestation of corruption has improved, while awareness of situations that are not corrupt has worsened.

Perception of prevalence of corruption

Studying the perception of corruption is important for developing an anti-corruption policy and evaluating its implementation. It is noteworthy that the perception of corruption does not always correspond to the objective spreading of corruption practices.

The study used several indices to determine the indicator of the perception of prevalence of corruption (hereinafter – “the index of the perception of prevalence of corruption”), which were calculated in all the cases as an average score on a 5-point scale. Specifically, the indices were calculated:

- 1) based on the question about “prevalence of corruption in certain fields”;
- 2) based on the question about “prevalence of corruption in Ukraine in general”;
- 3) only for enterprises: based on the question about “manifestations of corruption in the business area where your company operates.”

All indicators (except for the last item) were considered separately for two categories – the public and entrepreneurs.

The 5-point scale of answers on the prevalence of corruption in the specified questions was as follows: “5” – very common, “4” – somewhat common, “3” – sometimes it is common, sometimes it is not, “2” – almost absent, “1” – absent. The index value should be interpreted according to the above classification.

So, at first, the respondents were asked to rate the prevalence of corruption in various fields on a 5-point scale from “1” (corruption is absent) to “5” (very common). According to the *public*, **the top 3 fields** in terms of the prevalence of corruption are **the judicial system, customs, and land relations**. They are followed by border control, movement of people and goods across the boundary line with the temporarily occupied territories of Donbas, other activities of law enforcement agencies – the National Police, the SBU and the prosecutor’s office (except for the activities of the Patrol Police, service centers of the Ministry of Internal Affairs), and medical services.

According to *entrepreneurs*, corruption is the most prevalent in the fields of **issuance of permits and extraction of minerals, and customs**. They are followed by privatization of enterprises, forestry, public procurement, and land relations.

Both for the public and for entrepreneurs, the indices calculated for the vast majority of the fields account for about 4 points on a 5-point scale, which indicates a sufficiently high level of perception of the prevalence of corruption in them.

Speaking about the **indicator of the perception of the prevalence of corruption** in general, **85.4%** of the *population* believe that corruption is somewhat or very common in Ukraine (32.5%

and 53% of respondents, respectively). The general index of perception of the prevalence of corruption calculated for this question is **4.39** points on a 5-point scale.

Table 1.1. Perception of the prevalence of corruption in certain fields: the public¹

FIELD	Absent	Almost absent	Sometimes it is common, sometimes it is not	Somewhat common	Very common	Hard to say/ Refusal	Index
Judicial system	0,5%	1,0%	9,8%	24,3%	57,6%	6,9%	4,48
Customs	0,5%	1,3%	9,5%	25,6%	52,5%	10,6%	4,44
Land relations, land management	0,7%	2,1%	13,1%	29,8%	43,5%	11,0%	4,27
Border control and state border crossing, except for customs control	0,9%	2,9%	15,0%	26,2%	38,0%	16,9%	4,17
State and municipal medicine	0,4%	2,8%	20,4%	33,7%	41,1%	1,7%	4,14
Other law enforcement activities to ensure law and order, pre-trial investigation	0,2%	2,9%	17,1%	31,3%	35,7%	12,7%	4,14
Movement of people and goods across the boundary line with the temporarily occupied territories of Donetsk and Luhanska oblasts	0,5%	2,3%	14,7%	23,8%	30,8%	27,9%	4,14
Services of higher education institutions	0,5%	4,6%	25,5%	31,6%	27,2%	10,6%	3,9
Patrol police activities	0,8%	5,1%	25,1%	31,2%	28,2%	9,7%	3,9
Activities of the service centers of the Ministry of Internal Affairs	1,6%	5,4%	18,8%	27,8%	26,6%	19,9%	3,9
Services for connection and maintenance of electricity, gas, water supply, and sewerage systems	3,2%	8,5%	24,4%	24,9%	25,5%	13,5%	3,7
Provision of administrative services, except for those provided through CPAS and service centers of the Ministry of Internal Affairs	2,5%	10,7%	22,8%	24,0%	20,9%	19,1%	3,62
Social services and benefits to various categories of citizens, including internally displaced persons	3,9%	12,3%	22,4%	22,9%	22,1%	16,5%	3,56
Activities of the administrative service centers (CPAS)	5,6%	16,4%	22,0%	21,9%	19,9%	14,2%	3,4
Municipal kindergartens	4,0%	15,2%	30,1%	18,7%	18,2%	13,8%	3,37
Primary and secondary school	3,9%	16,1%	32,8%	19,5%	16,2%	11,5%	3,32
Corruption in Ukraine in general	0,1%	0,6%	12,6%	32,5%	53,0%	1,3%	4,39

¹ Question: "In your opinion, how common is corruption in the following fields?" Answer using a 5-point scale, where: "1" – absent, "2" – almost absent, "3" – sometimes it is common, sometimes it is not, "4" – somewhat common, "5" – very common

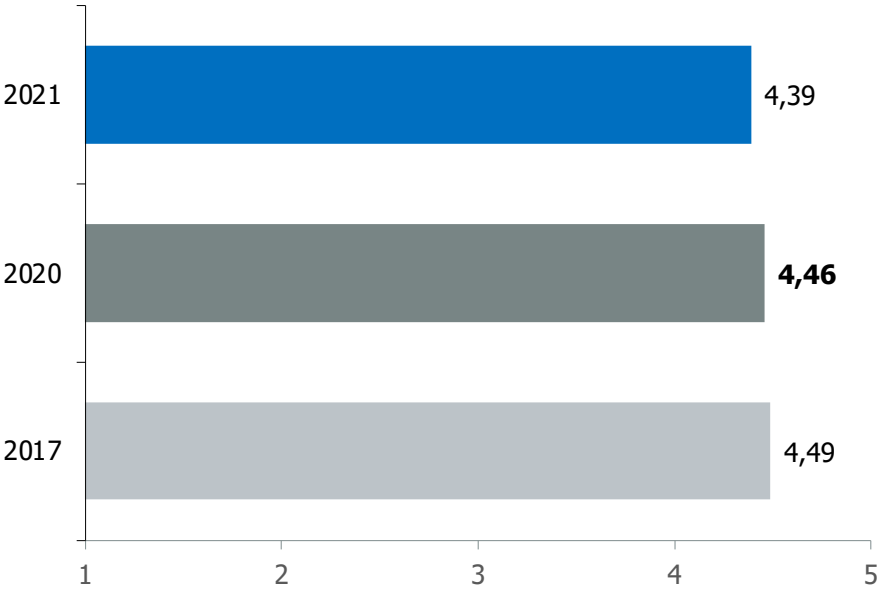
Table 1.2. Perception of the prevalence of corruption in certain fields: entrepreneurs¹

FIELD	Absent	Almost absent	Sometimes it is common, sometimes it is not	Somewhat common	Very common	Hard to say/ Refusal	Index
Issuance of permits and extraction of minerals	1,0%	2,0%	8,0%	17,0%	61,0%	12,0%	4,54
Customs	1,0%	2,0%	11,0%	22,0%	55,0%	9,0%	4,4
Privatization of enterprises	1,0%	3,0%	14,0%	25,0%	48,0%	9,0%	4,26
Forestry	2,0%	3,0%	15,0%	22,0%	48,0%	10,0%	4,25
Public procurement of works and services for construction, repair and maintenance of state and local roads	1,0%	4,0%	16,0%	21,0%	50,0%	8,0%	4,24
Public procurement of works and services for the implementation of other large infrastructure projects	1,0%	4,0%	17,0%	25,0%	45,0%	9,0%	4,18
Land relations, land management	1,0%	5,0%	17,0%	25,0%	47,0%	5,0%	4,16
Judicial system	2,0%	6,0%	18,0%	23,0%	42,0%	7,0%	4,05
Use of other natural resources	1,0%	6,0%	23,0%	29,0%	32,0%	9,0%	3,94
Architectural and construction control	2,0%	7,0%	22,0%	21,0%	37,0%	11,0%	3,94
Purchase of medical equipment and medicines	3,0%	6,0%	21,0%	25,0%	32,0%	14,0%	3,9
Activities of the Antimonopoly Committee of Ukraine	2,0%	6,0%	20,0%	23,0%	32,0%	16,0%	3,9
Other law enforcement activities to ensure law and order, pre-trial investigation	2,0%	6,0%	27,0%	28,0%	30,0%	7,0%	3,83
State regulation and control in the field of public procurement	2,0%	7,0%	26,0%	26,0%	29,0%	9,0%	3,81
Control and supervision of business activities	5,0%	13,0%	30,0%	22,0%	26,0%	4,0%	3,56
Services for connection and maintenance of electricity, gas, water supply and sewerage systems	5,0%	14,0%	29,0%	20,0%	28,0%	5,0%	3,54
Management of municipal property	5,0%	11,0%	29,0%	24,0%	19,0%	12,0%	3,47
Accrual and collection of tax and other mandatory payments	12,0%	21,0%	30,0%	18,0%	15,0%	4,0%	3,02
Provision of administrative services, except for those provided through CPAS and service centers of the Ministry of Internal Affairs	15,0%	22,0%	30,0%	15,0%	8,0%	9,0%	2,77
Corruption in Ukraine in general	0,0%	1,0%	14,0%	33,0%	51,0%	1,0%	4,35

The indicator has slightly **decreased** compared to 4.46 points in the 2020 survey (Figure 1.6), where a significant level of perception of the prevalence of corruption was indicated by 85.9% of the respondents ("somewhat common" – 29.6%, "very common" - 56.3%).

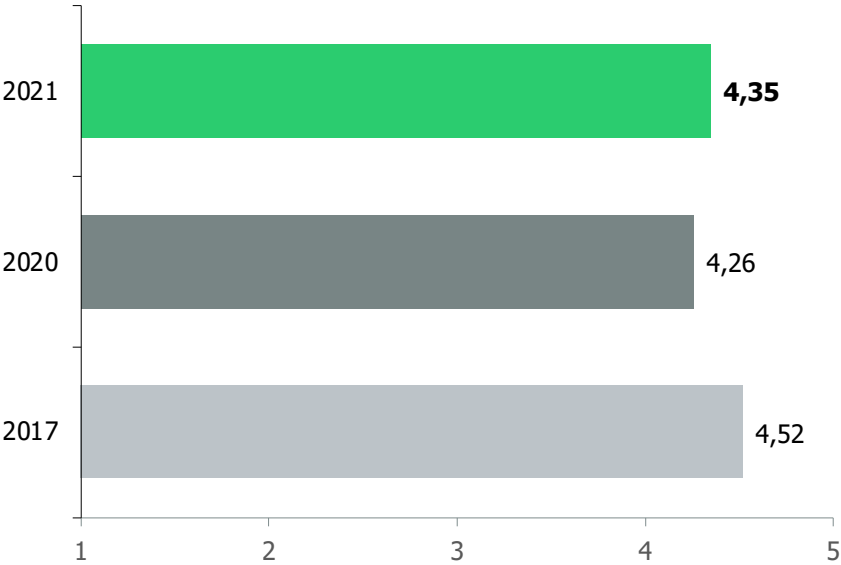
¹ Question: "In your opinion, how common is corruption in the following fields?"

Figure 1.6. Index of perception of the prevalence of corruption in general (average score on a 5-point scale): the public¹



Entrepreneurs assess the situation in the same way as the public: **84.2%** of entrepreneurs believe that corruption is common in Ukraine (“somewhat common” – 32.9%, “very common” – 51.3%). The general index of perception of the prevalence of corruption calculated for this question is **4.34** points on a 5-point scale; the indicator has slightly **increased** compared to 4.23 points in the 2020 survey (Figure 1.7), where a significant level of perception of the prevalence of corruption was indicated by 81.1% of respondents (“somewhat common” – 37.6%, “very common” – 43.5%).

Figure 1.7. Index of perception of the prevalence of corruption in general (average score on a 5-point scale): entrepreneurs²



¹ Question: “In your opinion, how common is corruption in Ukraine in general?”
² Question: “In your opinion, how common is corruption in Ukraine in general?”

At the same time, the index of **perception of the prevalence of corruption in the field** in which the **entrepreneurs** operate is 2.25 points on a 5-point scale.

The analysis of the distribution of the manifestations of corruption in case of the options proposed in the question about the interaction of entrepreneurs with various subjects (government officials, companies that provide services, etc.) did not reveal significant differences in the assessment (the index ranges from 2.2 to 2.31).

Table 1.3. Index of perception of the prevalence of corruption in the business area where the company operates: entrepreneurs¹

Manifestations	Index
Corruption when interacting with government officials (<i>obtaining permits, licenses, business legalization, etc.</i>)	2,31
"Kickbacks", bribes when interacting with other business entities when doing business	2,24
Corruption when interacting with companies that provide electricity, gas, water supply, sewerage services, freight transportation	2,2

Somewhat more than a third of entrepreneurs (34.7-39.8%) report the absence of proposed manifestations of corruption, and only 13-17% of business representatives indicate the prevalence of such manifestations ("very" or "somewhat common"). A rather low index of perception of the prevalence of corruption in "one's" area of business (2.25), compared to the index of perception of the prevalence of corruption in general (4.35), may be due to a more realistic assessment of the situation regarding the presence of corruption in "one's" area, as well as with reluctance to expose it.

Perception of changes in the level of corruption in Ukraine

41.8% of respondents among the *population* believe that the **level of corruption** in Ukraine has **increased** over the past 12 months, which is **by 15.4% higher than the index of the last year** (26.4% in 2020). *Business* representatives are less categorical in their assessment of the growing level of corruption in the state. **36.1%** of entrepreneurs reported this negative dynamics.

¹ Question: "Please tell me whether the following cases of corruption are common in the business area where your company operates (entrepreneurs offer or receive bribes, informal services, use connections, etc.)."

Figure 1.8. Changes in the level of corruption in Ukraine over the past 12 months: the public¹

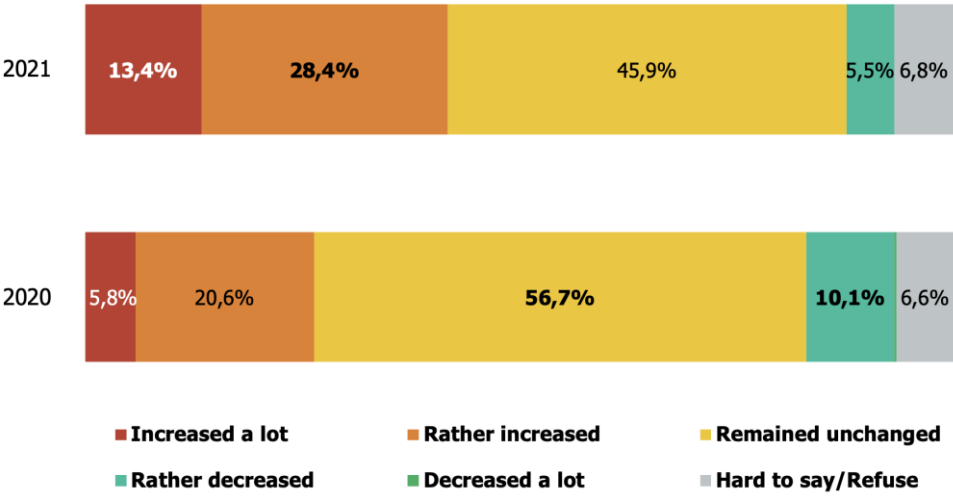
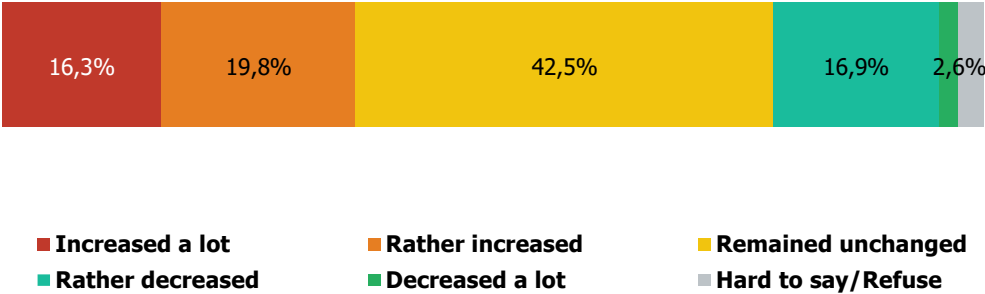


Figure 1.9. Changes in the level of corruption in Ukraine over the past 12 months: entrepreneurs^{2, 3}



¹ Question: "In your opinion, how has the level of corruption in Ukraine changed over the past 12 months?"
² Question: "In your opinion, how has the level of corruption in Ukraine changed over the past 12 months?"
³ The corresponding question was not asked in the 2020 survey for business representatives.

1.3. Evaluation of anti-corruption activities of the state

Responsibility for eliminating corruption

When answering the question "In your opinion, who is responsible for eliminating corruption in Ukraine?", the respondents were asked to indicate no more than three options. Both the *public* and *entrepreneurs* tend most to believe that the central authorities (the President of Ukraine and his Office; Parliament) are responsible for eliminating corruption, along with such specialized institutions as the National Anti-Corruption Bureau of Ukraine (NABU) and (in case of the population) the National Agency on Corruption Prevention (NACP). However, they mention less often such anti-corruption agencies as the Specialized Anti-Corruption Prosecutor's Office (SAPO) and the Higher Anti-Corruption Court (HACC).

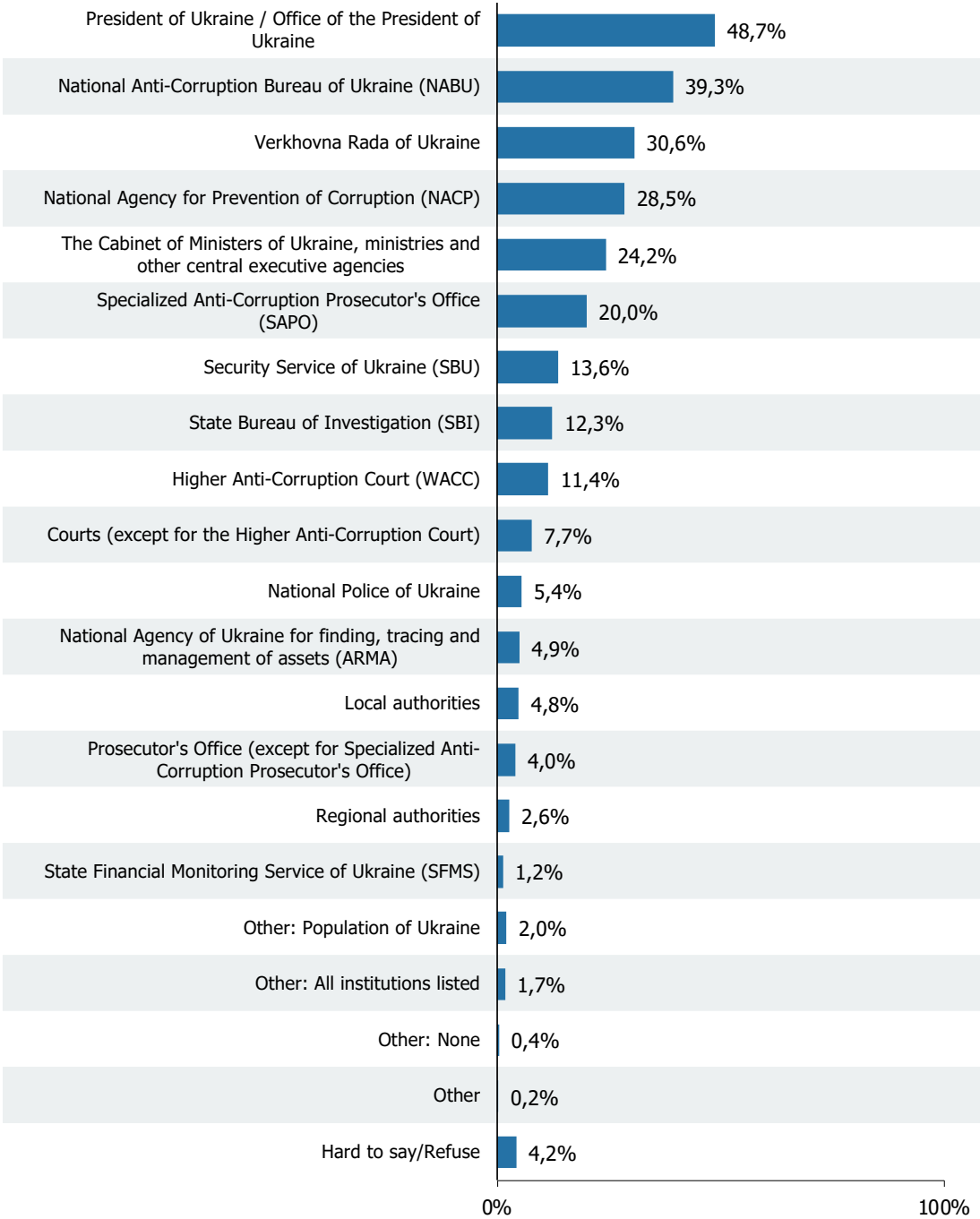
In particular, the *public* most often believe that the following are responsible for eliminating corruption:

- President of Ukraine / Office of the President of Ukraine (48.7%);
- NABU (39.3%);
- Verkhovna Rada of Ukraine (30.6%);
- NACP (28.5%);
- The Cabinet of Ministers of Ukraine, ministries and other central executive bodies (24.2%).

The answers of *business* representatives to the question on responsibility for eliminating corruption are focused on the following options:

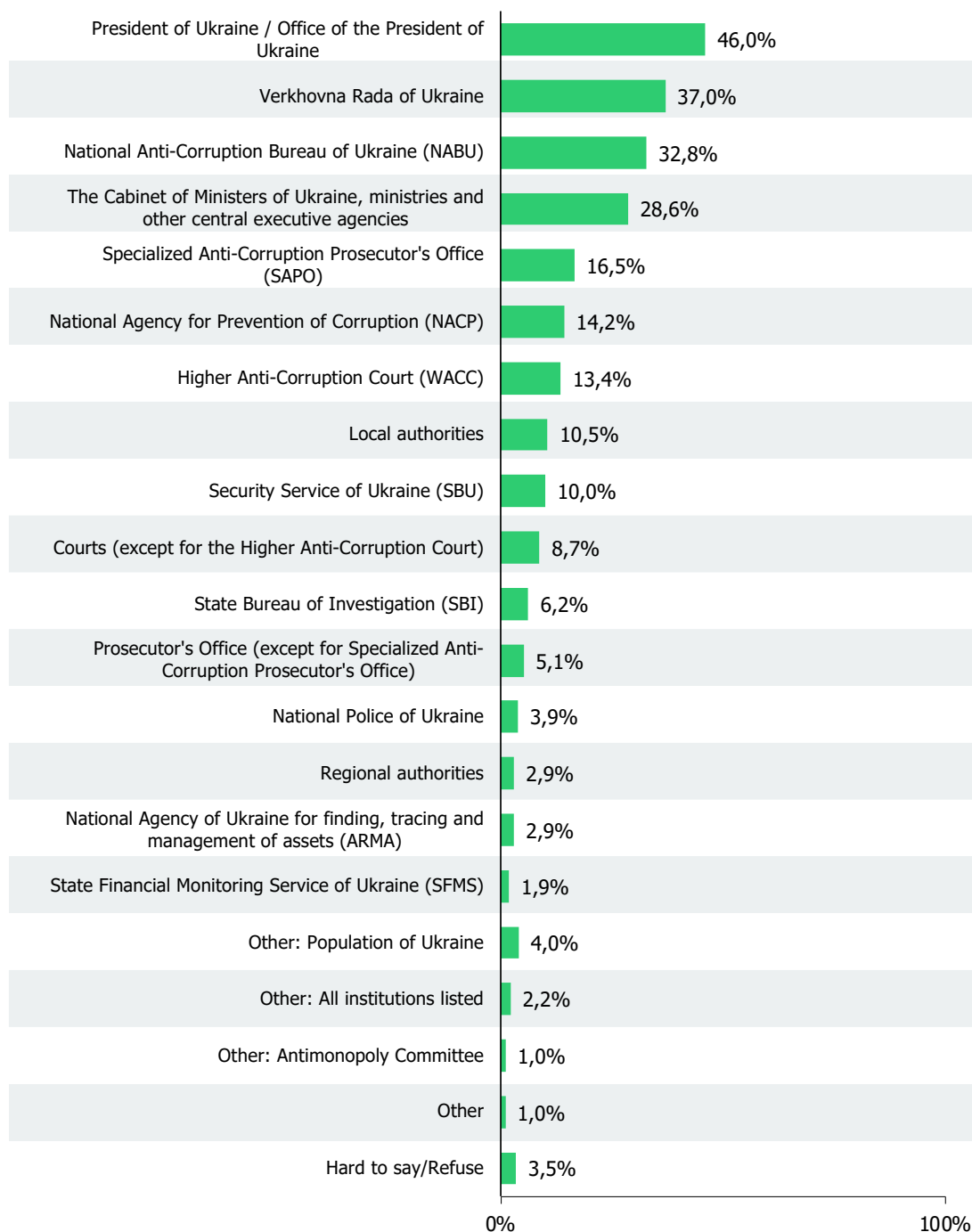
- President of Ukraine / Office of the President of Ukraine (46.0%);
- Verkhovna Rada of Ukraine (37.0%);
- NABU (32.8%);
- The Cabinet of Ministers of Ukraine, ministries and other central executive bodies (28.6%).

Figure 1.10. Who is responsible for eliminating corruption in Ukraine: the public¹



¹ Question: "In your opinion, who is responsible for eliminating corruption in Ukraine?"

Figure 1.11. Who is responsible for eliminating corruption in Ukraine: entrepreneurs¹



The comparison of the results related to this question among the interviewed representatives of the *public* and *entrepreneurs* shows a fairly **high commensurate level of identification of the responsibility** for eliminating corruption on the part of the **President of Ukraine and his Office** – it is considered by about half of the respondents (48.7%/46%). More representatives of business, compared to the population, attribute responsibility for fighting corruption to the **Parliament** (37% vs. 30.6%) and the Government/ministries/central executive bodies (28.6% vs. 24.2%).

¹ Question: "In your opinion, who is responsible for eliminating corruption in Ukraine?"

The share of the interviewed representatives of the *public* who consider **NACP** as an institution responsible for eliminating corruption is twice as large as the proportion of *entrepreneurs* (28.5%/14.2%).

Furthermore, the population surpass entrepreneurs in the assessment of the role of NABU in the anti-corruption fight (39.3% vs. 32.8%).

Effectiveness of anti-corruption activities of public authorities

Also, the research aimed to assess how Ukrainians perceive the effectiveness of anti-corruption activities of various public authorities in Ukraine.

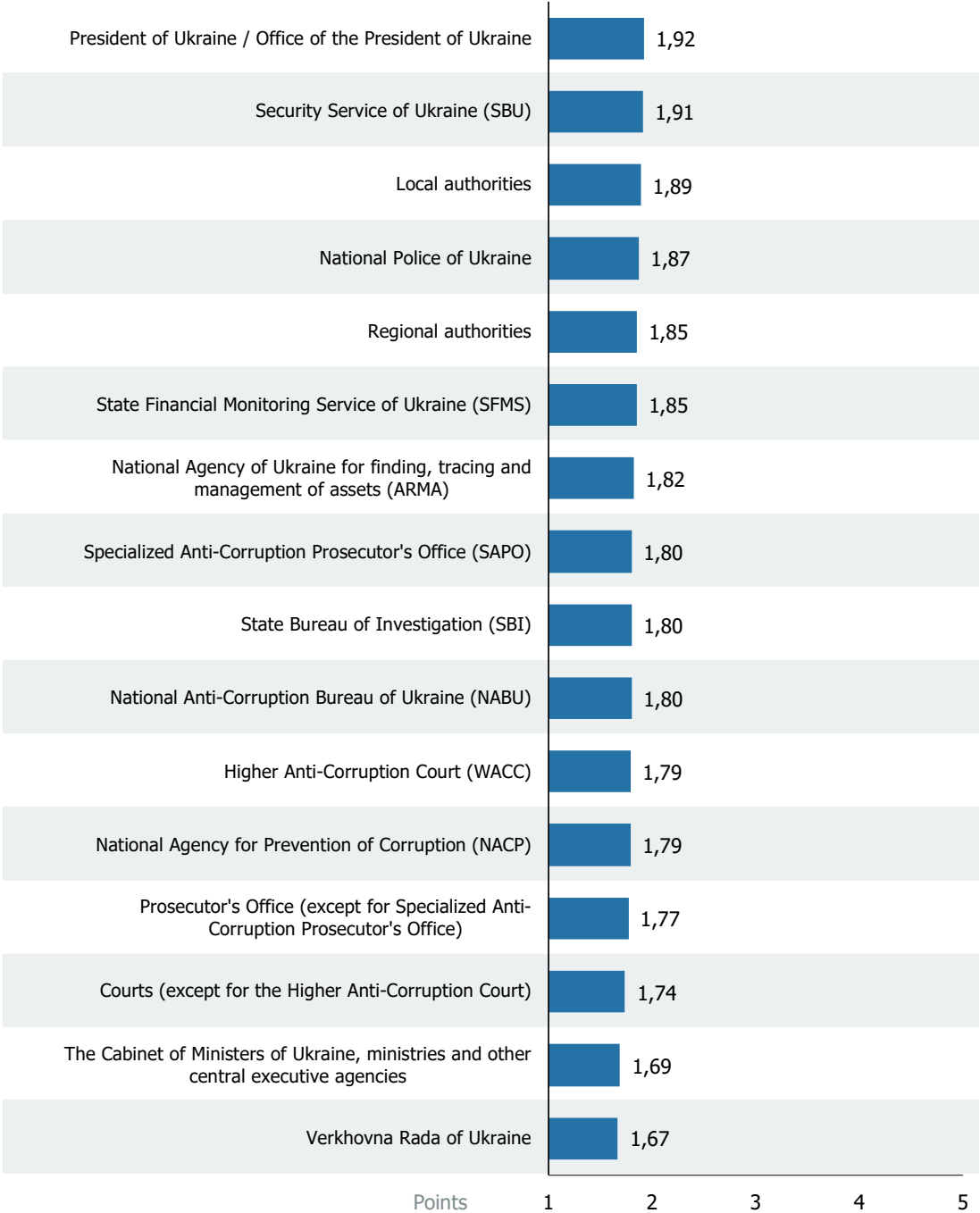
The public. The results of the population survey on the assessment of the effectiveness of the activities aimed to prevent and combat corruption are shown in Figure 1.15. A 5-point scale was used for evaluation, where 5 means "very effective" and 1 – "not at all effective" (in other words, the indicator higher than 3 means a greater number of positive assessments, and lower than 3 means a greater number of negative assessments).

According to the population, the President and his Office, the Security Service of Ukraine and local authorities are comparatively more effective among the public authorities; the Cabinet of Ministers, ministries and the Verkhovna Rada are the least effective in combating corruption. In general, the public evaluates the **anti-corruption activities of all public authorities below 2 points** ("not very effective").

No significant differentiation between the genders in terms of the estimates (population) was recorded. Young people aged under 29 tend to better evaluate the activities of all authorities, while people aged over 50 tend to give worse estimates. The greatest difference in the assessments was recorded regarding the anti-corruption activities of the President of Ukraine and the Office of the President of Ukraine. In particular, 11% of the population aged under 50 regard their anti-corruption activities as effective ("somewhat" or "very"), while only 5% of the respondents in the age group "50 and older" share this opinion.

The difference in the assessments by region was recorded: the respondents from Kyiv are likely to give the highest rates, while the respondents from the Southern region are the most skeptical (Table 1.3).

Figure 1.12. Public assessment of the effectiveness of anti-corruption activities of public authorities¹



¹ Question: "In your opinion, how effective is the anti-corruption activity of the following public authorities?"

Table 1.4. Public assessment of the effectiveness of anti-corruption activities of public authorities (by age and region)¹

	Region:						Age					TOTAL
	Nothern	Central	Eastern	Southern	Western	Kyiv city	18 – 29 y.o.	30 – 39 y.o.	40 – 49 y.o.	50 – 59 y.o.	60 y.o. +	
President of Ukraine / Office of the President of Ukraine	2,00	1,79	1,91	1,75	1,84	2,59	2,19	2,00	1,92	1,84	1,75	1,92
Security Service of Ukraine (SBU)	1,91	1,95	1,99	1,56	1,80	2,57	2,08	1,91	1,97	1,84	1,83	1,91
Local authorities	1,91	2,03	1,78	1,75	1,82	2,43	2,02	1,91	1,94	1,88	1,76	1,89
National Police of Ukraine	1,85	1,88	1,86	1,58	1,85	2,46	2,00	1,91	1,90	1,85	1,76	1,87
State Financial Monitoring Service of Ukraine (SFMS)	1,82	1,65	1,84	1,56	1,97	2,38	1,97	1,85	1,88	1,87	1,74	1,85
Regional authorities	1,90	1,87	1,75	1,69	1,80	2,44	1,95	1,88	1,92	1,82	1,74	1,85
National Agency of Ukraine for finding, tracing and management of assets derived from corruption and other crimes (ARMA)	1,80	1,64	1,87	1,54	1,85	2,32	1,94	1,83	1,89	1,81	1,69	1,82
National Anti-Corruption Bureau of Ukraine (NABU)	1,85	1,73	1,81	1,53	1,78	2,27	1,92	1,85	1,85	1,76	1,68	1,80
State Bureau of Investigation (SBI)	1,87	1,68	1,79	1,49	1,78	2,43	1,96	1,83	1,82	1,78	1,67	1,80
Specialized Anti-Corruption Prosecutor's Office (SAPO)	1,80	1,76	1,81	1,56	1,76	2,28	1,96	1,82	1,84	1,80	1,65	1,80
Higher Anti-Corruption Court (HACC)	1,82	1,71	1,81	1,61	1,75	2,23	1,98	1,81	1,85	1,78	1,63	1,79
National Agency on Corruption Prevention (NACP)	1,84	1,70	1,80	1,51	1,79	2,23	1,95	1,83	1,84	1,76	1,64	1,79
Prosecutor's Office (except for Specialized Anti-Corruption Prosecutor's Office)	1,79	1,71	1,83	1,49	1,70	2,31	1,94	1,82	1,81	1,75	1,63	1,77
Courts (except for the Higher Anti-Corruption Court)	1,89	1,60	1,72	1,62	1,63	2,29	1,92	1,74	1,81	1,70	1,60	1,74
The Cabinet of Ministers of Ukraine, ministries and other central executive bodies	1,78	1,64	1,70	1,35	1,63	2,31	1,86	1,72	1,72	1,64	1,56	1,69
Verkhovna Rada of Ukraine	1,76	1,61	1,66	1,36	1,59	2,37	1,86	1,72	1,68	1,63	1,53	1,67

* Green (red) font in the table indicates data that is statistically significantly higher (lower) than the average value in the sample. The significance level is 0.95.

¹ Question: "In your opinion, how effective is the anti-corruption activity of the following public authorities?"

Entrepreneurs. The results of the survey of business representatives on the assessment of the effectiveness of the activities of public authorities on prevention and combating corruption are shown in Figure 1.13.

As for public authorities, entrepreneurs **rate the highest** the anti-corruption activities of the State Financial Monitoring Service, the National Police and the SBU, and they rate the lowest the anti-corruption activities of the Cabinet of Ministers, ministries, and the Verkhovna Rada.

Despite the fact that **entrepreneurs perceive the anti-corruption activities of public authorities somewhat better** than the population, even the highest scores of entrepreneurs fail to reach 3 points ("activity is sometimes effective and sometimes is not"). This indicates the absence of vivid examples of the fight against corruption, which could be the evidence of the effectiveness of anti-corruption efforts of the public authorities provided to business representatives and society.

Both among the entrepreneurs and the public, young people aged under 29 tend to rate the activities of all public authorities better, while people aged over 60 tend to give lower estimates. There are isolated cases of differentiation by region, in particular, the anti-corruption activities of the prosecutor's office are rated better in the Center and the West, while worse – in Kyiv. Courts are rated higher in the East, while worse – in Kyiv.

Priority fields of the fight against corruption

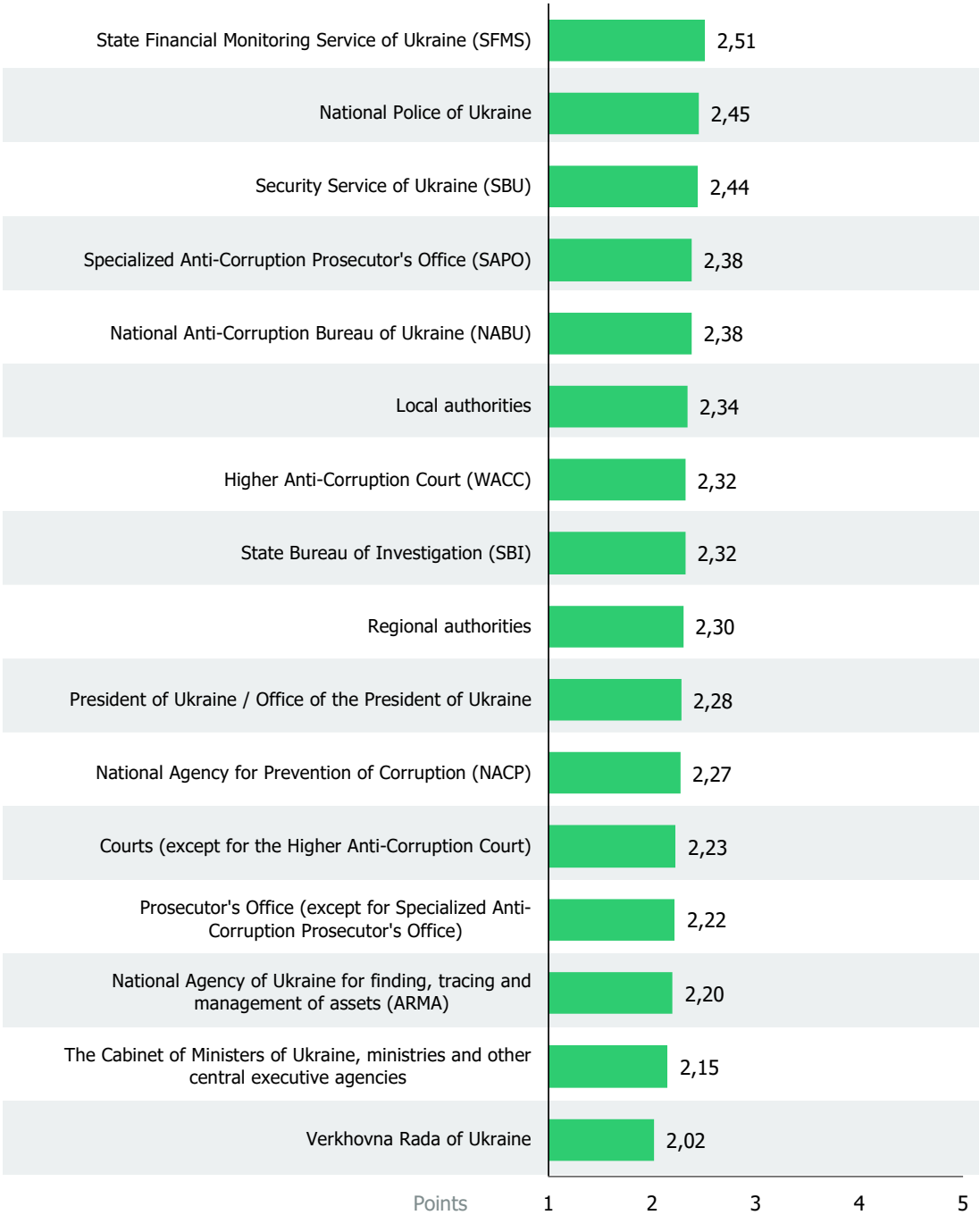
When answering the question "In which fields do you think it is necessary to fight corruption in the first place?", the respondents selected not more than three options. *Both the public and entrepreneurs* singled out the **judicial system and customs** as the priority fields to fight corruption.

Figure 1.14 and 1.15 provide data on the three priority fields mentioned.

For the *public*, the top **priority** is to eliminate corruption in the **medical sector** (46.9%) and in the **judicial system** (42.2%). Other activities of law enforcement agencies follow them – the National Police, the SBU, Prosecutor's Office (32.6%), customs (31.3%), and land relations (25.2%).

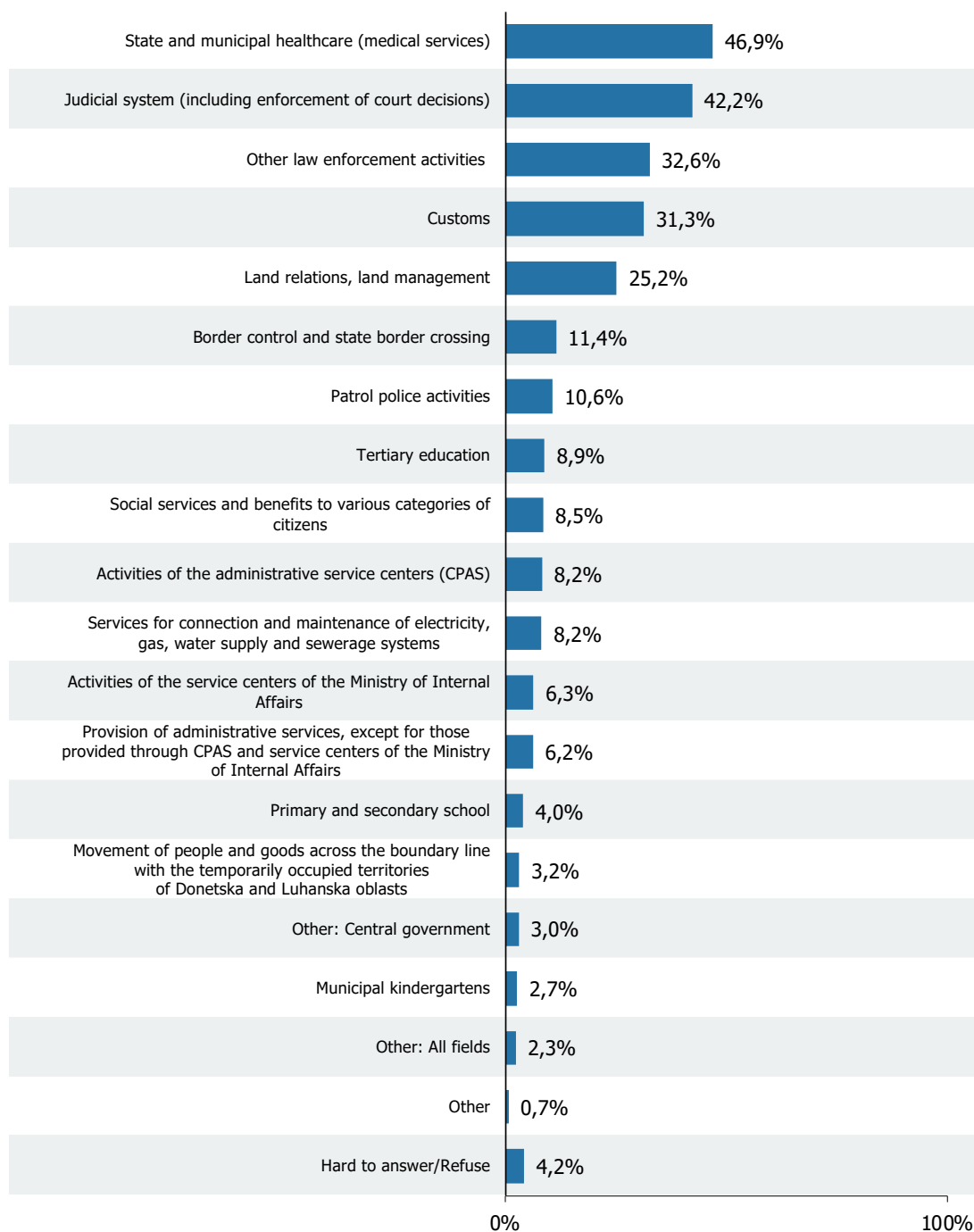
Entrepreneurs put the fight against corruption in **customs** (55.7%), in the **judicial system** (33.2%), **public procurements for the construction, repair and maintenance of roads** (29.5%), and **land relations** (23.2) on the highest levels of the rating, as well as in the field of issuance of permits and extraction of minerals (19.7%).

Figure 1.13. Entrepreneurs' evaluation of the effectiveness of anti-corruption activities of public authorities¹



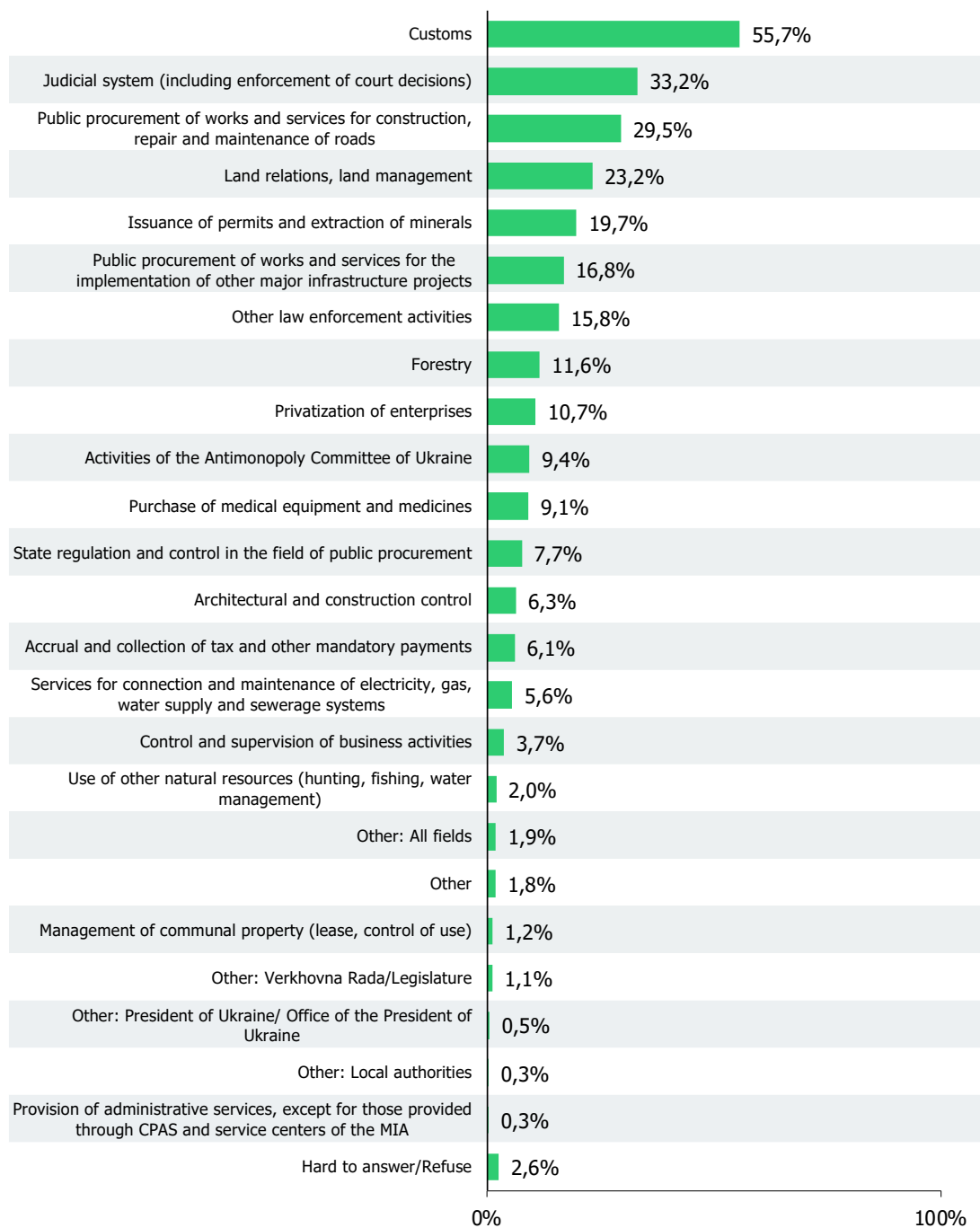
¹ Question: "In your opinion, how effective is the anti-corruption activity of the following public authorities?"

Figure 1.14. Priority fields to fight corruption (respondents selected not more than 3 options): the public¹



¹ Question: "In which fields, in your opinion, is it necessary to fight corruption in the first place?"

Figure 1.15. Priority fields to fight corruption (respondents selected not more than 3 options): entrepreneurs¹



¹ Question: "In which fields, in your opinion, is it necessary to fight corruption in the first place?"

SECTION 2. INDICATORS OF CORRUPTION EXPERIENCE IN PARTICULAR FIELDS

2.1. General methodology for assessing corruption experience

Three approaches to researching (measuring) corruption experience of the public and entrepreneurs is used in this study:

1) *direct method* (self-assessment) of determining by respondents of whether they had corruption experience over a certain period of time (the general question "*Have you encountered corruption over the past 12 months – i.e., have you given or have been demanded a bribe, used connections, etc.?*" (for business representatives – "*...for the benefit of the enterprise where you work?*"). The indicator of the share of the public (entrepreneurs) that, according to *self-assessment*, had corruption experience, is characterized by a certain stability when used for comparison in different waves of research. That is why it is defined as the **indicator of corruption experience of the public/entrepreneurs** and is used as one of the indicators of the effectiveness of the state anti-corruption policy;

2) *self-assessment* of the respondents of whether they had corruption experience in their interactions/contacts with a certain field (answers to a direct question). The share of respondents (from those who have contacted the field) who answered affirmatively, i.e., they acknowledge that they or the members of their families (*for entrepreneurs* – as heads/representatives of the enterprise) encountered corruption when interacting with representatives of relevant institutions/agencies/authorities, is defined in this study as an **indicator of corruption experience in the field** and can be used for comparison in different waves of research;

3) determination of the degree of prevalence of certain corrupt practices in certain fields based on the results of confirmation of the fact that the respondents were involved in certain contact situations containing signs of corruption. Based on the results of the data analysis, an integral research indicator is calculated – the share of respondents who **encountered the corruption situations in a certain field** (from those who encountered the field). The list of corruption situations offered to the respondents cannot cover all the existing corruption practices in the field and will periodically change in different waves of research. Taking this into account, such an indicator cannot be used as an assessment of corruption in the field, but it is used for comparison with the indicator of corruption experience (by self-assessment) on the subject of recognition of existing contact situations as corruption.

In order to assess the prevalence of corruption in certain fields, the respondents were asked to evaluate their own experience of interaction with public authorities and institutions over the past 12 months prior to the survey. The evaluation of corruption experience was carried out only by those respondents who had experience of addressing (availability of contacts) each field (either personally, or family members had such an experience – for the public, and experience of employees – for entrepreneurs).

Audiences of the *public and entrepreneurs* were offered to evaluate various fields which are the most relevant to each audience.

The *public* evaluated the following fields¹:

- Field 1: State and municipal medicine (medical services)
- Field 2: Services of higher educational institutions
- Field 3: Services of educational institutions (primary and secondary education)
- Field 4: Services of educational institutions (municipal kindergartens)
- Field 5: Activities of the service centers of the Ministry of Internal Affairs
- Field 6: Activities of the administrative service centers (CPAS)
- Field 7: Provision of administrative services by executive bodies and local self-government authorities (except for administrative service centers and service centers of the Ministry of Internal Affairs)
- Field 8: Services for connection and maintenance of electricity, gas, water supply, and sewerage systems (except for the services associated with current payments)
- Field 9: Construction and land relations
- Field 10: Law enforcement activities (Patrol Police, National Police, SBU, Prosecutor's Office) to ensure law and order, pre-trial investigation (except for the service centers of the Ministry of Internal Affairs)

Entrepreneurs assessed the following fields:

- Field 1: Services for connection and maintenance of electricity, gas, water supply and sewerage systems, except for the services associated with current payments
- Field 2: Construction and land relations
- Field 3: Law enforcement activities (National Police, Tax police, SBU, State Border Guard Service, Prosecutor's Office) to ensure law and order, pre-trial investigation
- Field 4: Activities of tax authorities (accrual and collection of tax and other mandatory payments)
- Field 5: Control and supervision of business activities
- Field 6: Customs (customs control, preparation and clearance of customs documents for business entities)
- Field 7: Judicial system (including enforcement of court decisions)

Due to the fact that the list of fields is significantly different for the public and entrepreneurs, the assessments of these two audiences will be presented separately in the following sections.

¹ The services of private institutions in the health care and education fields were not evaluated.

2.2. Assessment of corruption experience of the public by field

The figure below shows summarized data on the corruption experience of the population by field, which will be analyzed in detail in this section. The fields are sorted by the share of citizens who had corruption experience (among those who applied to the corresponding fields/had contacts with public and non-public institutions in the corresponding fields over the last 12 months).

The calculation of indicators of corruption experience of respondents in each field was made on the basis of two questions:

- Self-assessment indicator: the respondents were asked whether they had encountered corruption in this field (a direct question that was asked about each field those who had interacted with it (addressed, contacted)). The share of respondents who gave an affirmative answer to the direct question, is determined in this study as an **indicator of corruption experience in the field**;
- Integral indicator of being in corruption situations: in the next question, the respondents were asked to recall in more detail whether there were situations that had signs of corruption¹ when receiving specific services (or when contacting the representatives of relevant institutions, establishments). If such a corruption contact situation occurred, the respondents were asked to specify whether it occurred on their own initiative or whether they were asked to do so by the employees of the institution/establishment. If such situations did not occur (including because the respondent did not receive a specific service), the respondents chose the option "Such a situation did not occur." The respondents could also choose the option "Other" or refuse to answer. The integral indicator of **being in corruption situations** was calculated as the share of the respondents who chose any answer except "Such a situation did not occur" when discussing specific corruption situations (we consider the options "Other" or "Refuse to answer" to be socially acceptable substitutes for answers about participation in a corruption situation).

According to the results of the comparison of the level of corruption in different fields², **the lowest** level of corruption was recorded in **CPAS**: only every fifth visitor indicated the occurrence of a corruption situation in this field.

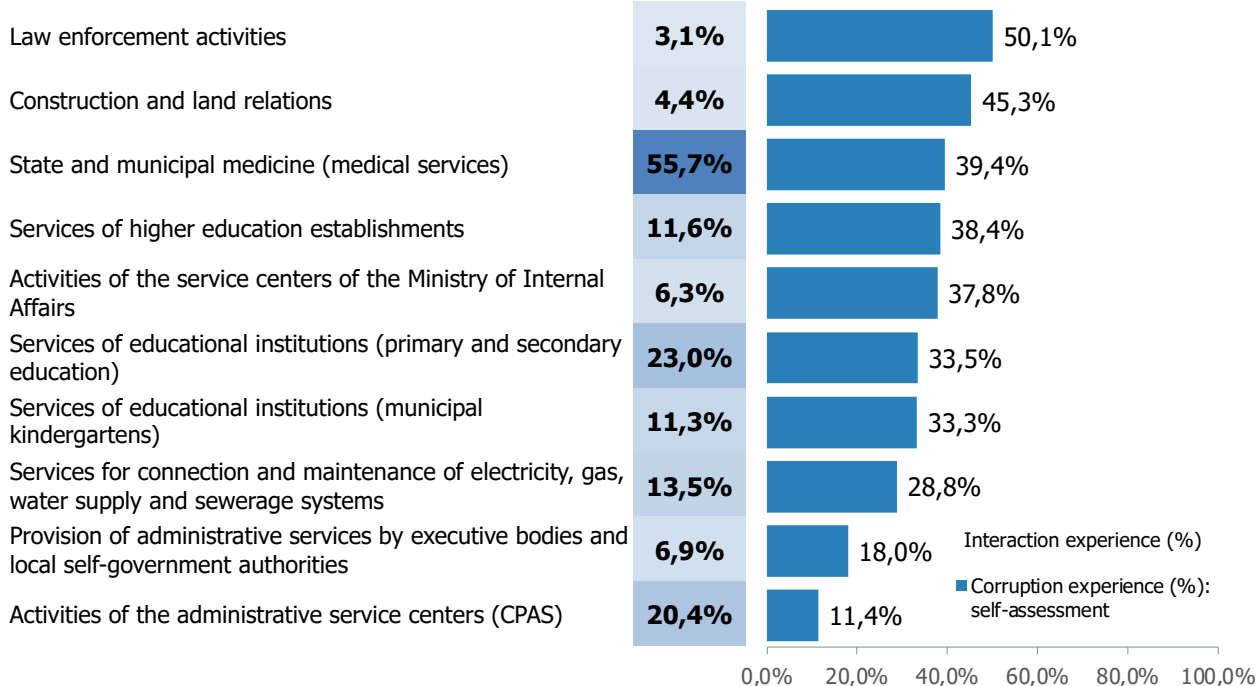
Law enforcement agencies and public authorities, institutions and organizations that provide **services in the field of construction and land relations** were among the field "**leaders**" in terms of the prevalence of corruption. 50.1% and 45.3% of the respondents, respectively (of those who addressed the relevant field), reported of having corruption experience in them. The third place is occupied by the **state and municipal medicine** (39.4% of those who applied for medical services indicated of having corruption experience).

¹ Namely: the respondents or their family members made unofficial payments (cash or gifts) or provided services in certain situations. The situations were worded in the most neutral way possible, avoiding any evaluative concepts of a negative connotation. The term "corruption" was not used in the description of the situations.

² The maximum error in the assessment of corruption experience depends on the sample size of the respondents who interacted (contacted) with the relevant field and on the indicator of corruption experience, and varies from 2.5% to 10.6%.

However, if a small share of Ukrainians turns to the field of activities of law enforcement agencies and the field of construction and land relations annually (3.1% and 4.4%, respectively), then more than half of the population turns to state and municipal institutions for medical services each year (55.7%). Thus, the “medical” corruption experience is the most common: more than every fifth Ukrainian (21.9%) encounters corruption experience in the field of health care during the year.

Figure 2.1. Experience of interaction with fields and corruption experience ¹



Further, we will cover each field and the peculiarities of corruption situations in it in more detail.

Law enforcement activities to ensure law and order, pre-trial investigation

The smallest share of citizens of Ukraine has the experience of applying to law enforcement agencies (Patrol Police, National Police, SBU, Prosecutor’s Office) to ensure law and order, or have experience of conducting pre-trial investigation. Only **3.1%** of the respondents have the *experience of applying* to such authorities. However, those who have addressed to them mostly report having corruption experience. **50.1%** of the respondents indicated (when answering a *direct question*) that they

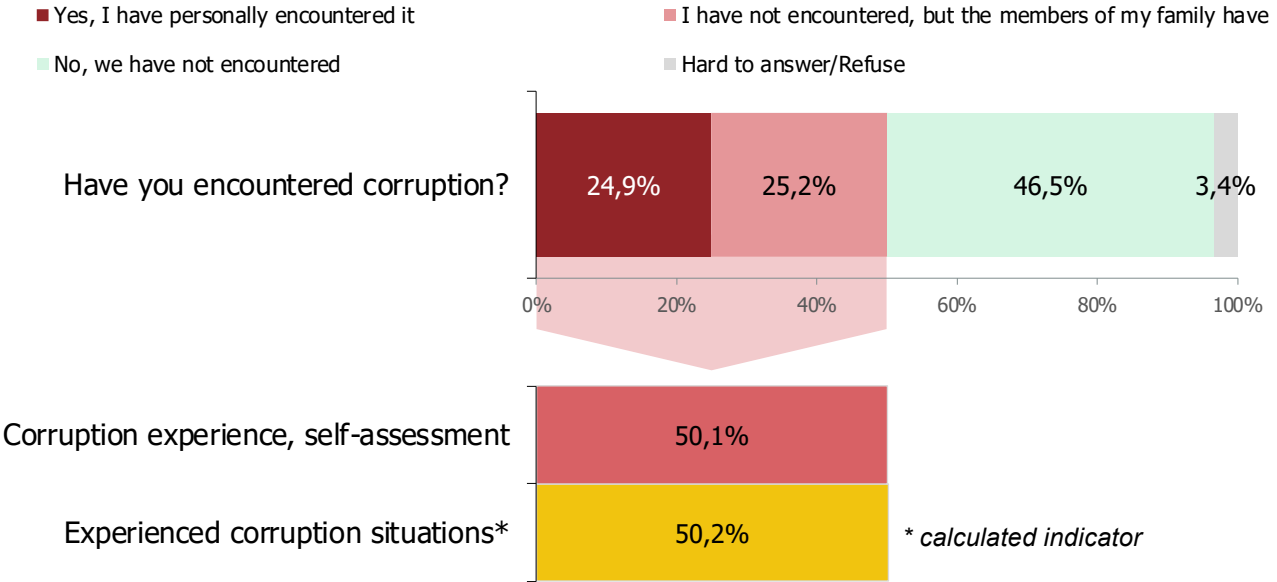
¹ Questions for each field:

- (1) "Have you or your family members had to go to ... over the past 12 months?", for educational institutions: "Are you or your family members currently studying or have studied in ... over the past 12 months?";
- (2) "Have you encountered corruption when you went to ... over the past 12 months – i.e., have you given or have been demanded a bribe, used connections, etc.?", for educational institutions: "Have you encountered corruption ... over the past 12 months – i.e., have you given or have been demanded a bribe, used connections, etc.?"

encountered corruption – this is the **maximum value of corruption experience**, according to self-assessment.

50.2% of the respondents indicated having *specific contact situations* that had signs of corruption.

Figure 2.2. Analysis of corruption experience in the field (% of those who applied to this field)¹



Citizens encounter corruption mostly during the **inspection of documents by Patrol Police at stationary posts**: one in three (**33.8%**) of those who had experience of communicating with law enforcement agencies reported signs of corruption in such a situation. The second place in the ranking of corruption practices was shared by the situations when the respondents made unofficial payments to a law enforcement officer or provided him with services **to avoid (or reduce) liability for violation of the traffic rules** or **during police checks of identity documents** (**28.2%** and **27.0%** of respondents, respectively, indicated having corruption experience in such situations). The next place is occupied by the situation when it is suggested to resort to corrupt practices in order to avoid (or reduce) liability for administrative offenses (23.2% of respondents stated that).

Due to the insufficient number of responses for each corruption situation, it was not possible to conduct a statistical analysis of who exactly was the initiator (citizens or law enforcement officers).

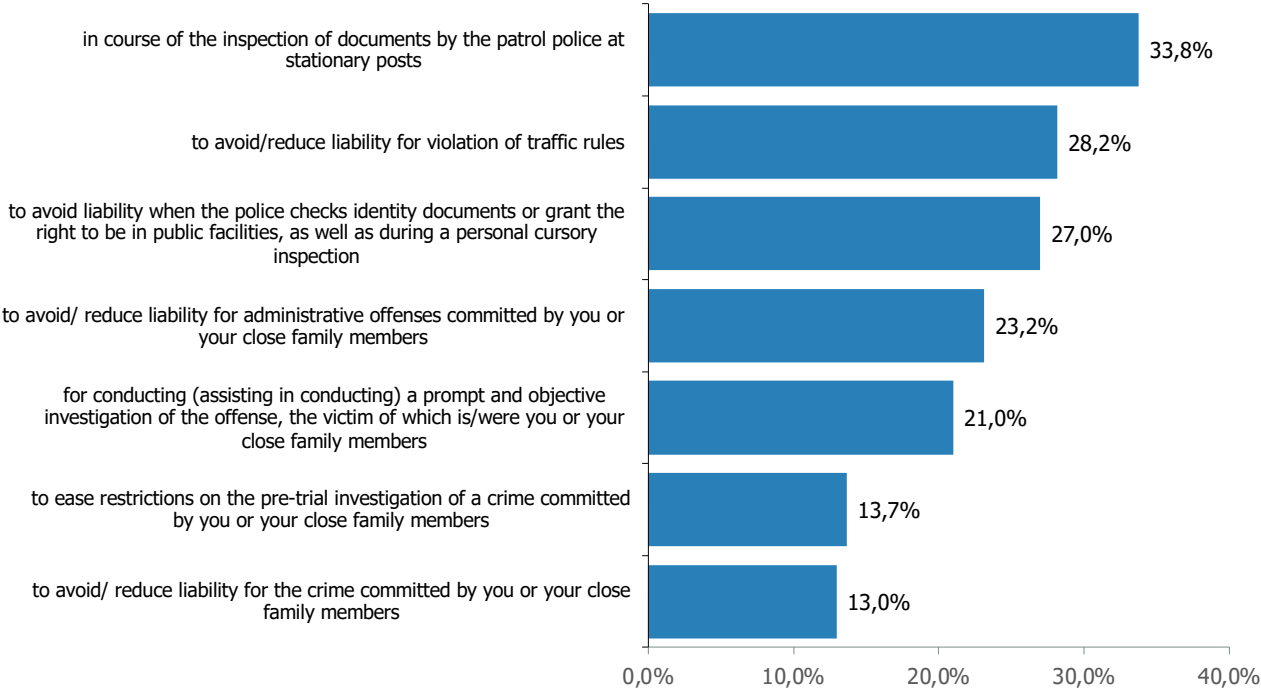
In total, 17.4% of Ukrainians who had contact with law enforcement agencies, were initiators of corruption relations (or 34.6% of those who experienced contact corruption situations).

However, according to the respondents, law enforcement officers initiate corruption relations twice as often: 35.7% of respondents, who contacted law enforcement agencies, claimed that the respondents or members of their families were asked to make unofficial payments to law enforcement officers (cash or gifts) or to provide services to the latter (or 71.1% of those who experienced contact corruption situations).

¹ Question: "Have you encountered corruption when contacting law enforcement agencies over the past 12 months – i.e., have you given or have been demanded a bribe, used connections, etc.?"
 The statistical error for the indicator of corruption experience based on self-assessment and the estimated indicator of experience of corrupt situations in this field does not exceed ±10.6%

Figure 2.3. Corruption experience in terms of situations that could occur when contacting it (% of those who applied to this field)¹

Made unofficial payments to a law enforcement officer (cash or gifts) or provided him with services...



Construction and land relations

Citizens encounter the field of construction and land relations rarely enough. Only **4.4%** of the respondents stated that they had experience of applying to this field.

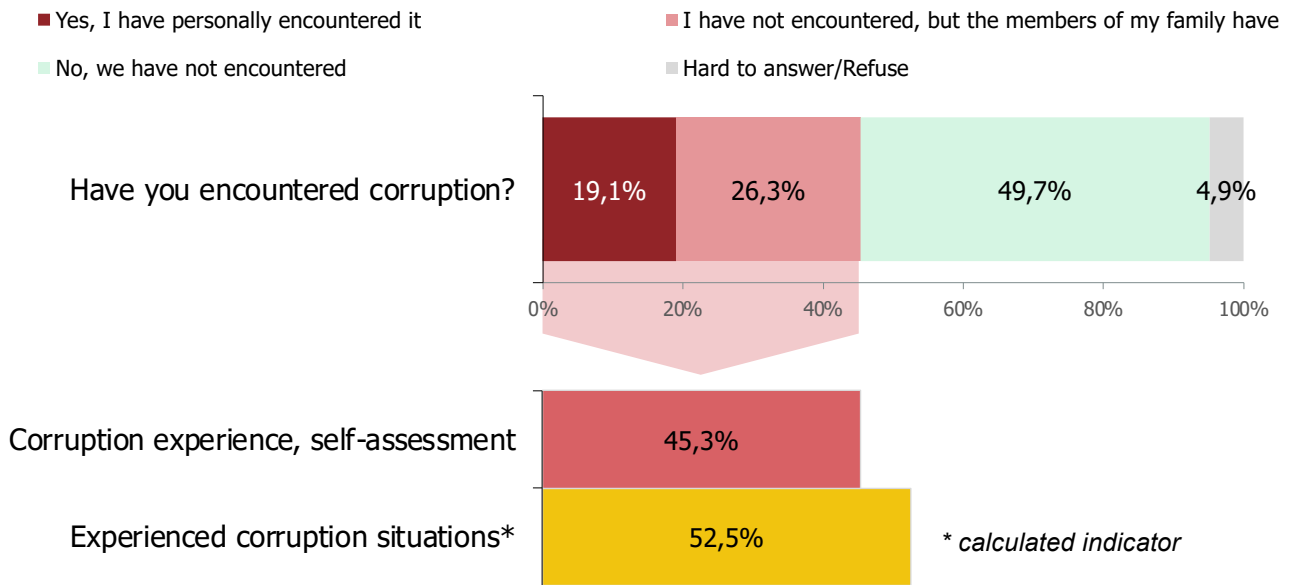
At the same time, this field is included in the TOP 3 of those where citizens **encounter corruption situations most often**. When answering a direct question, **45.3%** of the respondents (or members of their families) stated affirmatively that they *encountered* corruption.

At the same time, **52.5%** of the respondents experienced the listed *specific contact situations* that had signs of corruption.

Thus, about 7% of the respondents are not aware of their own corruption experience in the field of construction and land relations, namely, they do not recall it when they are asked directly about self-assessment.

¹ Question: "Have you or your family members experienced the following situations in connection with contacting law enforcement agencies or interaction with their representatives?"

Figure 2.4. Analysis of corruption experience in the field (% of those who applied to this field)¹



Those who applied to authorities, institutions or organizations for services in the field of construction and land relations (regarding the issues of privatization, ownership of premises or land plots) reported a number of situations that had signs of corruption. In particular, we can single out 5 most common corruption situations, each of which was mentioned by **more than a third of the respondents**. The situations of **privatization of land plots** top the ranking in terms of corruption burden having a similar result (40.9% and 39.2% of respondents reported corruption in the field of privatization of land plots for personal farming and those adjoining to the house, respectively). 36.5% of the respondents encountered corruption during the **registration of land in the State Land Cadastre**. Services for the **development of land management documentation** for household plots and personal farming became a source of corruption experience for 34.9% and 33.6% of respondents, respectively.

The lowest corruption burden is recorded for the service of commissioning/putting into operation of a new house or apartment after reconstruction (remodeling) – 15.0% of the respondents mentioned the presence of corruption in such a situation.

Due to the insufficient number of responses for each corruption situation, it was not possible to carry out a statistical analysis of who exactly was the initiator (either citizens or employees of executive authorities, institutions or organizations that provide relevant services).

A total of 12.8% of Ukrainians who turned to authorities, institutions and organizations for services in the field of construction and land relations (on the issues of privatization, ownership of premises

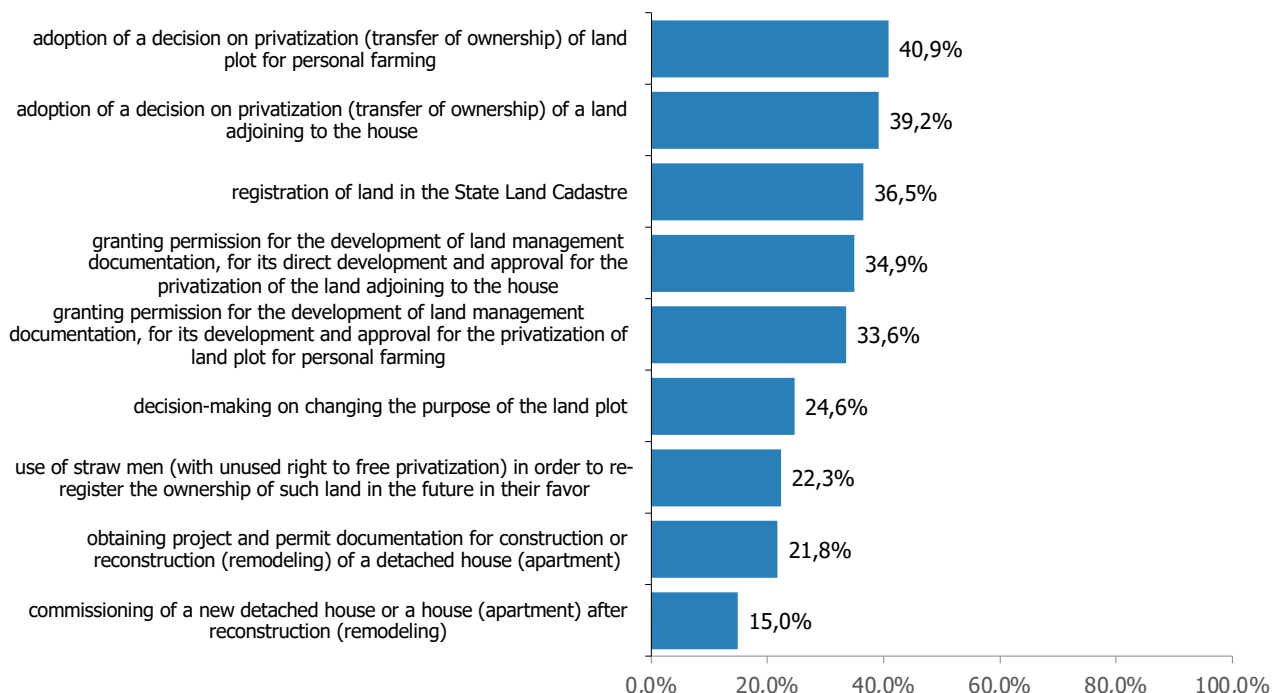
¹ Question: "Have you encountered corruption in applying for services in the field of construction and land relations over the past 12 months – i.e., have you given or have been demanded a bribe, used connections, etc.?"

The statistical error for the indicator of corruption experience based on self-assessment and the estimated indicator of experience of corruption situations in this field does not exceed $\pm 9.1\%$

or land plots) initiated corruption relations (or 24.3% of those who experienced contact corruption situations).

Figure 2.5. Corruption experience in terms of situations that could occur when contacting it (% of those who applied to this field)¹

Made unofficial payments to an employee (cash or gifts) or provided him with services...



40.3% of Ukrainians who applied for services in the field of construction and land relations state that officials had initiated corruption relations (demanded money, gifts or services from visitors). Among the respondents who experienced contact corruption situations, the share of those who pointed to officials as initiators of corruption situations was 76.7%.

State and municipal medicine

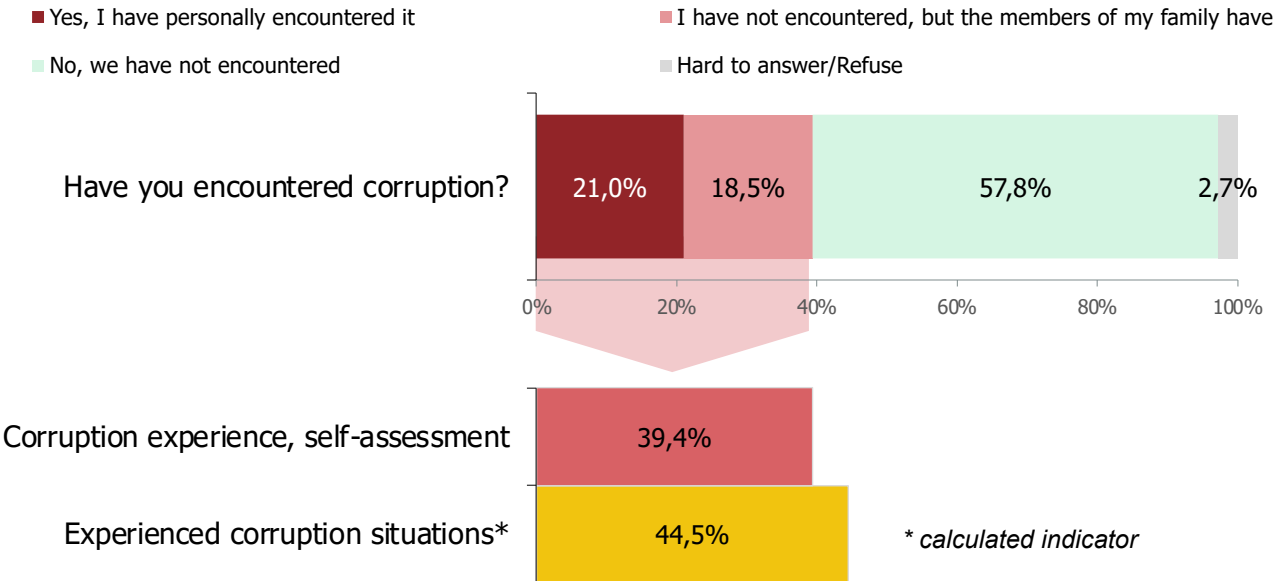
The majority of Ukrainians have had the experience of applying to state or municipal medicine over the year – **55.7%** of the respondents addressed there personally or their family members did. The population encounters the field of State and municipal medical institutions more often than others.

When answering a *direct question*, **39.4%** of the respondents who had contacts with the field state that they or members of their families encountered corruption when applying to health care institutions, in other words, they gave or were demanded a bribe, used connections, etc. **57.8%** of the respondents who contacted the field have no corruption experience in this field.

At the same time, **44.5%** of the respondents stated that they *experienced* the listed *contact situations* that contained signs of corruption. About 5% of the respondents did not perceive their experience of involvement in corruption practices as corruption.

¹ Question: "Have you or your family members experienced the following situations when applying for services in the field of construction and land relations?"

Figure 2.6. Analysis of corruption experience in the field (% of those who applied to this field)¹



Almost a third of those who had the experience of visits (**30.7%**) encountered corruption situations in the circumstances where it was necessary to “thank” for the **treatment or surgery**. The second place in terms of corruption is occupied by the situations of decision-making on the conditions of **staying in an inpatient medical institution** – it was experienced by every fifth person (21.9%). The third place is occupied by the situation when it was necessary to **pass medical check-ups** in the institution – 16.1% of those who visited medical facilities had such corruption experience. The rest of the situations were encountered by a smaller share of the respondents; the frequency varies from 8.3% to 11.1%.

It should be noted that mostly, according to the respondents, it is the **employees of medical institutions who initiate** such corruption situations. Their share ranges from 43% to 70.4%, depending on the situation. In particular, the issue of receiving cash payments, gifts or services for the **treatment of a patient** (including surgery) and decision-making on the conditions of **staying in an inpatient medical institution** was initiated by the employees of the institution in **69.0%** and **70.4%** of cases, respectively.

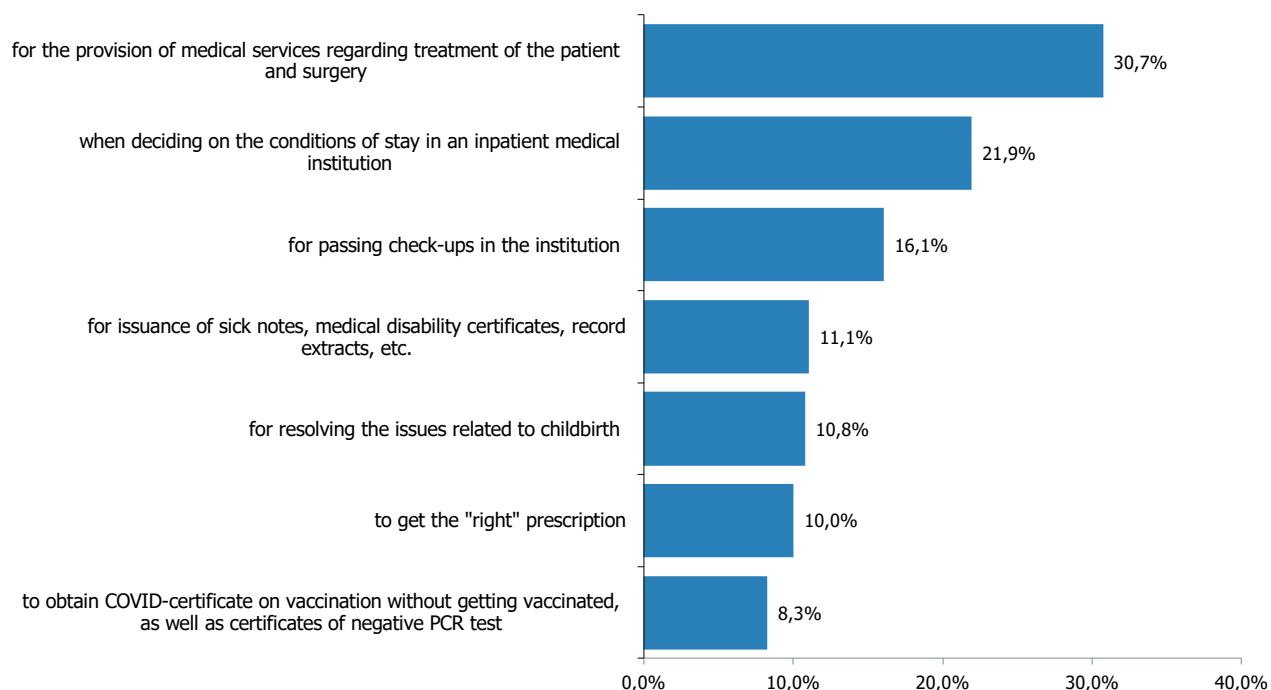
However, **patients** themselves quite often initiate the corruption situations, in particular, in every fifth case when resolving the issues related to treatment, staying in a medical institution, childbirth or passing check-ups.

¹ Question: "Have you encountered corruption when you went to the state/municipal health care facilities (when receiving medical services) over the past 12 months – i.e., have you given or have been demanded a bribe, used connections, etc.?"

The statistical error for the indicator of corruption experience based on self-assessment and the estimated indicator of experience of corrupt situations in this field does not exceed ±2.5%

Figure 2.7. Corruption experience in terms of situations that could occur when contacting it (% of those who applied to this field)¹

Made unofficial payments to an employee of a medical institution (cash or gifts) or provided him with services...



The issue of obtaining COVID certificates on vaccination and a negative PCR test was the most sensitive for the respondents: almost one in four refused to answer, and another 16.5% could not indicate the initiator.

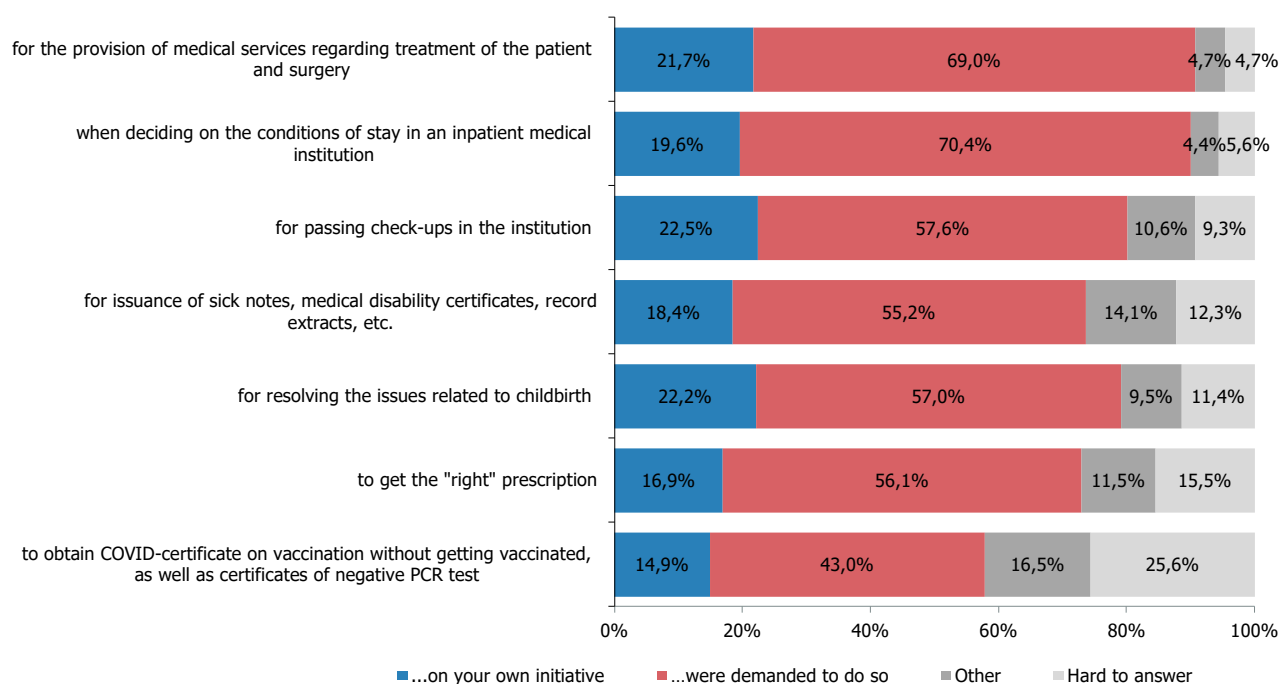
In total, **31.7%** of the respondents who were involved in corruption situations *initiated* them (which is **14.1%** of Ukrainians who turn to the medical field in general).

70.5% of the respondents who indicated the existence of at least one contact situation were involved in corruption practices induced by the *demand* to make unofficial payments to a medical institution employee (cash or gifts) or to provide him with services (in other words, **31.4%** of the respondents who contact the field of medical services).

¹ Question: "Have you or your family members experienced the following situations in connection with receiving medical services?"

Figure 2.8. Initiators of corruption situations (% of those who encountered the situation)¹

Made unofficial payments to an employee of a medical institution (cash or gifts) or provided him with services...



Services of higher educational institutions

Approximately one in ten Ukrainians (**11.6%**) either studies in state or municipal institutions of higher education or has a student in their family. More than half of them (52%) have not encountered corruption over the last 12 months.

When answering a *direct question* as to whether the respondents (or members of their families) *encountered corruption*, **38.4%** of the respondents gave an affirmative answer. **45.3%** of the respondents mentioned experiencing *specific contact situations* that contained signs of corruption.

Thus, about 6% of students or their family members do not perceive their experience as corruption.

Among the corruption situations, unofficial payments or gifts for defense of **term papers, reports, practical, laboratory works**, etc., as well as for **getting a pass and improving grades** during sessions, are the most common. More than a third (35.0% and 34.5%, respectively) of families who encounter studying in higher education institutions have such an experience. The third place is occupied by the situation when students pay for obtaining **higher current grades in the intersessional period** (28.5%). Among the "leaders" of corruption practices is a bribe to the administration for improving living conditions or obtaining a place in a dormitory, one in five (19.9%) encountered such a situation. The rest of the corruption situations also occur quite often: from 12% to 15.5% of the respondents encountered each one in particular.

¹ Question: "Have you or your family members experienced the following situations in connection with receiving medical services?"

Figure 2.9. Corruption experience in the field in general (% of those who applied to this field)¹

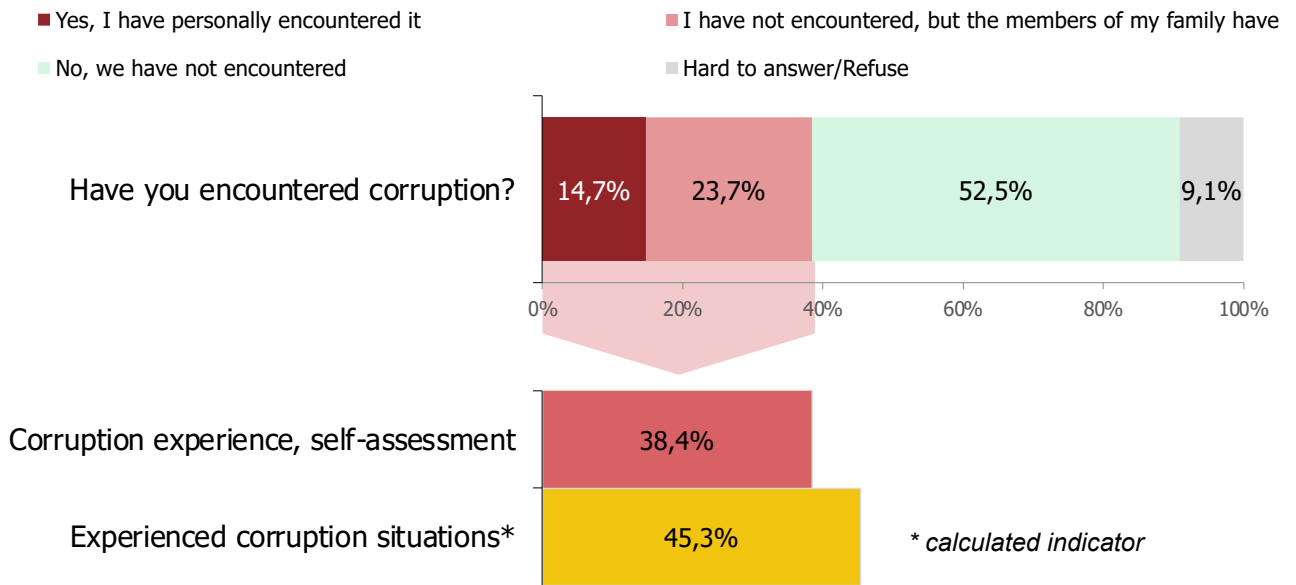
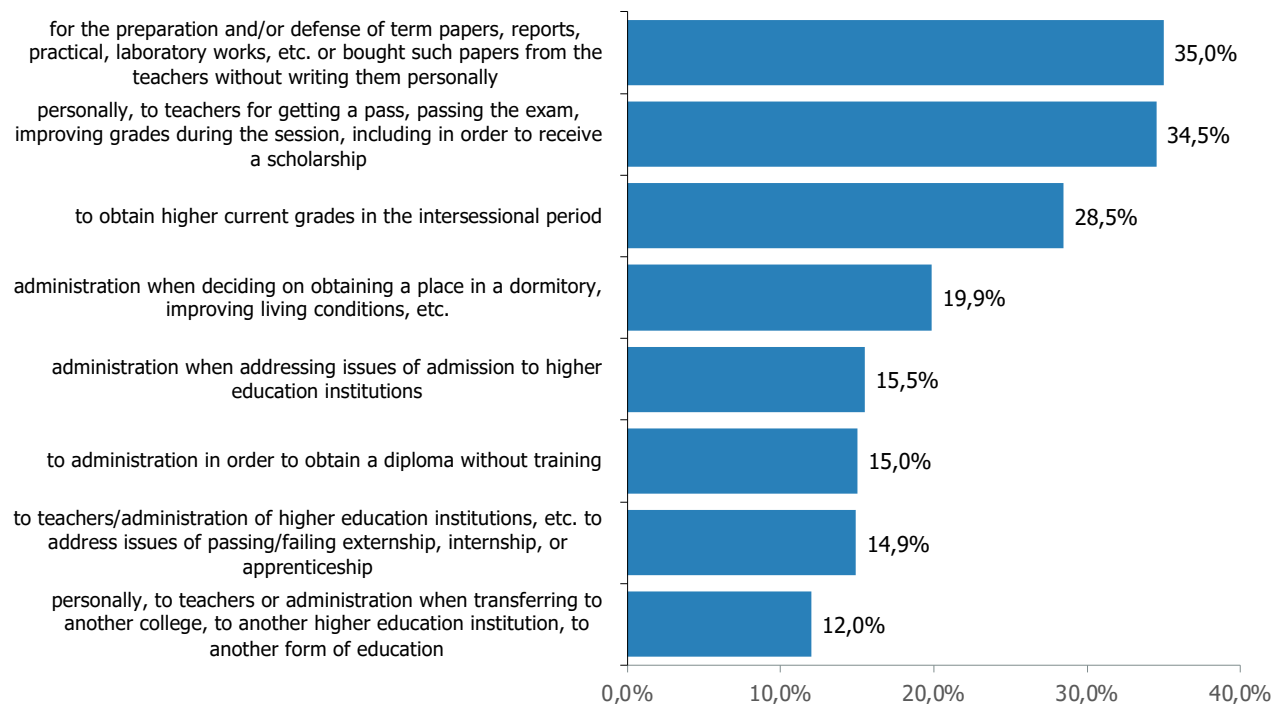


Figure 2.10. Corruption experience in terms of situations that could occur during the studies (% of those who study or have a student in their family)²

Made unofficial payments (cash or gifts) or provided services...



¹ Question: "Have you encountered corruption in higher educational institutions over the past 12 months – i.e., have you given or have been demanded a bribe, used connections, etc.?"

The statistical error for the indicator of corruption experience based on self-assessment and the estimated indicator of experience of corrupt situations in this field does not exceed $\pm 5.4\%$

² Question: "Have you or your family members experienced the following situations in connection with studying in these institutions?"

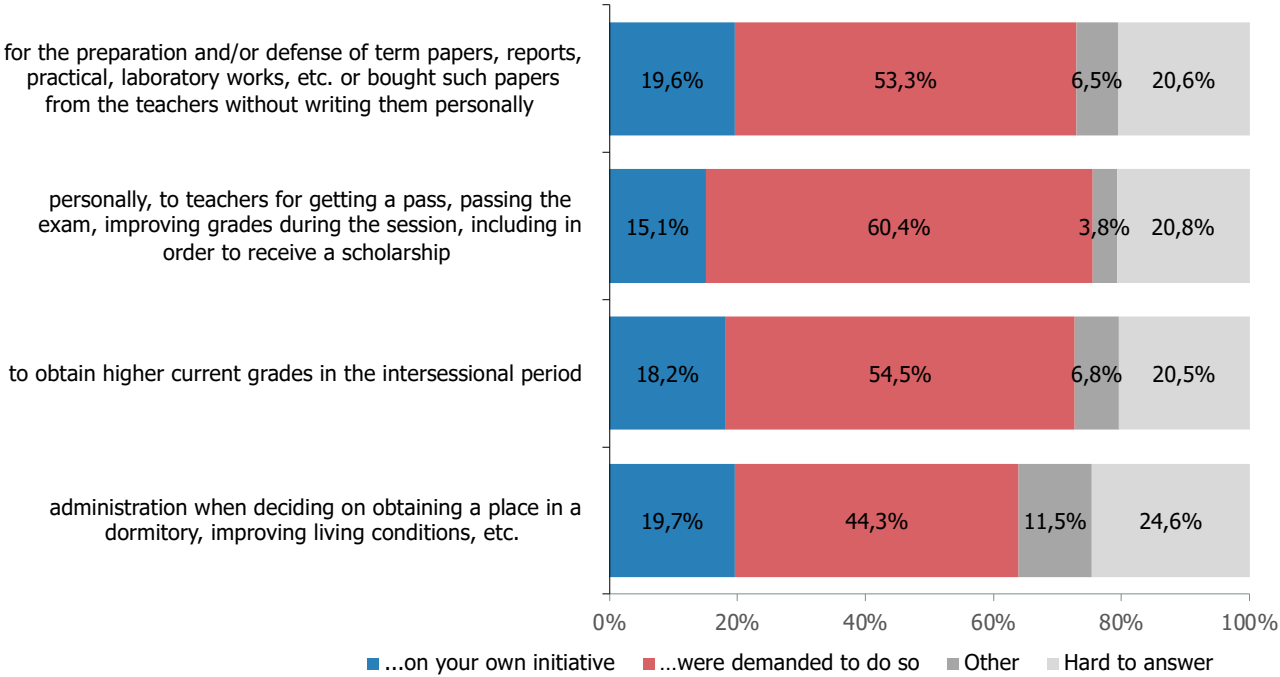
Due to a small share of respondents with higher education experience, the number of responses for less common situations is not sufficient for the analysis. Therefore, we can analyze who was the initiator of the corruption situation only for the most common situations.

As we can see, this field is characterized by a high proportion of "hard to say" answers, which is obviously explained by a significant proportion of the respondents who are relatives of students and are not aware of all the circumstances of their studies.

The **administration or teachers** most often **initiate** the analyzed corruption situations (the share of such cases is 44.3-60.4%), especially regarding exams during sessions (in 60.4% of cases). However, students also initiate it quite often (approximately in every sixth case); most often in the situations of defense of term papers or practical, laboratory works and improving living conditions (19.6% and 19.7%, respectively).

Figure 2.11. Initiators of corruption situations (% of those who encountered the situation)

Made unofficial payments (cash or gifts) or provided services...



In total, 16.6% of Ukrainians who study in public institutions of higher education or have students in their families, initiate corruption situations (36.7% of those who experienced contact corruption situations).

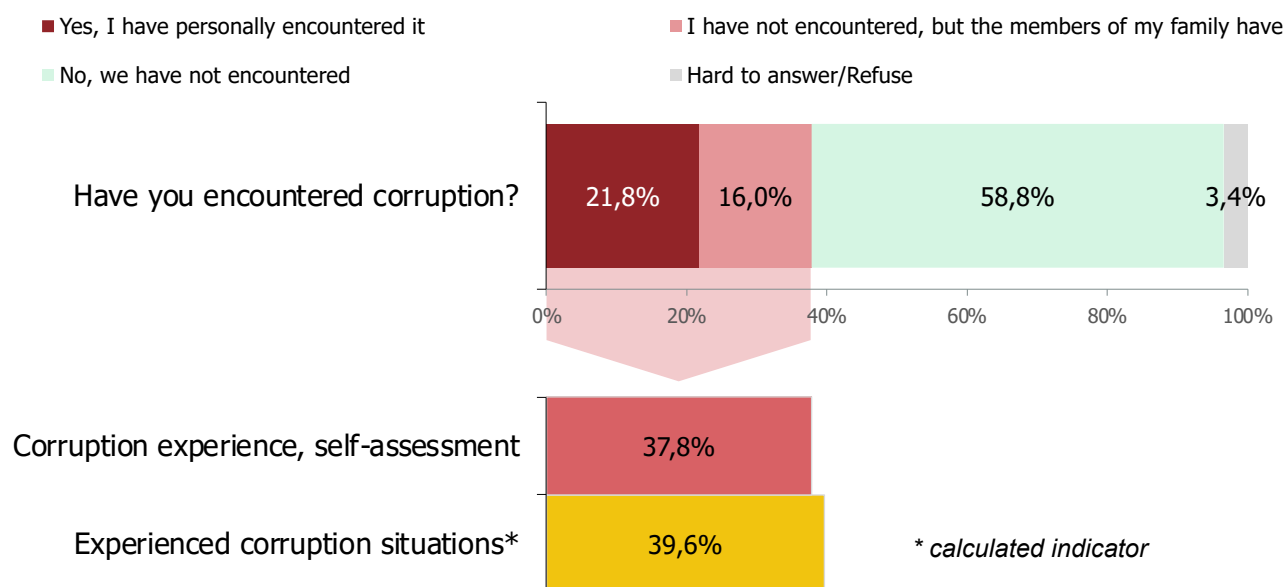
Teachers or the administration of educational institutions initiate corruption situations twice as often. According to the respondents, every third family of a student (33.5%) encounter the fact that teachers or the administration demand money or services for resolving certain issues during the studies. This is 74% of those who experienced contact corruption situations.

Activities of the service centers of the Ministry of Internal Affairs

6.3% of the respondents have had the experience of contacting service centers of the Ministry of Internal Affairs (former Ministry of Internal Affairs) over the last 12 months.

37.8% of the respondents reported (when answering a *direct question*) that they had *encountered* corruption. In general, **39.6%** of the respondents indicated experiencing specific contact situations that contained signs of corruption. Thus, this estimated indicator almost coincides with the indicator of corruption experience based on self-assessment.

Figure 2.12. Corruption experience in the field in general (% of those who applied to this field)¹



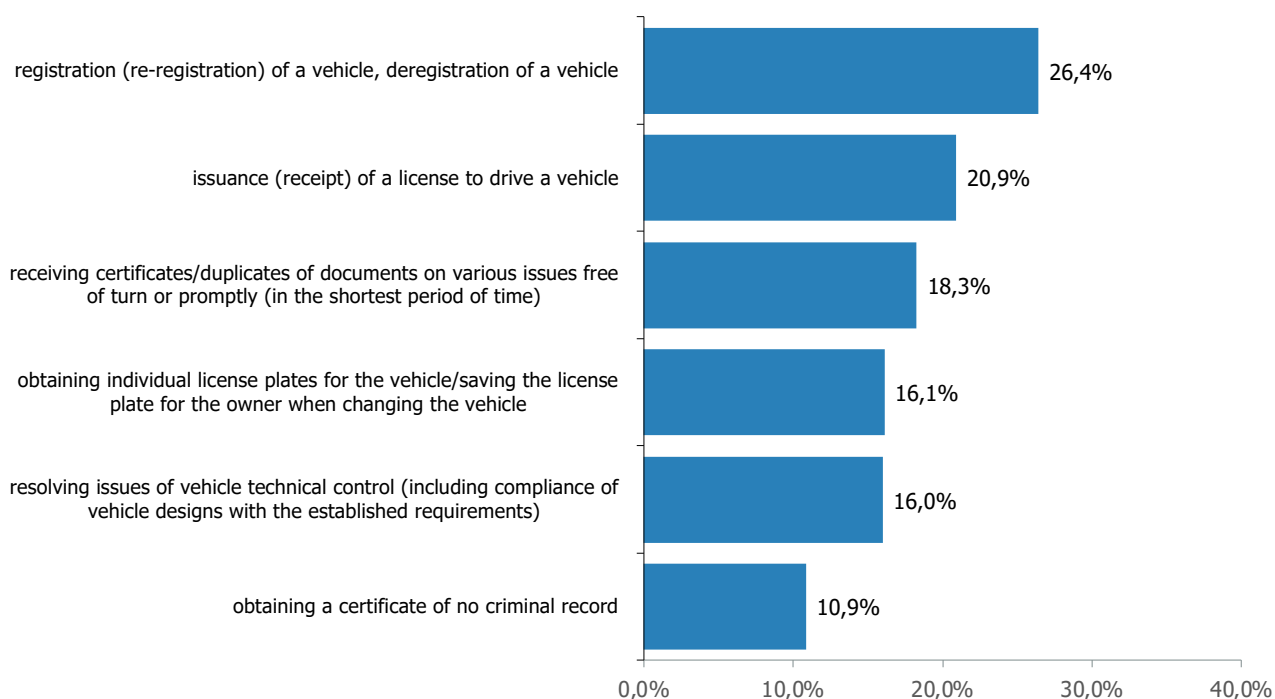
The corruption situations mostly occur during the **registration or deregistration of vehicles**. Almost every fourth (26.4%) of those who contacted the service centers of the Ministry of Internal Affairs had such an experience. The second place is occupied by the situations related to **receipt of a "driver's license"**, where every fifth person (20.9%) had corruption experience. Also, a significant share of those who contact the service centers of the Ministry of Internal Affairs are offered to **skip the queue for a reward** (18.3%). Every sixth citizen (16% of the respondents) is involved in corruption practices when obtaining individual license plates for a vehicle or when resolving issues of technical control. The service of obtaining a certificate of no criminal record has the lowest corruption burden. In this case only one in ten (10.9%) encounters corruption practices.

¹ Question: "Have you encountered corruption when contacting service centers of the Ministry of Internal Affairs over the past 12 months – i.e., have you given or have been demanded a bribe, used connections, etc.?"

The statistical error for the indicator of corruption experience based on self-assessment and the estimated indicator of experience of corrupt situations in this field does not exceed $\pm 7.2\%$

Figure 2.13. Corruption experience in terms of situations that could occur when contacting it (% of those who applied to this field)¹

Made unofficial payments to an employee (cash or gifts) or provided him with services...



Unfortunately, due to the insufficient number of answers for each corruption situation, it was not possible to make a statistical analysis of who exactly was the initiator (either visitors or employees of service centers of the Ministry of Internal Affairs).

In total, 11.7% of visitors to the service centers of the Ministry of Internal Affairs initiated corruption situations (29.5% of those who experienced contact corruption situations).

According to the respondents, employees of service centers of the Ministry of Internal Affairs are the initiators of corruption situations twice as often: 63.4% of those who experienced contact corruption situations stated that money, gifts or services were demanded from them for resolving issues. Thus, every fourth of those who applied to the service centers of the Ministry of Internal Affairs (25.1%) encountered a corruption situation initiated by the employees of such centers.

Services of educational institutions (primary and secondary education)

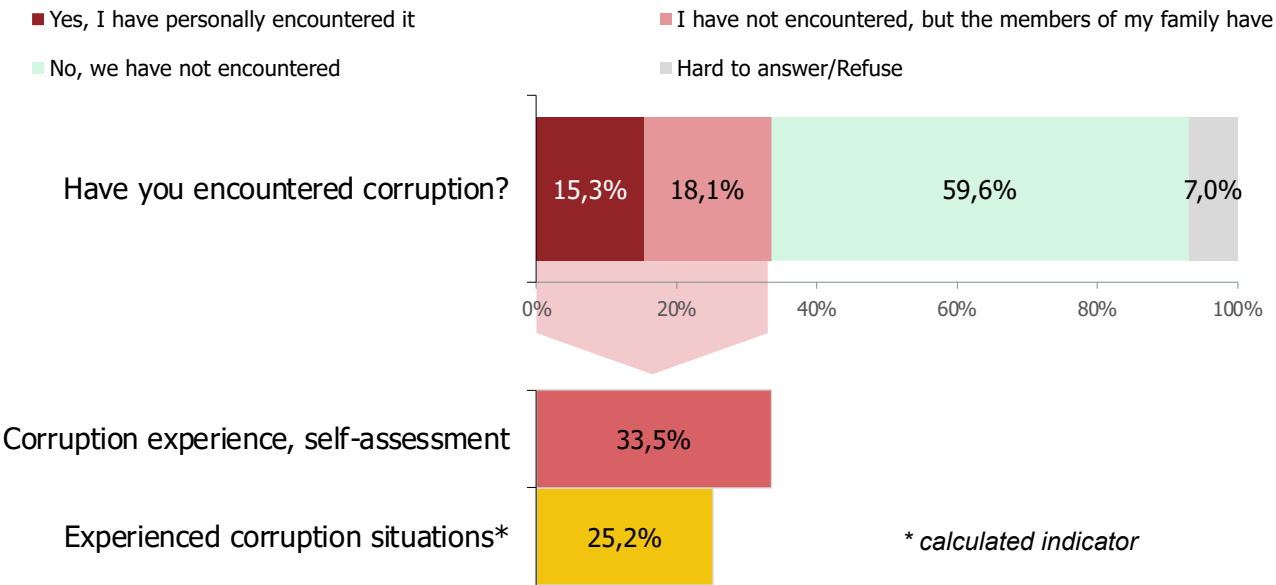
In terms of prevalence of experience, this field ranks second after medicine: **23.0%** of households have schoolchildren in their families.

When answering a *direct question*, **33.5%** of the respondents indicated that they (or the members of their families) had *encountered* corruption.

¹ Question: "Have you or your family members experienced the following situations in connection with contacting service centers of the Ministry of Internal Affairs (former Interdistrict Registration and Examination Office)?"

However, only **25.2%** of the respondents mentioned *experiencing specific contact situations* that had signs of corruption. This means that the list of situations provided in the survey does not cover all possible corruption experiences of the families that contact educational institutions, or the respondents consider certain practices of their interaction with educational institutions to be corruption, although they are not corrupt. In particular, part of the population perceives cases of collecting funds for remodeling or equipping the premise/classroom, etc. within the activities of parental self-government bodies as corruption.

Figure 2.14. Corruption experience in the field in general (% of those who applied to this field)¹



Among the proposed corruption situations, so-called “tutoring” ranks first: 22.8% of the respondents paid teachers unofficially for additional classes, which were a condition for receiving higher grades. The second place is occupied by the issue of admission or enrollment: 15.7% paid school administrations for resolving such issues.

From 12.4% to 13.5% of the respondents dealing with school education encountered the rest of the situations (payments for higher grades, transferring to another class, etc.).

In most cases, corruption situations at school are initiated by the administration or teachers. **Payments directly to teachers for “tutoring”** is the only situation (not only in the field of school education, but among all situations of this research in general) where the initiators are more often parents of the students (41.7% versus 30.2% initiated by teachers).

¹ Question: “Have you encountered corruption in general secondary education establishments over the past 12 months – i.e., have you given or have been demanded a bribe, used connections, etc.?”
The statistical error for the indicator of corruption experience based on self-assessment and the estimated indicator of experience of corrupt situations in this field does not exceed ±3.6%

Figure 2.15. Corruption experience in terms of situations that could occur during the studies (% of those who have schoolchildren in their family)¹

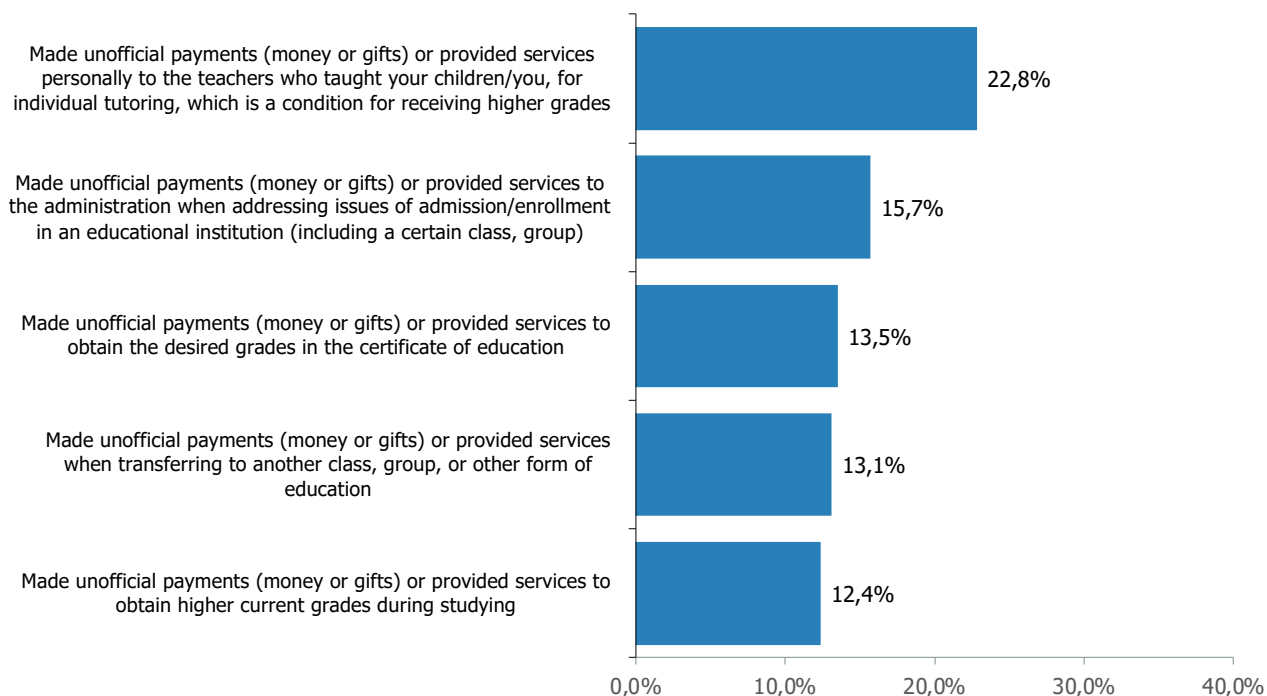
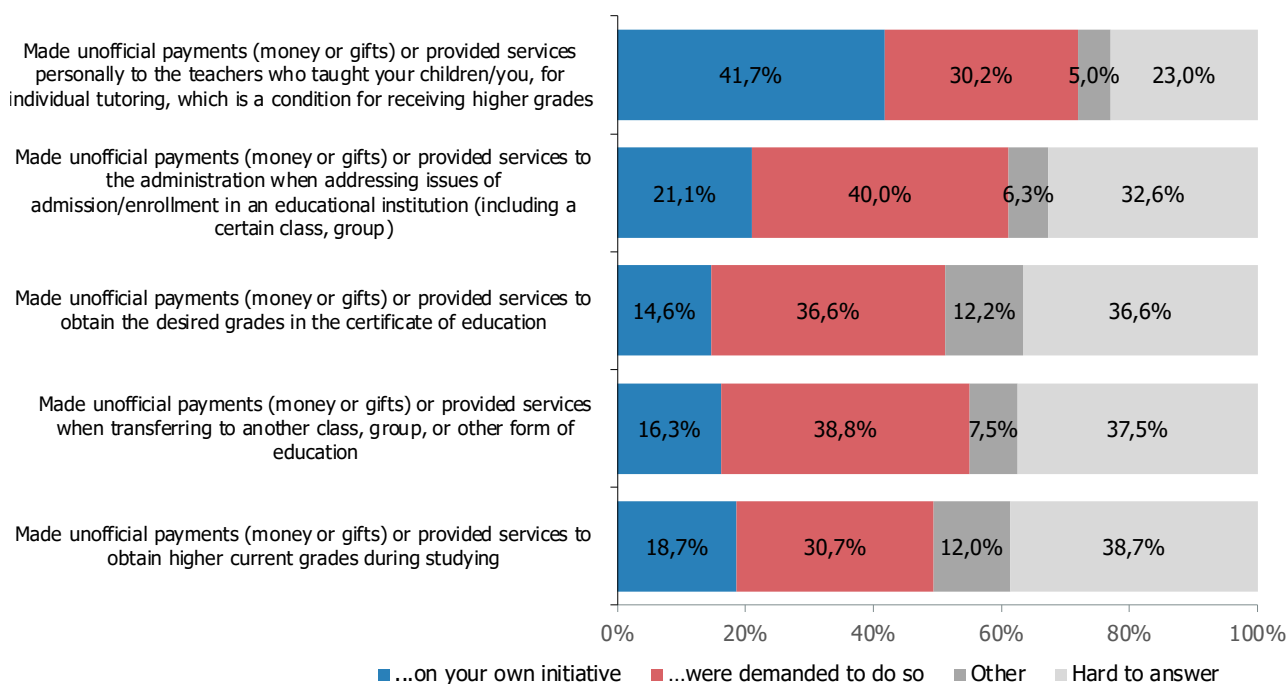


Figure 2.16. Initiators of corruption situations (% of those who encountered the situation)²

Situations...



¹ Question: "Have you or your family members experienced the following situations in connection with studying in these institutions?"

² Question: "Have you or your family members experienced the following situations in connection with studying in these institutions?"

In total, 12.2% of those whose families have students in public schools have initiated corruption situations (48.5% of those who experienced corruption situations).

According to the respondents, teachers initiate it somewhat more often than parents – 13.8% of the respondents who encountered school education (or 54.8% of those who experienced contact corruption situations) state that teachers or the school administration were initiators. It should be noted that a significant proportion of the respondents could not answer the question of who was the initiator of the corruption situation, which indicates the sensitivity of such questions for the respondents.

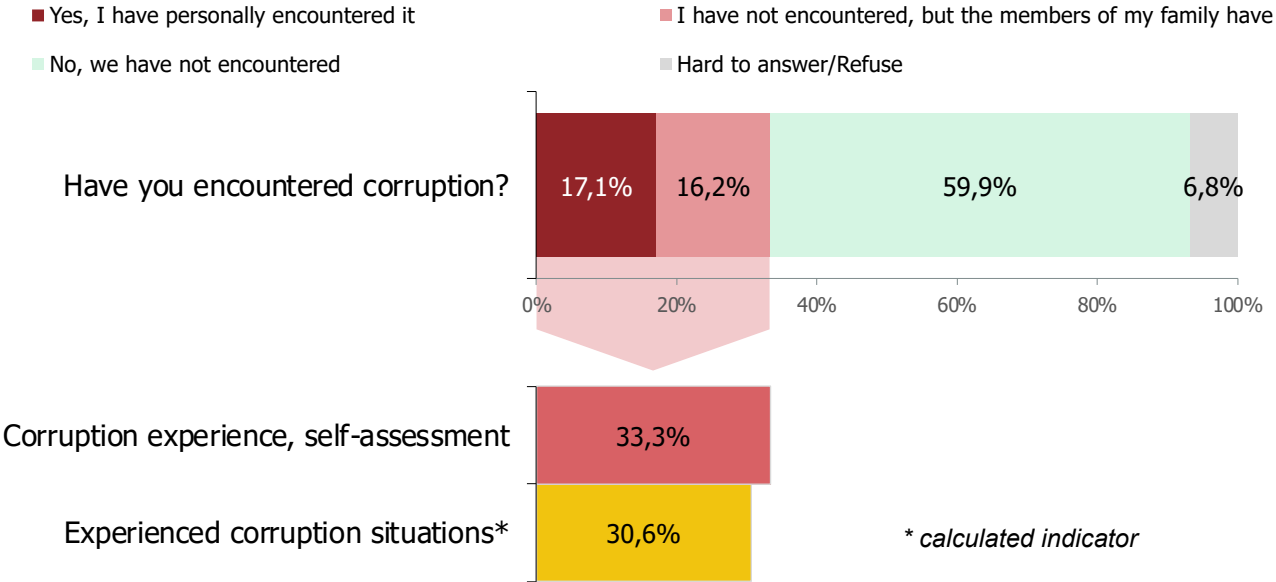
Services of educational institutions (municipal kindergartens)

Almost half as many families use the services of municipal kindergartens vs. the services of public schools. Therefore, **11.3%** of the respondents assessed corruption in this field.

33.3% of the respondents stated (when answering a direct question) that they had *encountered corruption*.

A smaller share of respondents indicated *experiencing specific contact situations* that had signs of corruption, **30.6%**. This may be due to the fact that the respondents perceive certain practices of their interaction with the educational institution to be corrupt, although they are not (for example, collecting funds for repairing or equipping a kindergarten, etc. within the activities of parental self-government bodies).

Figure 2.17. Corruption experience in the field in general (% of those who applied to this field)¹

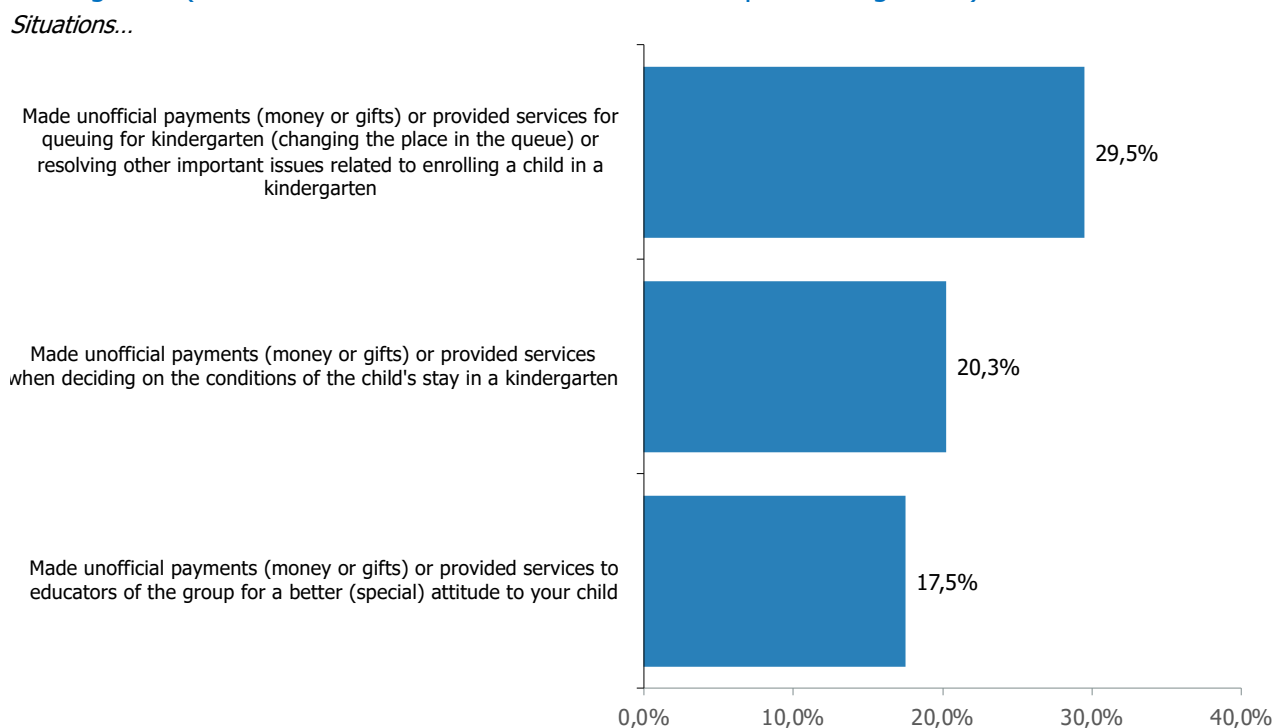


¹ Question: "Have you encountered corruption in municipal kindergartens over the past 12 months – i.e., have you given or have been demanded a bribe, used connections, etc.?"

The statistical error for the indicator of corruption experience based on self-assessment and the estimated indicator of experience of corrupt situations in this field does not exceed ±5.2%

Among corruption situations, the first place is occupied by **making unofficial payments for enrolling a child into the kindergarten**, which is encountered by almost a third of parents (29.5%). 20.3% and 17.5%, respectively, made payments for the **improvement of the conditions of staying or treatment of the child on the part of educators**.

Figure 2.18. Corruption experience in terms of situations that could occur during attending a kindergarten (% of those who use the services of municipal kindergartens)¹



According to the respondents, the **representatives of the kindergarten administration or educators** most often initiated corruption practices, in particular, in more than half of situations related to **enrolling a child into the kindergarten**.

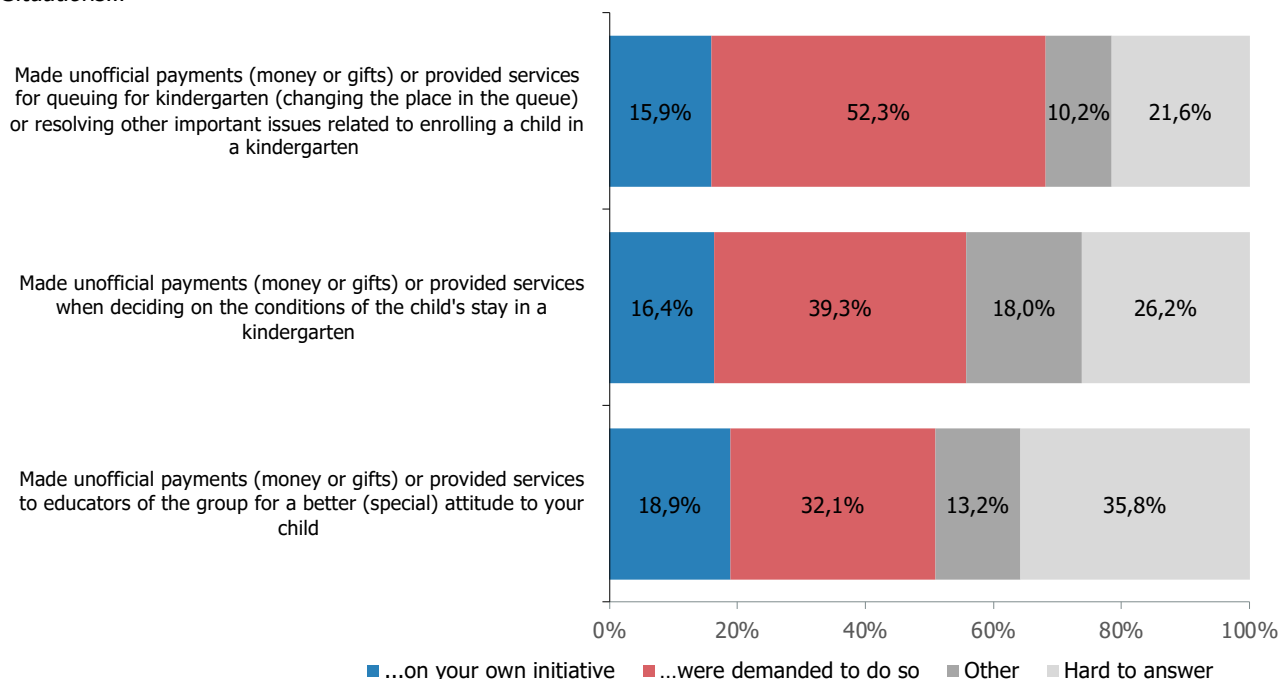
In total, **7.8%** of Ukrainians whose children attend state kindergartens initiate corruption situations (or 25.6% of those who experienced contact corruption situations).

The respondents indicate that educators and the administration of preschool institutions more often initiate it. That was indicated by 19.8% of the respondents who received the services of state preschool educational institutions (or 64.8% of those who experienced contact corruption situations).

¹ Question: "Have you or your family members experienced the following situations in connection with studying in these institutions?"

Figure 2.19. Initiators of corruption situations (% of those who encountered the situation)¹

Situations...



Services for connection and maintenance of electricity, gas, water supply, and sewerage systems

The respondents' assessments of services for connection and maintenance of electricity, gas, water supply and sewerage systems were not related to payment issues. **13.5%** of households had the experience of contacting such suppliers.

28.8% of respondents indicated (when answering a direct question) that they had *encountered* corruption. **34.2%** of the respondents mentioned *experiencing specific contact situations* that had signs of corruption.

This field is in the **TOP 3 in terms of the lowest level of corruption.**

The citizens **most often** encounter corruption in the **situation of installation, sealing or registration of meters (water supply and sewerage accounting systems)**, almost every fourth (**23.8%**) of those who applied to this field. The second place, with a fairly significant margin, is occupied by the **situation of preparation of documentation on gas supply** (or acceleration of such preparation): **15.4%** of the respondents encountered corruption there. The third place is occupied by the situations of **connection of private housing to the electricity supply network or approval of the relevant documentation**. **13.1%** of the respondents reported corruption in such cases.

¹ Question: "Have you or your family members experienced the following situations in connection with studying in these institutions?"

Between 11.5% and 7.7% of the respondents encountered corruption experience in other situations.

Figure 2.20. Corruption experience in the field in general (% of those who applied to this field)¹

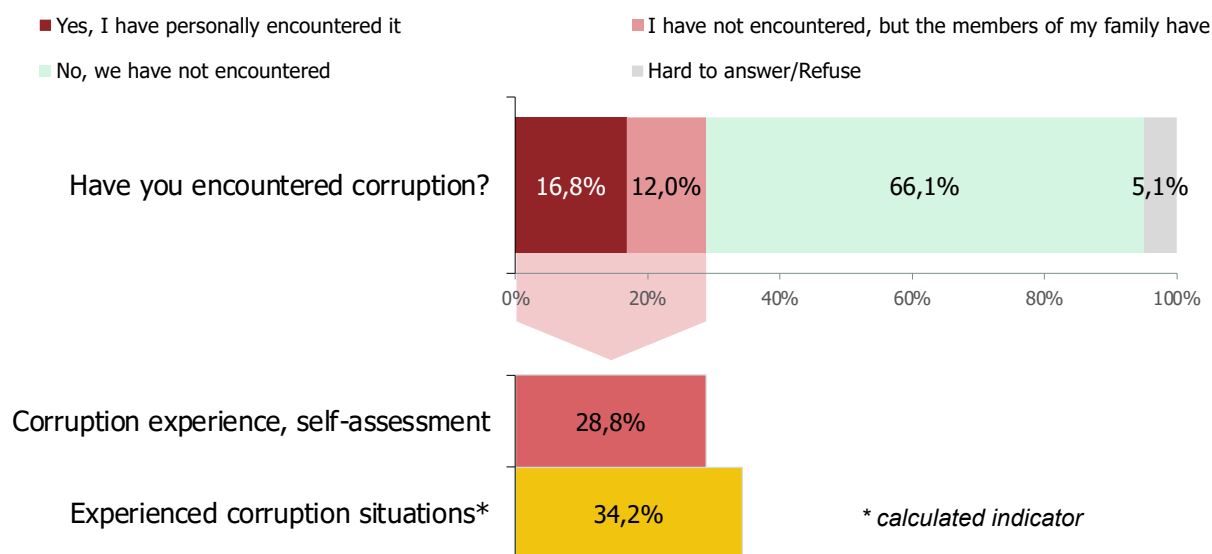
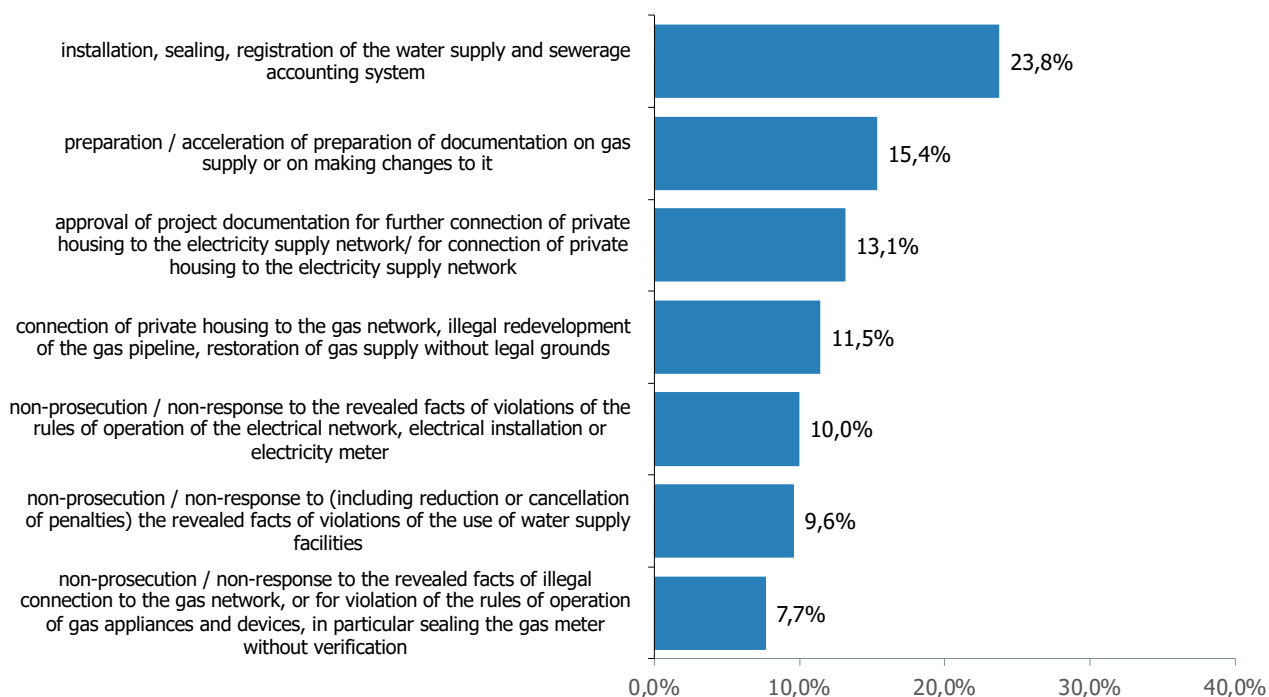


Figure 2.21. Corruption experience in terms of situations that could occur when contacting it (% of those who applied to this field)²

Made unofficial payments to an employee (cash or gifts) or provided him with services...



¹ Question: "Have you encountered corruption when contacting companies for the services for connection and maintenance of electricity, gas, water supply and sewerage systems over the past 12 months – i.e., have you given or have been demanded a bribe, used connections, etc.?"

The statistical error for the indicator of corruption experience based on self-assessment and the estimated indicator of experience of corrupt situations in this field does not exceed $\pm 4,9\%$

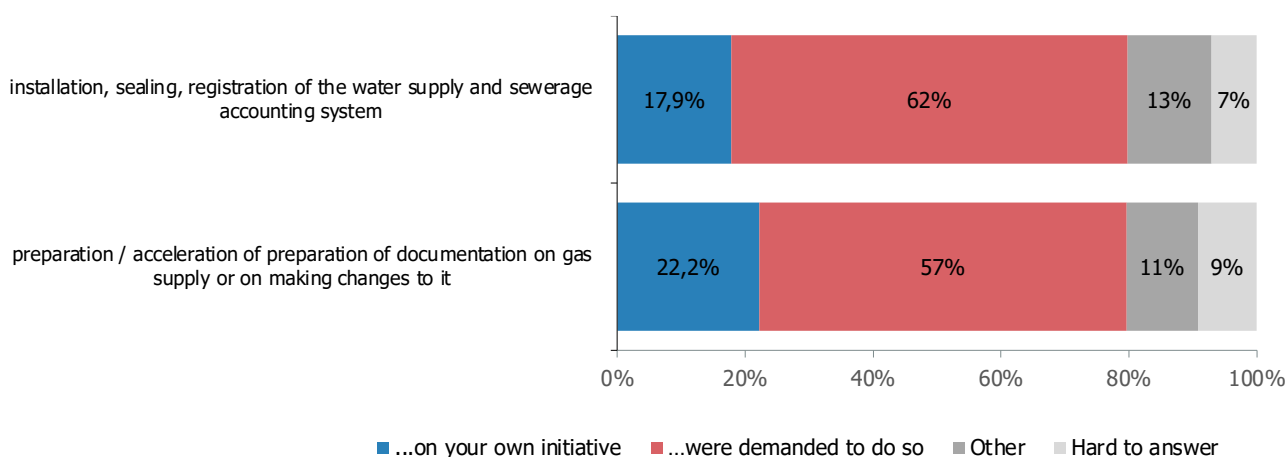
² Question: "Have you or your family members experienced the following situations in connection with contacting such companies?"

Due to the insufficient number of responses for most corruption situations, a statistical analysis of who exactly was the initiator (either citizens or employees of suppliers) was only possible for the two most common situations.

In both cases, according to the respondents, the initiators of the corruption situation were the employees of supplier companies. However, in case of the preparation of documentation on gas supply or the acceleration of such preparation, consumers more often took the initiative of corruption decisions than in cases of installation or sealing of water meters (22.2% and 17.9%, respectively).

Figure 2.22. Initiators of corruption situations (% of those who encountered the situation)¹

Made unofficial payments to an employee (cash or gifts) or provided him with services...



In total, 10.3% of Ukrainians who applied for such services to suppliers had initiated corruption (30.2% of those who experienced contact corruption situations).

23.5% of the respondents who applied for such services (or 68.6% of those who experienced contact corruption situations) indicated that the representatives of supplier companies were the initiators of corruption.

Provision of administrative services by executive bodies and local self-government authorities

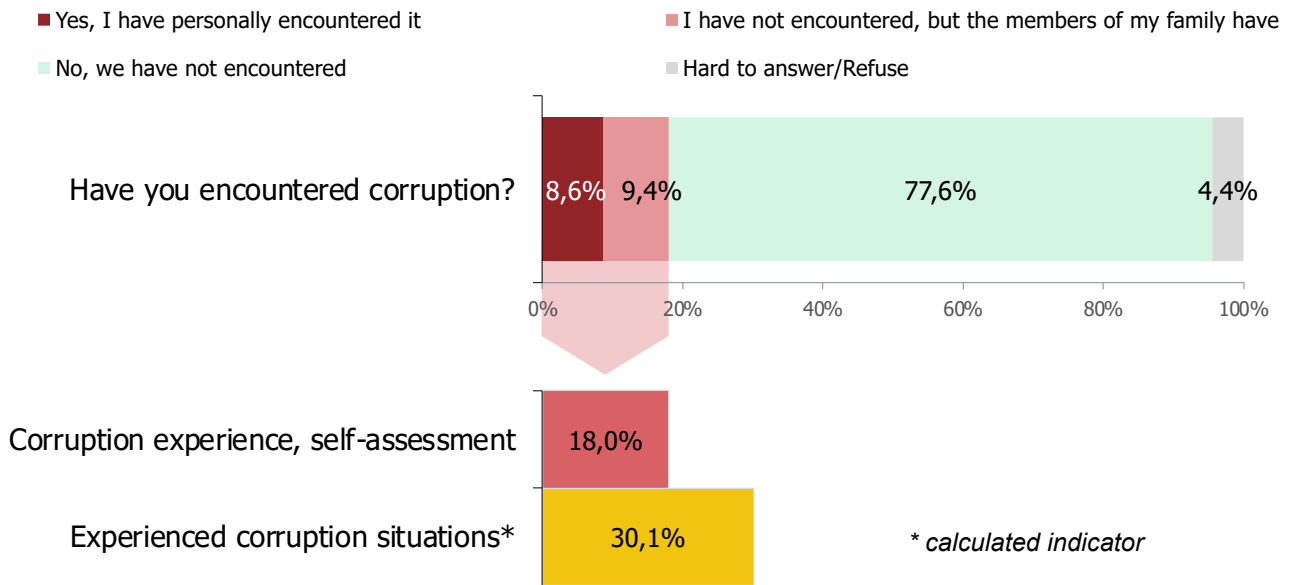
Citizens receive administrative services in the executive bodies and local self-government authorities three times less often than in the CPAS (see the next section), only **6.9%** of the respondents had experience of such appeals.

When answering a *direct question* about whether the respondents (or members of their families) *encountered* corruption, **18.0%** of the respondents gave an affirmative answer. **30.1%** of the respondents indicated experiencing *specific contact situations* that had signs of corruption.

Thus, almost 12% of the respondents do not perceive their experience of communication with the executive bodies and local self-government as corruption. This is the highest rate of “unrecognized experience” of all the fields studied.

¹ Question: “Have you or your family members experienced the following situations in connection with contacting such companies?”

Figure 2.23. Corruption experience in the field in general (% of those who applied to this field)¹



It is not possible to single out undisputedly leading situations in terms of corruption in the field of provision of administrative services by executive bodies and local self-government. The citizens most often indicate corruption when receiving certificates or documents (corruption offer refers to **speeding up the queue**) and **registration of housing subsidies** (15.6% and 15.4%, respectively). Corruption situations occur most rarely during the preparation of documents on entrepreneurial activities (10.2%).

Due to the insufficient number of responses for each corruption situation, it was not possible to make a statistical analysis of who exactly was the initiator (either citizens or employees of executive and local self-government bodies). In total, 7.7% of Ukrainians who received administrative services in the executive bodies and local self-government bodies had initiated corruption situations (almost every fourth of those who experienced corruption contact situations, 25.6%).

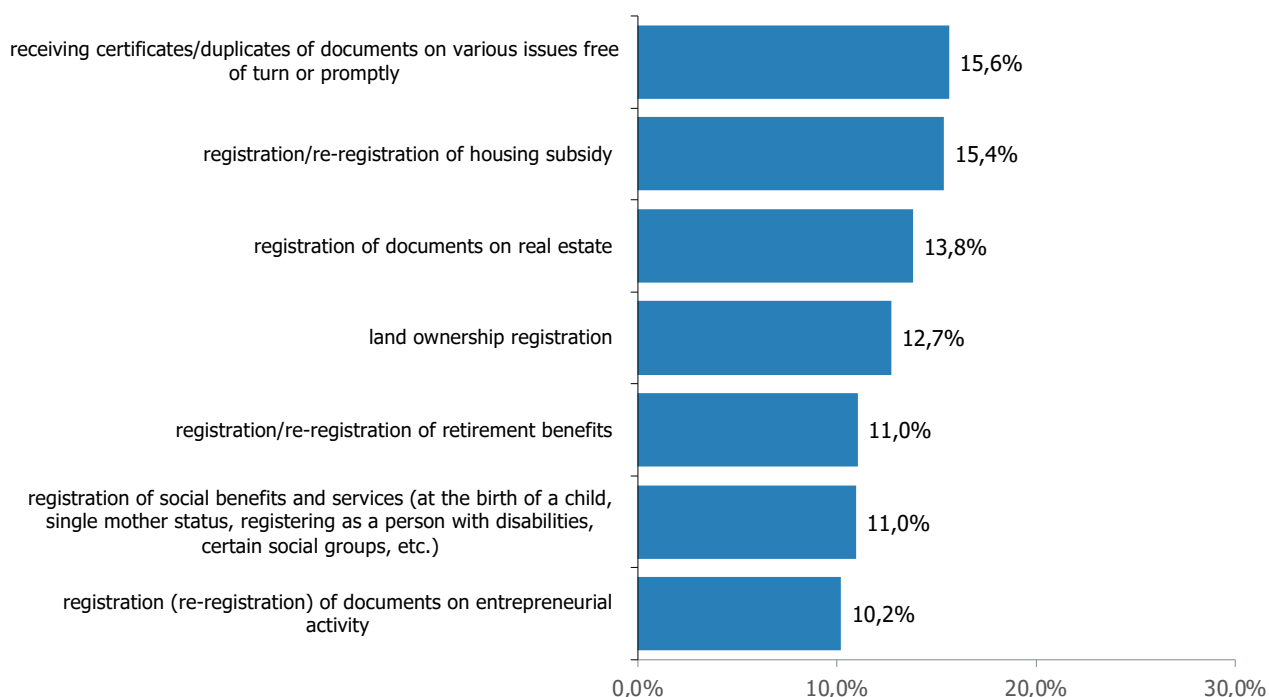
The respondents indicate that civil servants initiate corruption situations more than twice as often: it is reported by 18.9% of the respondents who had contacted executive and local self-government bodies (or 62.8% of those who experienced corruption contact situations).

¹ Question: "Have you encountered corruption when contacting executive bodies and local self-government authorities for various administrative services and documents over the past 12 months – i.e., have you given or have been demanded a bribe, used connections, etc.?"

The statistical error for the indicator of corruption experience based on self-assessment and the estimated indicator of experience of corrupt situations in this field does not exceed $\pm 6,6\%$

Figure 2.24. Corruption experience in terms of situations that could occur when contacting it (% of those who applied to this field)¹

Made unofficial payments to an employee (cash or gifts) or provided him with services ...



Activities of the administrative service centers

The Ukrainians visit Administrative Service Centers (CPAS) quite often: approximately one in five respondents (**20.4%**) had the experience of applying to the CPAS (either personally or family members applied there).

CPAS is the field with the **lowest level of corruption**: only **11.4%** of the respondents stated that they encountered corruption (when answering a *direct question*).

18.4% of the respondents mentioned experiencing *specific contact situations* that had signs of corruption. Thus, 7% of the respondents did not perceive their experience as corrupt.

It is not possible to single out the leading situations in terms of corruption in the activities of CPAS. The cases of unofficial payments or services to the employees of the Administrative Service Centers are almost evenly distributed among seven directions, in which registration of place of residence was mentioned most often (7.5% of the respondents), while the registration of social benefits and services was mentioned least often (4.8%).

¹ Question: "Have you or your family members experienced the following situations in connection with contacting executive bodies and local self-government authorities?"

Figure 2.25. Corruption experience in the field in general (% of those who applied to this field)¹

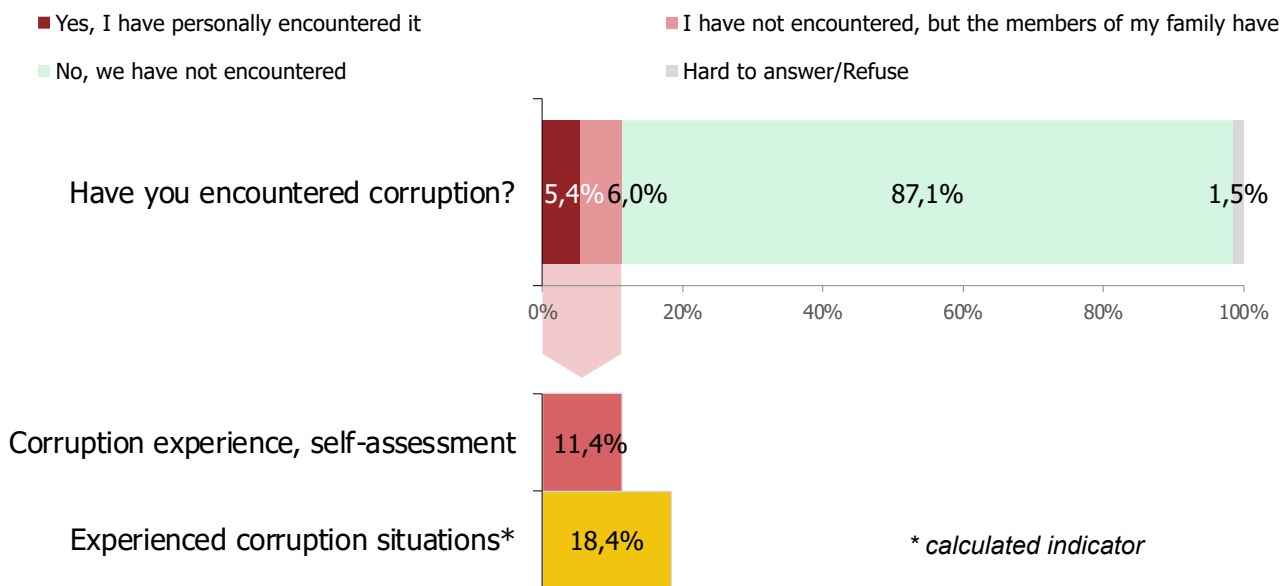
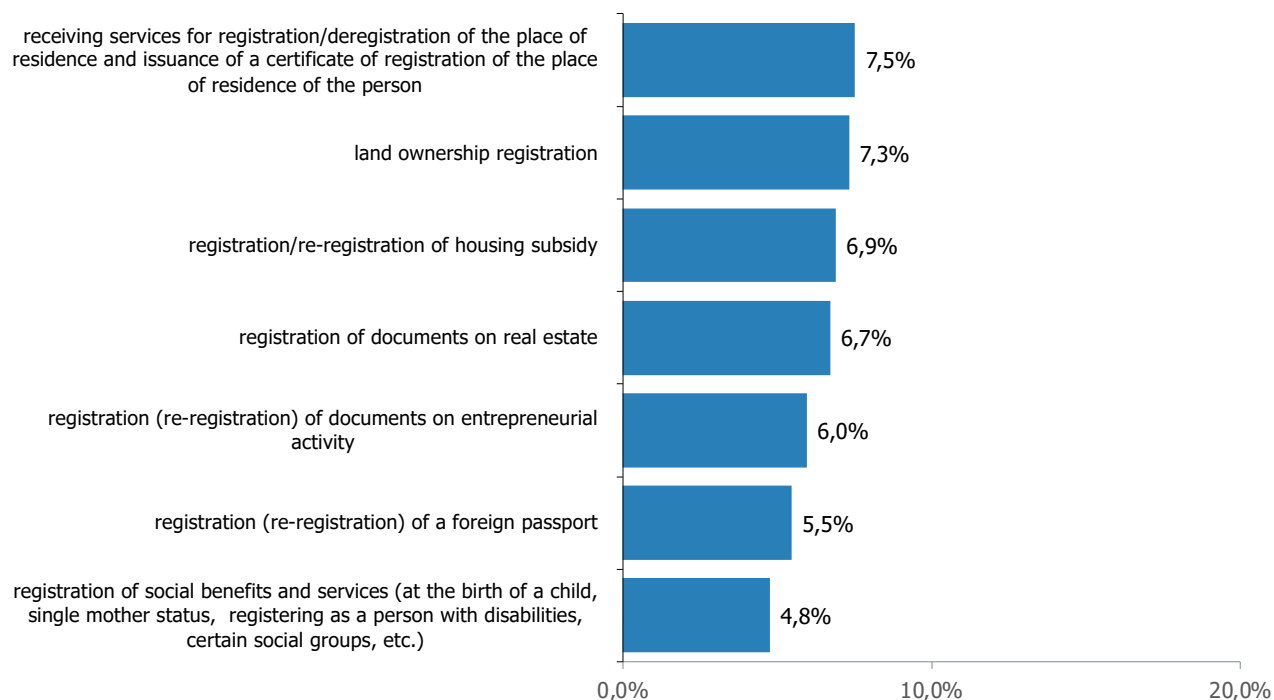


Figure 2.26. Corruption experience in terms of situations that could occur when applying it (% of those who applied to this field)²

Made unofficial payments to an employee (cash or gifts) or provided him with services ...



¹ Question: "Have you encountered corruption when contacting administrative service centers (CPAS) over the past 12 months – i.e., have you given or have been demanded a bribe, used connections, etc.?"

The statistical error for the indicator of corruption experience based on self-assessment and the estimated indicator of experience of corrupt situations in this field does not exceed $\pm 3,2\%$

² Question: "Have you or your family members experienced the following situations in connection with contacting administrative service centers (CPAS)?"

Due to the insufficient number of responses for each corruption situation, it was not possible to make a statistical analysis of who exactly was the initiator (either visitors or employees of CPAS). In total, 6.9% of the visitors of CPAS initiated corruption situations (or 37.4% of those who experienced contact corruption situations). This is the lowest indicator among all the fields involved in the study. 9.9% of those who visited CPAS, or 53.7% of those who experienced contact corruption situations, state that employees of CPAS initiated corruption situations.

Summarized table on the study of corruption experience of the population by field

Table 2.1

Field	Corruption experience based on self-assessment*	Experienced corruption situations*			% of respondents who contacted the field
		% of the respondents	% of respondents who initiated corruption relations	% of respondents who were involved in corruption due to demand to do so	
Law enforcement activities (Patrol Police, National Police, SBU, Prosecutor's Office)	50,1% ±10,6	50,2% ±10,6	17,4% ±8,0	35,7% ±10,1	3,1% ±0,7
Construction and land relations	45,3% ±9,1	52,5% ±9,1	12,8% ±6,1	40,3% ±8,9	4,4% ±0,8
State and municipal medicine (medical services)	39,4% ±2,5	44,5% ±2,5	14,1% ±1,8	31,4% ±2,4	55,7% ±1,9
Services of higher educational institutions	38,4% ±5,3	45,3% ±5,4	16,6% ±4,1	33,5% ±5,2	11,6% ±1,2
Activities of the service centers of the Ministry of Internal Affairs	37,8% ±7,1	39,6% ±7,2	11,7% ±4,7	25,1% ±6,4	6,3% ±0,9
Services of educational institutions (primary and secondary education)	33,5% ±3,6	25,2% ±3,4	12,2% ±2,5	13,8% ±2,7	23,0% ±1,6
Services of educational institutions (municipal kindergartens)	33,3% ±5,2	30,6% ±5,1	7,8% ±3,0	19,8% ±4,4	11,3% ±1,2
Services for connection and maintenance of electricity, gas, water supply and sewerage systems	28,8% ±4,7	34,2% ±4,9	10,3% ±3,2	23,5% ±4,4	13,5% ±1,3
Provision of administrative services by executive bodies and local self-government authorities	18,0% ±5,5	30,1% ±6,6	7,7% ±3,9	18,9% ±5,7	6,9% ±1,0
Activities of the administrative service centers (CPAS)	11,4% ±2,7	18,4% ±3,2	6,9% ±2,1	9,9% ±2,5	20,4% ±1,5

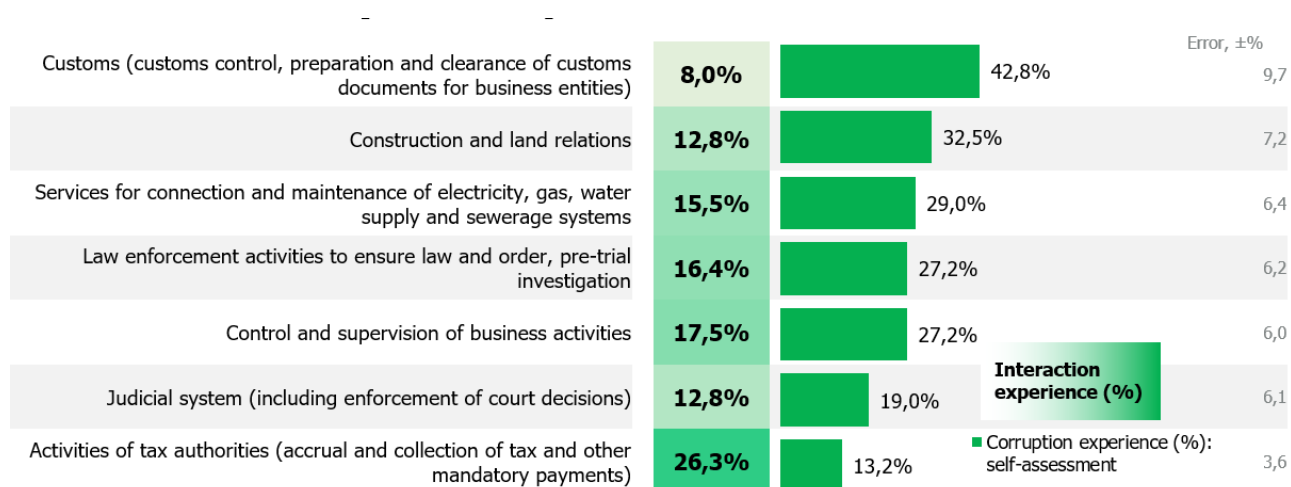
* % was calculated from the number of the respondents who contacted the field

2.3. Assessment of corruption experience of entrepreneurs by field

The figure below shows summarized data on corruption experience of entrepreneurs by field, which will be analyzed in detail in this section. The fields are sorted by the share of respondents who had corruption experience in each field (either personally or know about such experience from their employees).

The assessment of the share of business representatives who had corruption experience was carried out according to the same methodology as in the population survey¹.

Figure 2.27. Experience of interaction with fields and corruption experience ²



The lowest level of corruption was recorded for the tax authorities: only 13.2% of those who had contacted the tax authorities indicated the occurrence of a corruption situation in this field. At the same time, entrepreneurs contact tax authorities most often. Every fourth respondent (26.3%) have encountered (or had contact in another way) representatives of the tax authorities over the last 12 months. In addition to the tax authorities, entrepreneurs most often interacted with the law enforcement officers (16.4%) and the representatives of regulatory authorities, such as Ecoinspection, the State Food and Consumer Service, State Fire Supervision Authority, Architectural and Construction Inspectorate, etc. (17.5%).

Customs, the institutions and organizations that provide services in the field of **construction and land relations** were among the **field "leaders" in terms of the prevalence of corruption**. 42.8% and 32.5% of the respondents, respectively (from those who applied to these fields), reported

¹ The maximum error in the assessment of corruption experience depends on the size of the sample of interviewed respondents who interacted (contacted) with each field and on the indicator of corruption experience, and it varies from 3.6% to 9.7%

² Questions for each field:

- (1) "Have you (as a head/representative of the company)/ your enterprise had to contact the representatives of ... over the past 12 months?";
- (2) "Have you (as a head/representative of the company) / your enterprise encountered corruption when contacting the representatives of ... over the past 12 months – i.e., have you given or have been demanded a bribe, used connections, etc)?"

experience of corruption in these fields. Thus, corruption situations more often occur in the fields with which entrepreneurs come into contact relatively less often.

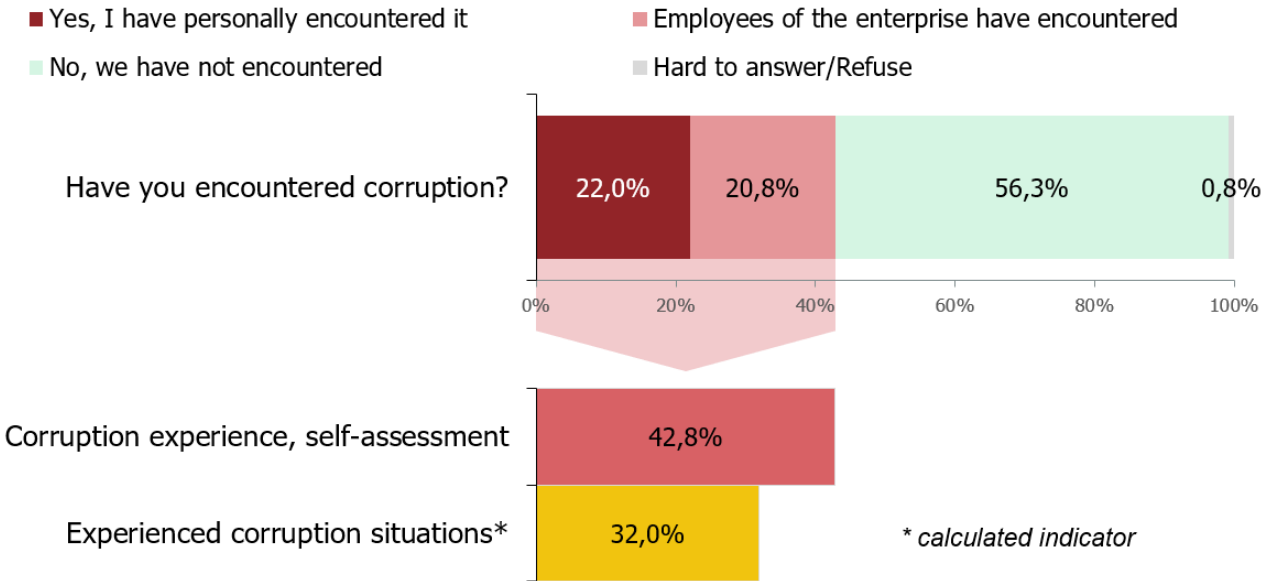
Below, we will consider each field and its corruption situation peculiarities in more detail.

Customs

8.0% of Ukrainian businesses had contacts with the representatives of customs authorities.

Customs ranks first in the prevalence of corruption. **42.8%** of respondents stated (when answering *a direct question*) that they had *encountered* corruption at customs. **32.0%** of respondents indicated *experiencing specific contact situations* that had signs of corruption. One of the reasons for such a difference in indicators may be that the list of proposed corruption situations does not fully reflect possible corruption practices at customs.

Figure 2.28 Corruption experience in the field in general (% of those who applied to this field)¹



As for situations with a corruption component, **“gratitude/thanks” for services for fast passing of customs formalities and procedures** is in the lead, being far ahead of the others. This situation was indicated by one in three (32.7%) of those who had contact with customs authorities. This is the highest rate among all situations considered in the study of the business.

¹ Question: "Have you (as a head/representative of the company)/ your enterprise encountered corruption when contacting the representatives of customs authorities over the past 12 months – i.e., have you given or have been demanded a bribe, used connections, etc.?"

The statistical error for the indicator of corruption experience based on self-assessment and the estimated indicator of experience of corrupt situations in this field does not exceed ±9,7%

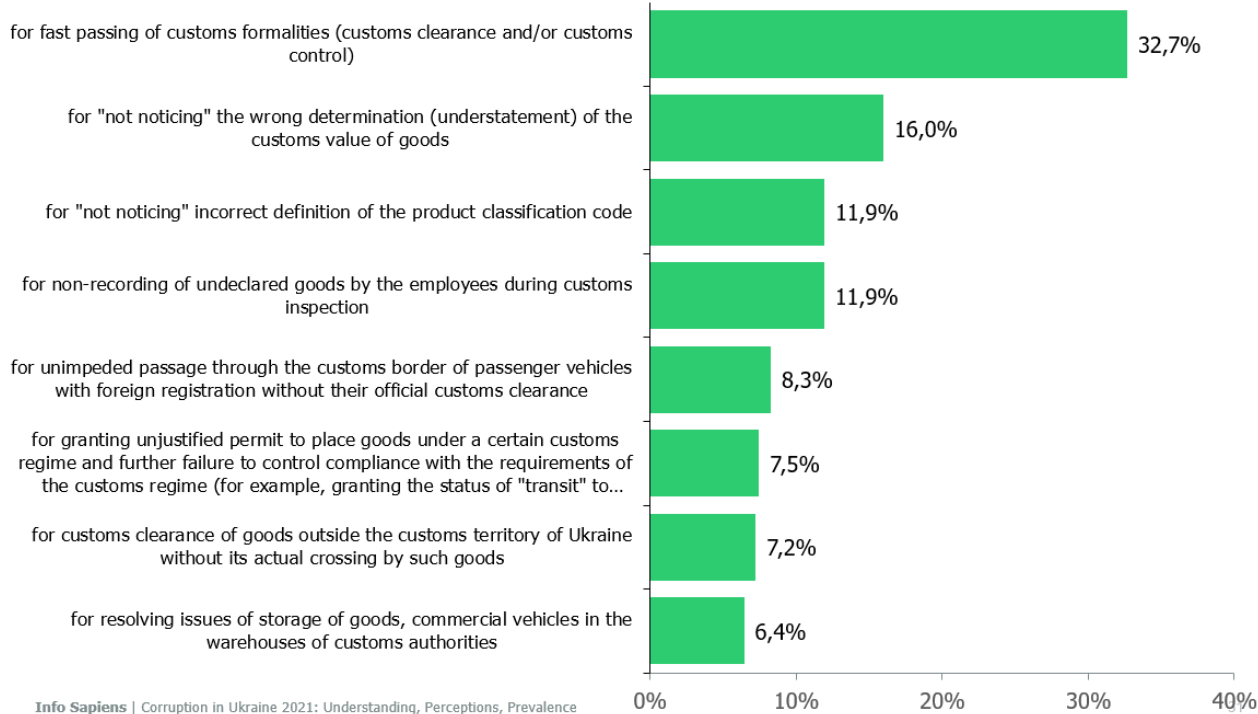
The corrupt method of resolving the issue of **“not noticing” the understatement of the customs value of the goods** comes in second, lagging behind the leader as much as twice. 16.0% of respondents indicated this situation.

The third place with the same indicators of 11.9% was shared by the situations when unofficial payments or services were demanded or offered for **“not noticing” the incorrect definition of product classification code** and **non-recording undeclared goods during customs inspection**.

The remaining situations were mentioned by 6.4% to 8.3% of the respondents.

Figure 2.29. Corruption experience in terms of situations that could occur when contacting it (% of those who applied to this field)¹

Made unofficial payments to an employee (cash or gifts) or provided him with services...



Due to the insufficient number of answers for each corruption situation, it was not possible to make a statistical analysis of who exactly was the initiator (either visitors or representatives of customs authorities). In general, **only 2.7% of entrepreneurs have initiated** corruption in at least one situation in this field. This is the lowest indicator among other fields (among those who experienced contact corruption situations, the share of initiators is 8.5%).

At the same time, 23.2% of businesses stated that they were demanded money or services for resolving certain issues. And this is the highest index among other fields (among those who experienced corruption situations, the share of those who were demanded money or services was 72.6%).

¹ Question: "Have you/employees of the company (as its representatives) experienced the following situations in connection with contacting the representatives of customs authorities?"

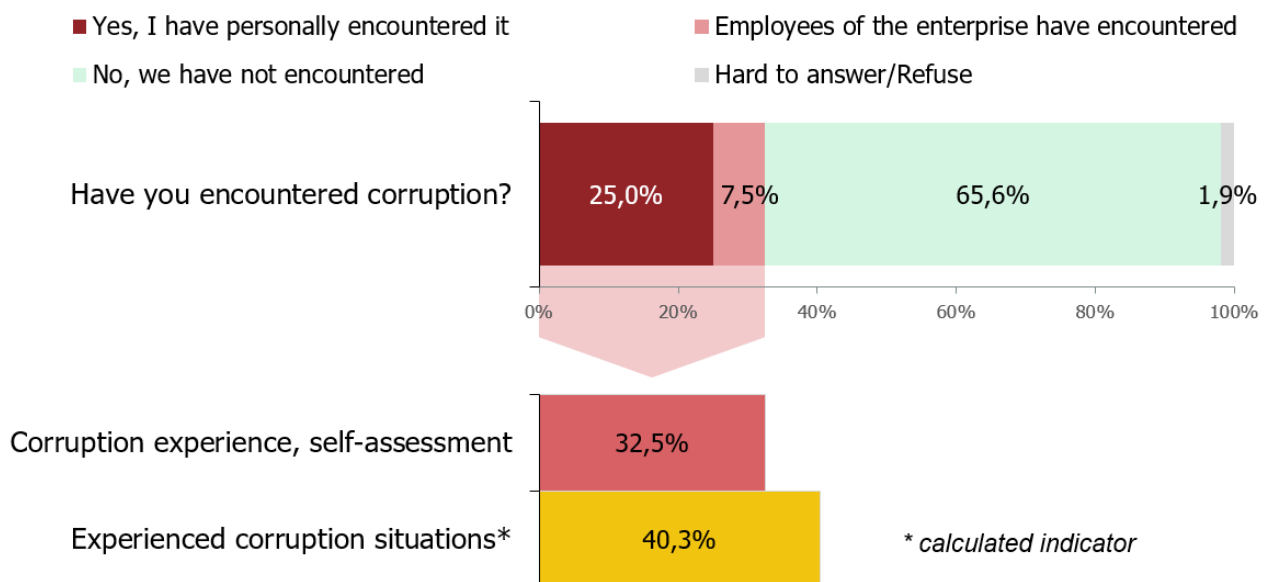
Construction and land relations

In the field of construction and land relations, a **high level of corruption** was also recorded for the appeals of entrepreneurs (for example, on issues of privatization, ownership of premises or land plots). In general, **12.8%** of businesses *appeal* regarding these issues.

32.5% of respondents indicated (when answering a direct question) that they had *encountered* corruption in this field.

40.3% of the respondents indicated *experiencing specific contact situations* that had signs of corruption. Thus, some of the situations are not perceived by the respondents as potentially corrupt.

Figure 2.30. Corruption experience in the field in general (% of those who applied to this field)¹



In the field of construction and land relations there is the largest number of situations with signs of corruption reported by more than 10% of respondents. **Obtaining building/reconstruction permit** is in the lead. **17.9%** of the respondents (of those who generally applied to this field) encountered corruption in such a situation.

Resolving the issue of transferring the land for use or ownership comes in second: 15.0% of the respondents indicated the presence of certain corruption practices.

¹ Question: "Have you (as a head/representative of the company) encountered corruption in applying for the services in the field of construction and land relations over the past 12 months – i.e., have you given or have been demanded a bribe, used connections, etc.?"

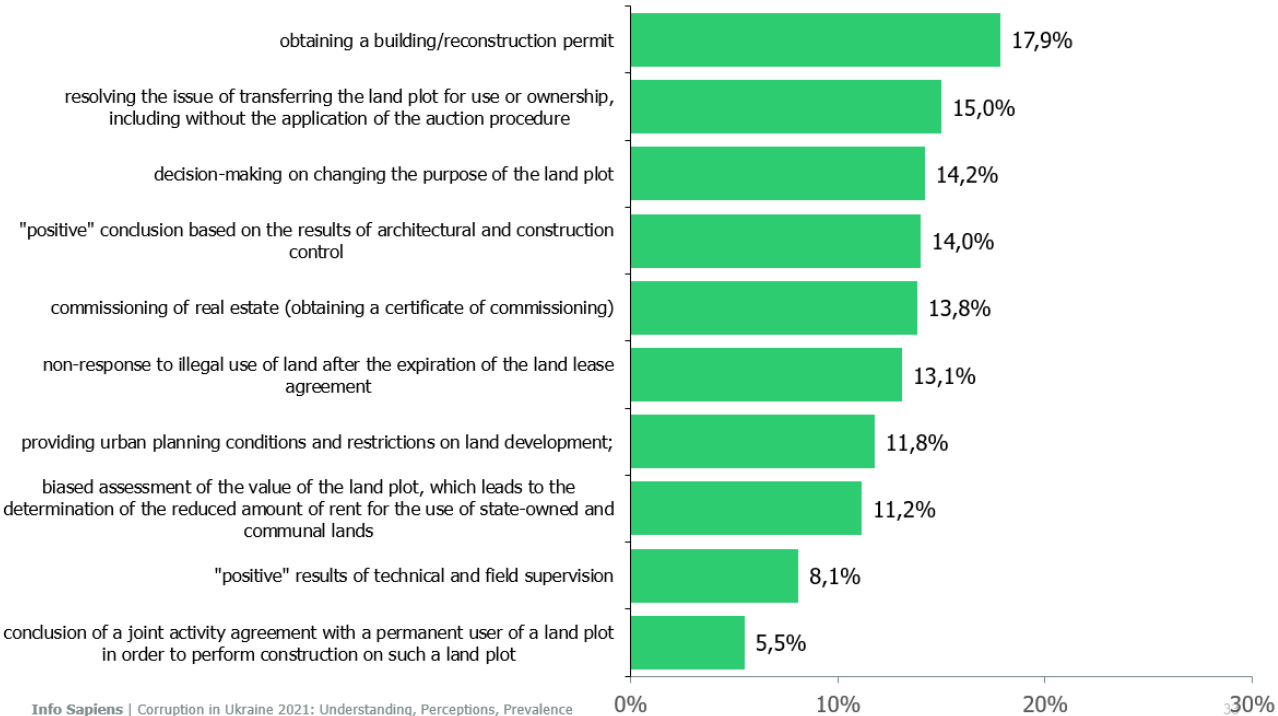
The statistical error for the indicator of corruption experience based on self-assessment and the estimated indicator of experience of corrupt situations in this field does not exceed $\pm 7,6\%$

The third place was shared by three situations with indicators close to 14%. These are the following: decision-making on **changing the purpose of the land plot**, obtaining a **“positive” conclusion** based on the results of architectural and construction control; **obtaining a certificate** of commissioning.

The lowest level of corruption occurs when concluding a joint activity agreement with a permanent user of land plot in order to perform construction on such a land plot. Only 5.5% of those who applied to this field indicated the presence of signs of corruption.

Figure 2.31. Corruption experience in terms of situations that could occur when contacting it (% of those who applied to this field)¹

Made unofficial payments to an employee (cash or gifts) or provided him with services...



Due to the insufficient number of responses for each corruption situation, it was not possible to make a statistical analysis of who exactly was the initiator (either visitors or employees of public authorities, institutions and organizations providing services in the field of construction and land relations). In total, 8.5% of businesses have initiated corruption in at least one situation in this field. This is the highest indicator of “initiative on the part of business” among other fields (among those who experienced contact situations that had signs of corruption, the share of “initiative” respondents is 21.1%).

However, employees of public authorities, institutions and organizations that provide services in the field of construction and land relations initiate corruption much more often. 22.4% of respondents (who had contact with this field) said that they were demanded money or services for resolving the

¹ Question: "Have you/employees of the company (as its representatives) experienced the following situations in connection with applying for the services in the field of construction and land relations?"

issue. This is one of the highest indicators among other fields. Among those who experienced contact corruption situations, 55.6% of the respondents reported the cases of demanding a bribe.

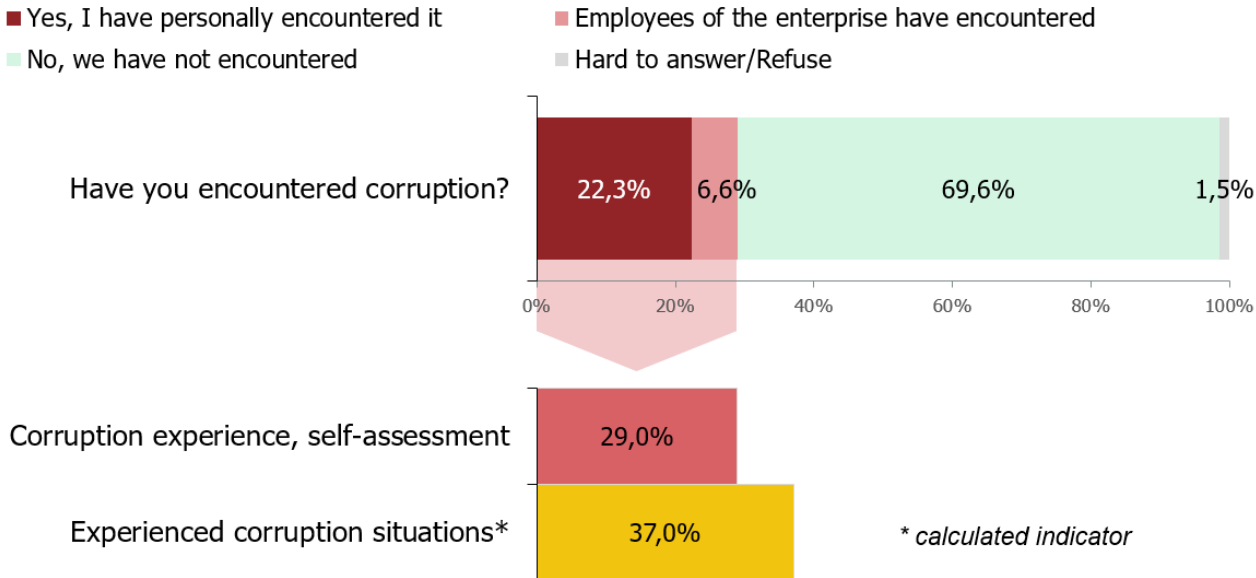
Services for connection and maintenance of electricity, gas, water supply, and sewerage systems

15.5% of Ukrainian enterprises have *applied* for services for connection and maintenance of electricity, gas, water supply and sewerage systems over the last 12 months.

29.0% of the respondents gave an affirmative answer to the direct question of whether heads or representatives of the enterprise *encountered* corruption.

37.0% of the respondents indicated *experiencing specific contact situations* that contained signs of corruption.

Figure 2.32. Corruption experience in the field in general (% of those who applied to this field)¹



Among the situations that had signs of corruption (offered or were demanded unofficial payments or gifts by an employee or provided him with services), **electricity supply services** is in the lead. Mostly, the corruption component manifests itself when **connecting non-residential facilities to electricity supply network** (or approval of project documentation for this). 19.7% of respondents who applied for such services indicated such cases. The second place is occupied by **non-**

¹ Question: "Have you (as a head/representative of the company) encountered corruption when contacting companies for the services for connection and maintenance of electricity, gas, water supply and sewerage systems over the past 12 months – i.e., have you given or have been demanded a bribe, used connections, etc.?"

The statistical error for the indicator of corruption experience based on self-assessment and the estimated indicator of experience of corrupt situations in this field does not exceed ±6,8%

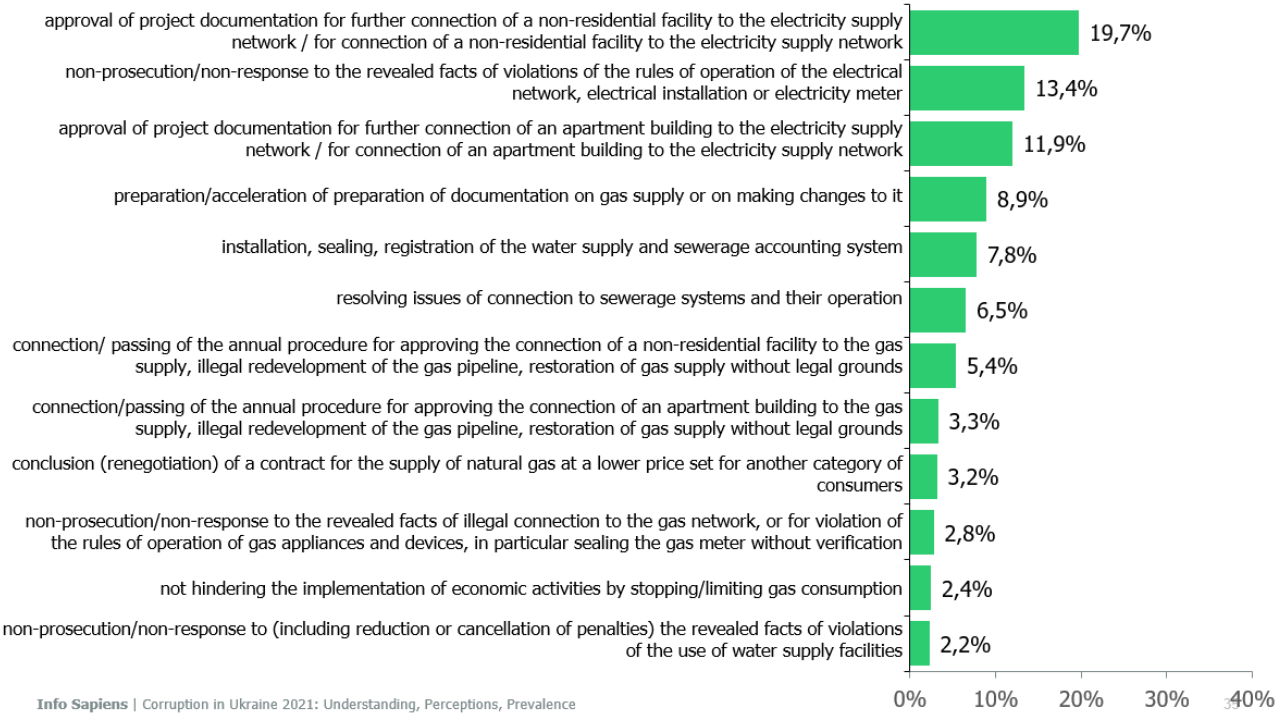
prosecution for violations of the rules of operation of the electrical network (indicated by 13.4% of respondents). **Connection of apartment buildings to the electricity supply network** comes in third. This situation was mentioned by 11.9% of the respondents.

Regarding the gas supply services, the situation of **preparation of documentation on gas supply** (or acceleration of such a procedure) has the highest risk of corruption. This situation was indicated by 8.9% of the respondents.

As for water supply, the riskiest situation in terms of corruption is the installation, sealing and registration of water supply accounting system. It was mentioned by 7.8% of the respondents who generally applied for services to this field.

Figure 2.33. Corruption experience in terms of situations that could occur when contacting it (% of those who applied to this field)¹

Made unofficial payments to an employee (cash or gifts) or provided him with services...



Due to the insufficient number of responses for each corruption situation, it was not possible to make a statistical analysis of who exactly was the initiator (either visitors or employees of supplier companies). In total, 6.8% of entrepreneurs have initiated corruption in at least one situation of this field. This is one of the highest indicators. Among those who experienced contact corruption situations, the share of "initiators" is 18.3%.

¹ Question: "Have you/employees of the company (as its representatives) experienced the following situations in connection with contacting such companies?"

20.5% of the respondents (or 55.2% of those who experienced contact corruption situations) reported that the representatives of supplier companies had initiated corruption.

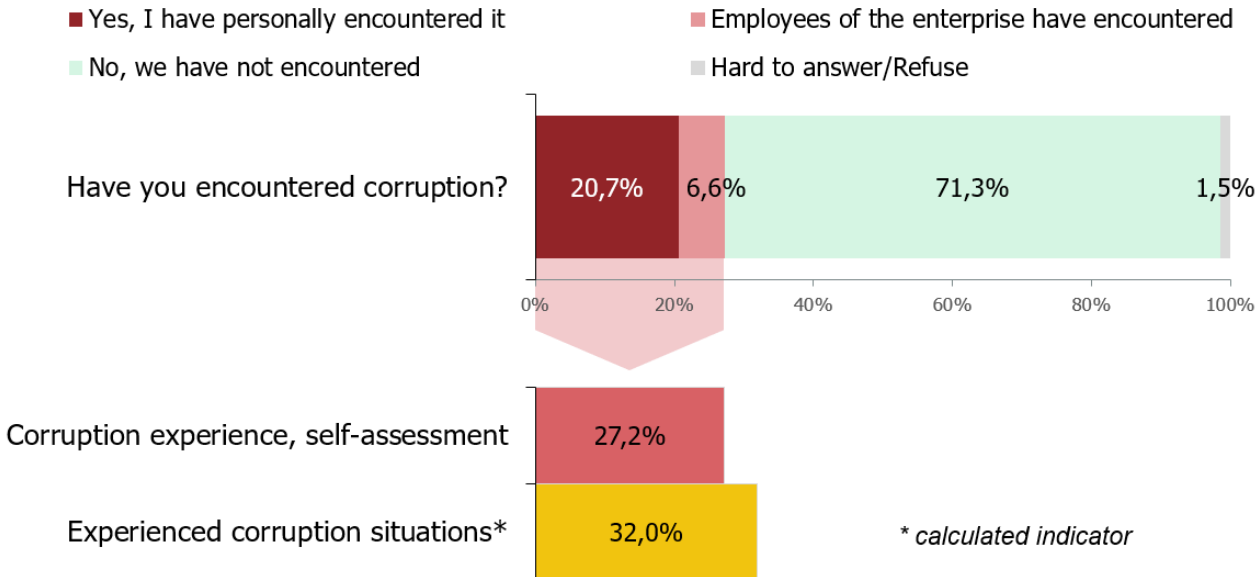
Law enforcement activities to ensure law and order, pre-trial investigation

16.4% of entrepreneurs interviewed *encountered* (contacted) representatives of law enforcement agencies (National Police, Tax Police, SBU, State Border Guard Service, Prosecutor’s Office) regarding the activities of their enterprises.

27.2% of respondents gave an affirmative answer to a *direct question* as to whether they have *encountered* corruption.

A slightly larger share of the respondents (**32.0%**) mentioned that they had *experienced specific corruption contact situations*.

Figure 2.34. Corruption experience in the field in general (% of those who applied to this field)¹



There is an indisputed “**leader**” in the list of corruption situations when communicating with law enforcement agencies: bribes for **non-interference in the activities of enterprises**. **18.2%** of those who encountered the activities of law enforcement agencies in general mentioned having such an experience. The second place (with an almost two-fold gap) is occupied by two situations: corruption practices refer to **assisting in conducting a prompt and objective investigation of the crime, because of which the enterprise suffered losses** (10.2%) and **avoiding or**

¹ Question: «Have you (as a head/representative of the company) encountered corruption when contacting the representatives of the law enforcement agencies over the past 12 months – i.e., have you given or have been demanded a bribe, used connections, etc.?»

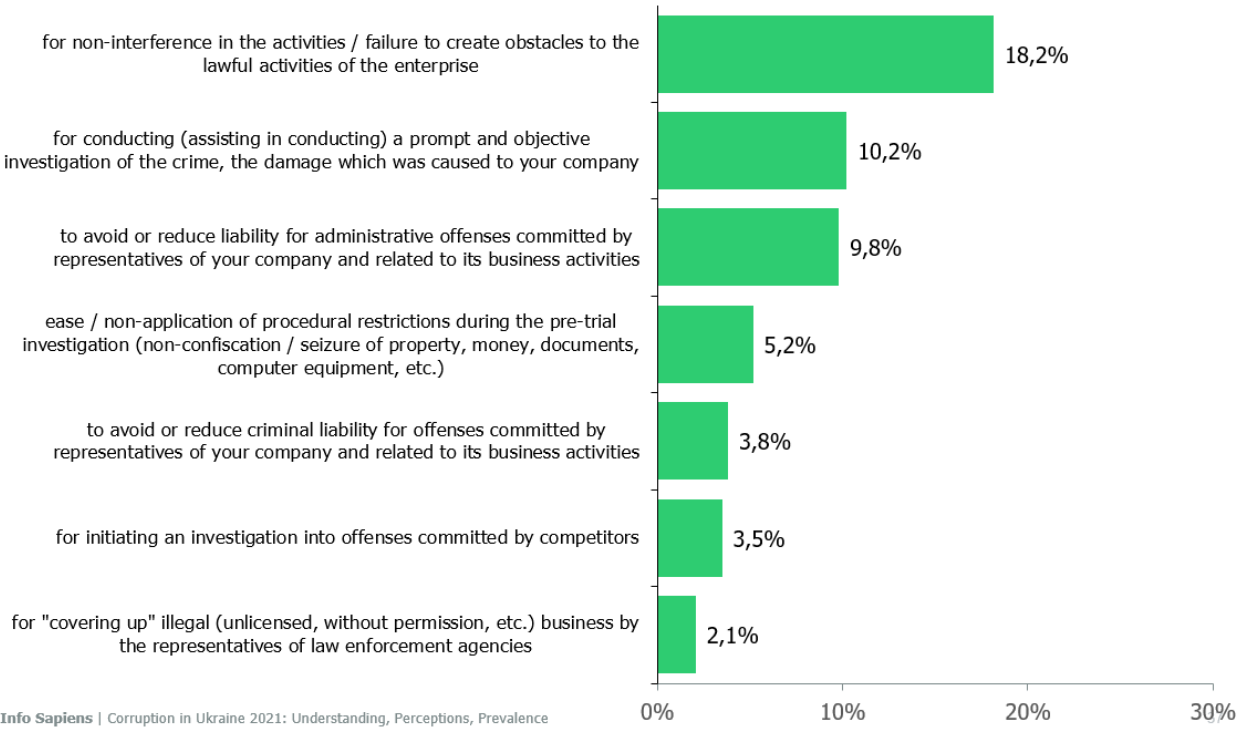
The statistical error for the indicator of corruption experience based on self-assessment and the estimated indicator of experience of corrupt situations in this field, does not exceed ±6,4%

reducing liability for administrative offenses committed by representatives of the enterprise (9.8%).

The rest of the situations in terms of corruption component were indicated by a significantly smaller share of respondents (from 5.5% to 2.1% of those who had experience of communicating with law enforcement agencies).

Figure 2.35. Corruption experience in terms of situations that could occur when contacting it (% of those who applied to this field)¹

Made unofficial payments to a law enforcement officer (cash or gifts) or provided him with services...



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Due to the insufficient number of responses for each corruption situation, it was not possible to make a statistical analysis of who exactly was the initiator (either visitors or law enforcement officers). In total, 7.0% of entrepreneurs have initiated corruption in at least one situation in this field (among those who experienced contact corruption situations, this share is 22%).

Twice as many respondents indicate that the initiators of corruption relations were the law enforcement officers. It is reported by 16.1% of those who had contact with the field and 50.4% of those who experienced contact corruption situations.

¹ Question: "Have you/employees of the company (as its representatives) experienced the following situations in connection with contacting the representatives of the law enforcement agencies?"

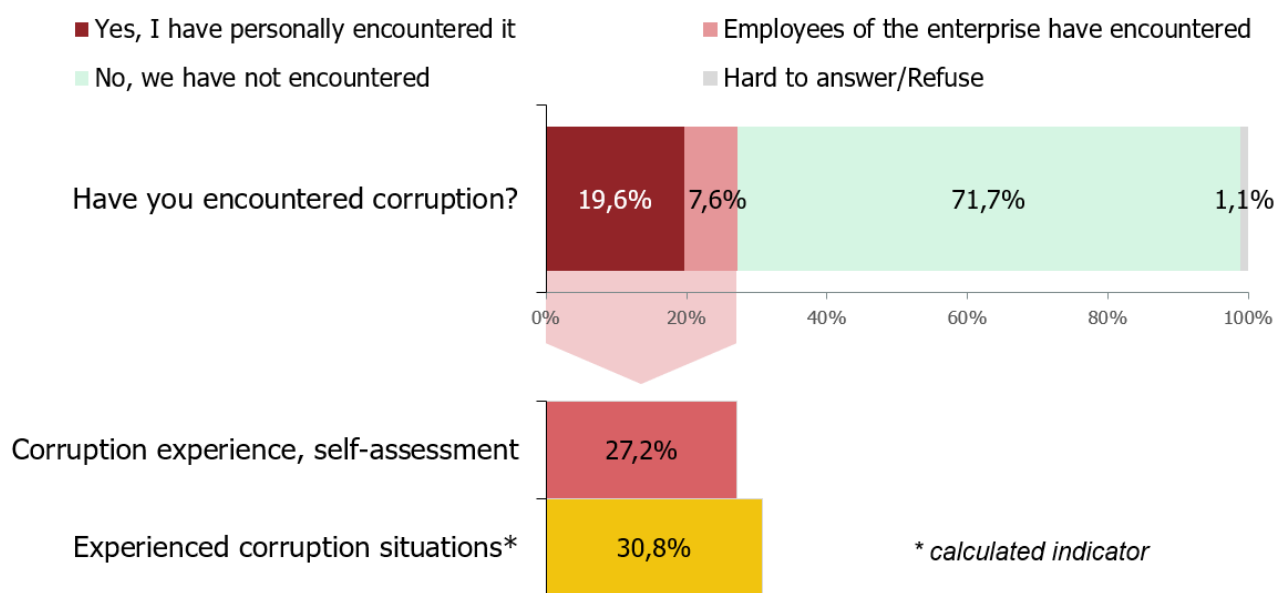
Control and supervision of business activities

17.5% of entrepreneurs interviewed said that they had experience of communicating with representatives of supervisory bodies (Ecoinspection, the State Food and Consumer Service, State Fire Supervision Authority, Architectural and Construction Inspectorate, etc.).

27.2% of respondents gave an affirmative answer to a *direct question* as to whether they had *encountered corruption*.

When analyzing corruption episodes, **30.8%** of the respondents recalled experiencing *specific contact situations* that had signs of corruption.

Figure 2.36. Corruption experience in the field in general (% of those who applied to this field)¹



“Firemen” rank **first** among all supervisory bodies in terms of corruption risk. The presence of corruption offenses in contacts with representatives of the State Emergency Service of Ukraine (control in the field of fire and man-made safety) was confirmed by **14.0%** of those who contacted representatives of supervisory bodies.

The second place is occupied by contacts with the representatives of the **Architectural and Construction Inspectorate or the State Inspectorate**². **10.5%** of respondents made unofficial payments (cash or gifts) or provided services to representatives of these public authorities.

¹ Question: "Have you (as a head/representative of the company)/ your enterprise encountered corruption when contacting the representatives of the regulatory authorities over the past 12 months – i.e., have you given or have been demanded a bribe, used connections, etc.?"

The statistical error for the indicator of corruption experience based on self-assessment and the estimated indicator of experience of corrupt situations in this field does not exceed $\pm 6,2\%$

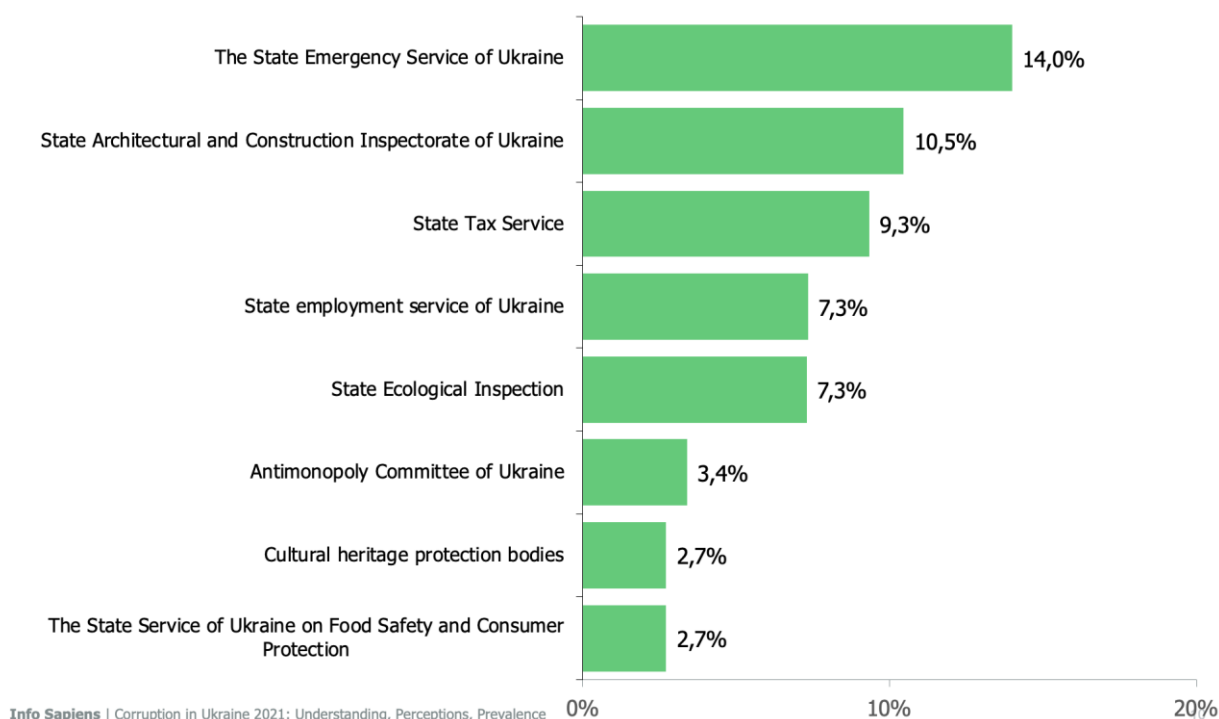
² It should be kept in mind that until September 15, 2021, the functions of state architectural and construction control and supervision were carried out by the DABI, later these functions were transferred to the State Inspectorate of Architecture and Urban Planning of Ukraine (DIAM). Considering the fact that the study

9.3% of the respondents experienced such corruption practices during contacts with the representatives of the State Tax Service, while 7.3% of the respondents – with the representatives of the State Employment Service and the State Ecological Inspection.

Up to 3.4% of the respondents mentioned the rest of the supervisory bodies in terms of experiencing corruption during the contact.

Figure 2.37. Corruption experience in terms of situations that could occur when contacting it (% of those who applied to this field)¹

Made unofficial payments (cash or gifts) or provided representatives with services ...



Due to the insufficient number of responses for each corruption situation, it was not possible to make a statistical analysis of who exactly was the initiator (visitors or representatives of supervisory bodies). In total, 3.6% of entrepreneurs have initiated corruption in at least one situation in this field (among those who experienced specific contact situations that contained signs of corruption this share was 11.6%) – this is one of the lowest indicators among other fields.

Six times more respondents state that the representatives of supervisory organizations have initiated corruption situations: 21.9% of those who had contact with the field in general, and 71.3%

assessed the presence of corruption situations during the contacts of respondents with representatives of control bodies during the last 12 months (at the time of the survey, which was conducted in November - December 2021), the indicator indicated in the diagram mainly refers to the activities of the DABI. In the next surveys of entrepreneurs, the assessment of the presence of corrupt practices in the field of state architectural and construction control and supervision will be carried out in relation to the activities of DIAM.

¹ Question: "Have you/employees of the company (as its representatives) experienced the following situations in connection with contacting the representatives of the regulatory authorities?"

of those who experienced specific contact situations. This is one of the largest indicators among other fields.

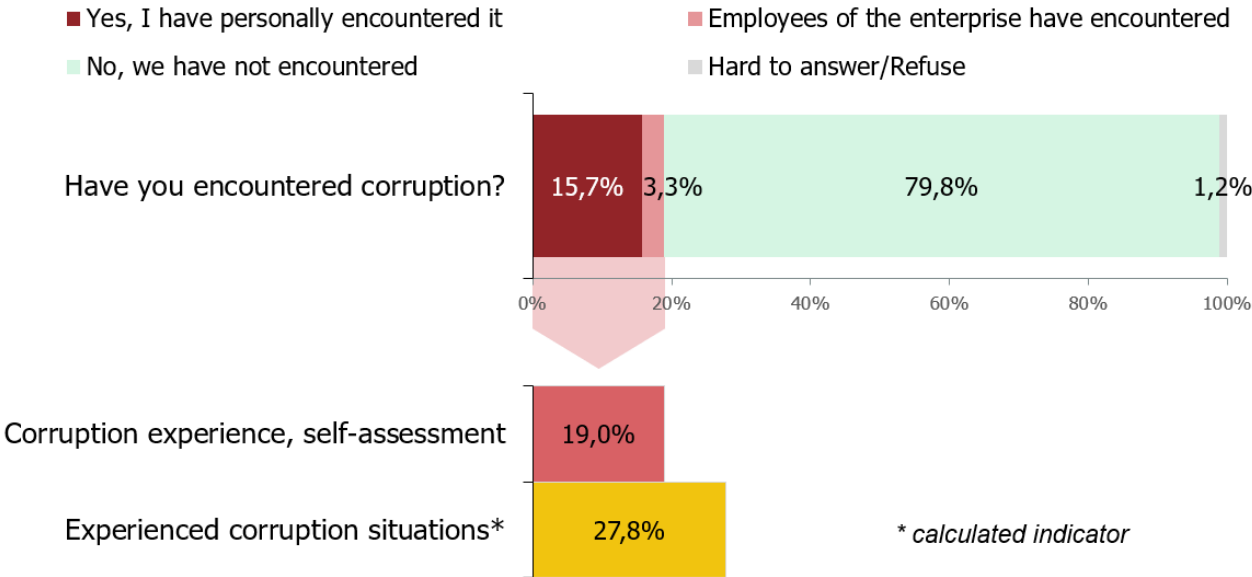
Judicial system

12.8% of entrepreneurs contacted the judicial system (i.e., representatives of judicial bodies or enforcement bodies).

19.0% of entrepreneurs gave an affirmative answer to a *direct question* as to whether they had *encountered* corruption.

27.8% of respondents indicated *experiencing specific contact situations* that had signs of corruption, which is one and a half times higher. It is obvious that part of the experience is not perceived by the respondents as potentially corrupt.

Figure 2.38. Corruption experience in the field in general (% of those who applied to this field)¹



Litigation of commercial cases, which involves own company ranks first in terms of corruption burden among the situations in which the company may come into contact with the judicial system. 16.2% of the respondents from those who had contacted the judicial system stated that there were signs of corruption in such a situation.

The second and third places were shared by as many as four situations with indices of 8.1%- 9.4%. These situations are related **to the execution or non-enforcement of court decisions (in favor of the enterprise)**. They were mentioned by 9.4% and 9.3% of the respondents,

¹ Question: "Have you (as a head/representative of the company) / your enterprise encountered corruption when contacting the representatives of judicial or enforcement authorities over the past 12 months – i.e., have you given or have been demanded a bribe, used connections, etc.?"

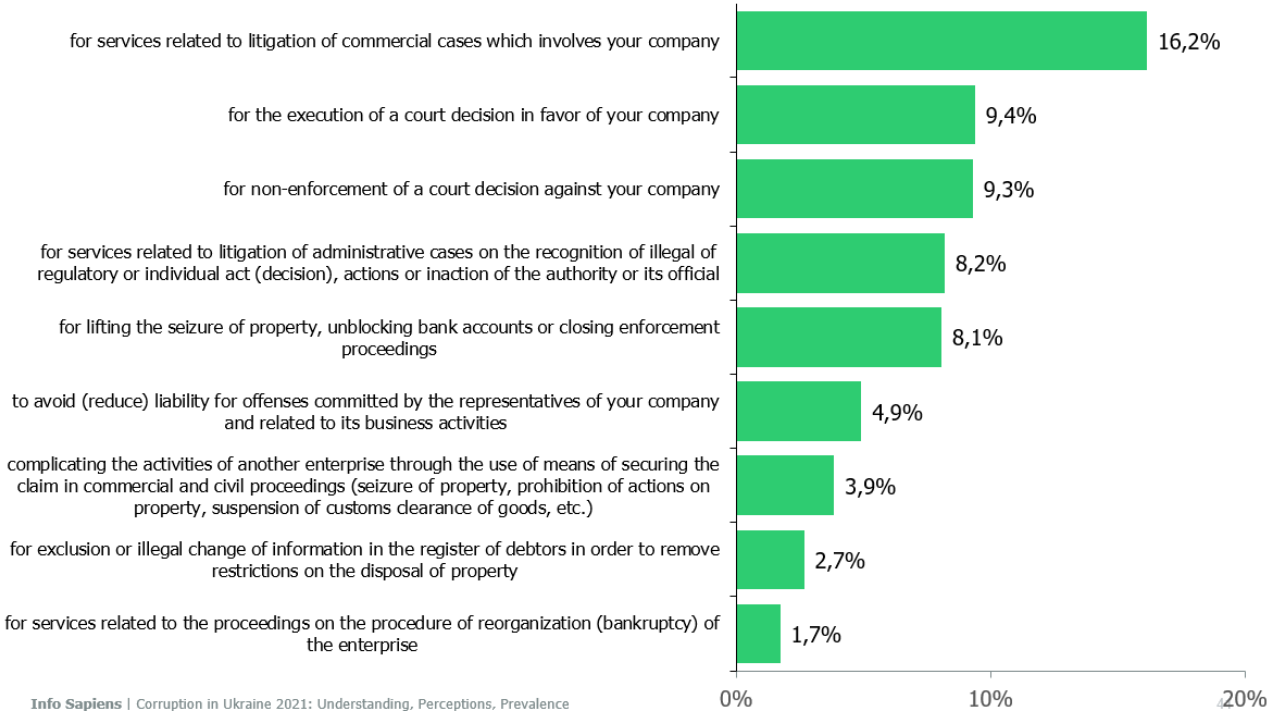
The statistical error for the indicator of corruption experience based on self-assessment and the estimated indicator of experience of corrupt situations in this field does not exceed ±7,0%

respectively; to the offer or demand of bribes for services related to litigation of administrative cases on the recognition of illegal of a regulatory or individual act (decision), actions or inaction of the authority or its official and for lifting the seizure of property, unblocking bank accounts or closing enforcement proceedings (they were indicated by 8.2% and 8.1% of the respondents, respectively).

The remaining situations were indicated by less than 5% of the respondents.

Figure 2.39. Corruption experience in terms of situations that could occur when contacting it (% of those who applied to this field)¹

Made unofficial payments to an employee (cash or gifts) or provided him with services...



Due to the insufficient number of responses for each corruption situation, it was not possible to make a statistical analysis of who exactly was the initiator (either visitors or representatives of the judicial system). In total, 4.7% of entrepreneurs have initiated corruption in at least one situation in this field (or 17% among those who experienced contact corruption situations).

According to the respondents, the employees of judicial authorities have initiated corruption relations more than twice as often: 11.8% of the respondents who had contact with the judicial system indicated that they were demanded money or services, or 42.3% of those who experienced contact corruption situations.

¹ Question: "Have you/employees of the company (as its representatives) experienced the following situations in connection with contacting the representatives of judicial or enforcement authorities?"

Activities of tax authorities

Tax authorities are those representatives of the state with whom entrepreneurs come into contact most often. Almost every fourth business representative (26.3%) had the experience of encountering (or other contacts) representatives of tax authorities on the issues related to the company's activities.

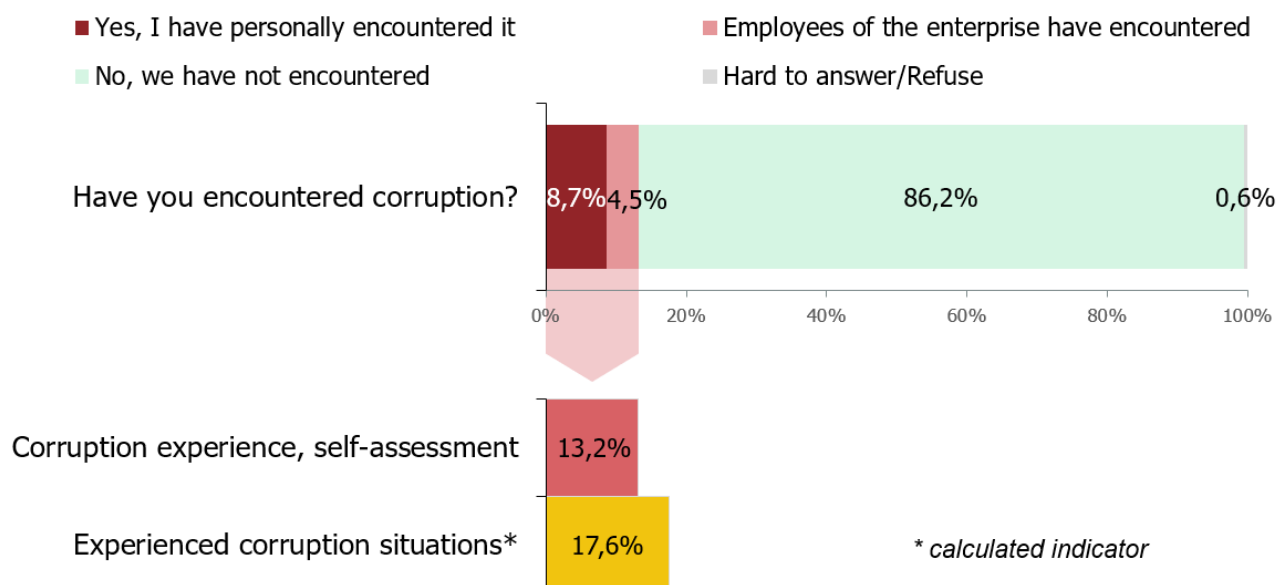
13.2% of the respondents indicated that they had encountered corruption during such contacts (an affirmative answer to a direct question).

In general, **17.6%** of the respondents indicated *encountering specific contact situations* that had signs of corruption.

Taking into account frequent contacts of entrepreneurs with this field, it is a positive sign that the level of corruption in the tax authorities is the lowest: this is the best indicator among all the fields studied.

The analysis of corruption practices in this field requires a separate study, taking into account rather a low indicator of corruption experience revealed by the survey. Presumably, a certain proportion of respondents avoided mentioning that they had encountered corruption as a head/representative of the enterprise realizing that this proves the presence of "legalized" (approved) corrupt practices in relations with the tax authorities.

Figure 2.40. Corruption experience in the field in general (% of those who applied to this field)¹



¹ Question: "Have you (as a head/representative of the company)/your enterprise encountered corruption when contacting the representatives of the tax authorities over the past 12 months – i.e., have you given or have been demanded a bribe, used connections, etc.?"

The statistical error for the indicator of corruption experience based on self-assessment and the estimated indicator of experience of corrupt situations in this field does not exceed $\pm 4,1\%$

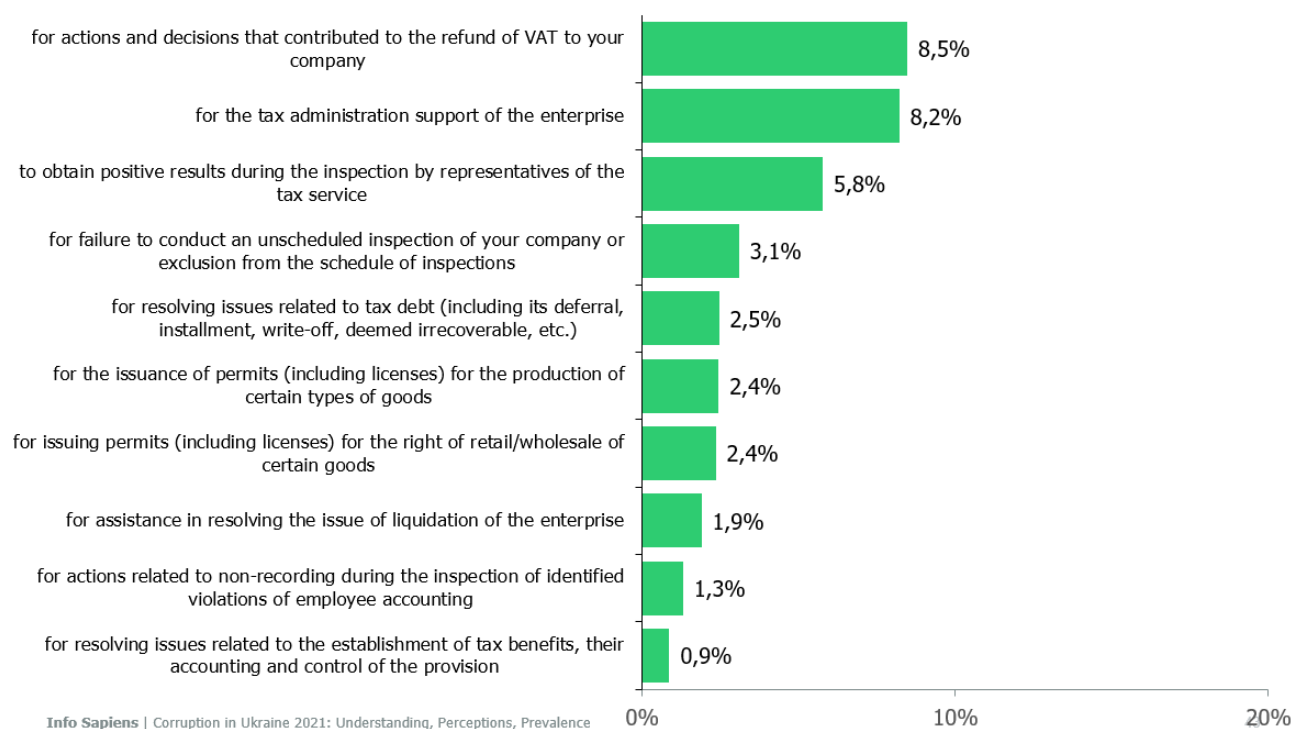
Among the situations with the greatest corruption burden, the first place is shared by **VAT refund** (8.5%) and **the tax administration support of the enterprise** (8.2%).

The second place is occupied by the situation of **obtaining positive results during the inspection by the representatives of tax service**. It was indicated by 5.8% of respondents who had experience of communicating with tax officials.

The remaining situations were mentioned by about 3% of the respondents.

Figure 2.41. Corruption experience in terms of situations that could occur when contacting it (% of those who applied to this field)¹

Made unofficial payments to an employee (cash or gifts) or provided him with services...



Due to the insufficient number of responses for each corruption situation, it was not possible to make a statistical analysis of who exactly was the initiator (either visitors or tax officials). In total, 4.0% of entrepreneurs have initiated corruption in at least one situation in this field (among those who experienced contact corruption situations this share is 22.8%).

According to the respondents, tax officials themselves initiate corruption situations twice as often. The fact that money or services were demanded from them for "resolving the issue" is indicated by 9.5% of those who contacted the field, or 54% of those who experienced contact corruption situations.

¹ Question: "Have you/employees of the company (as its representatives) experienced the following situations in connection with contacting the representatives of the tax authorities?"

Summarized table on the study of corruption experience of the enterprises by field

Table 2.2

Field	Corruption experience based on self-assessment*	Experienced corruption situations *			% of respondents who encountered the field
		% of the respondents	% of respondents who initiated corruption relations	% of respondents who were involved in corruption due to demand to do so	
Customs (customs control, preparation and clearance of customs documents for business entities)	42,8% ±9,7	32,0% ±9,2	2,7% ±3,2	23,2% ±8,3	8,0% ±1,5
Construction and land relations	32,5% ±7,2	40,3% ±7,6	8,5% ±4,3	22,4% ±6,4	12,8% ±1,9
Services for connection and maintenance of electricity, gas, water supply and sewerage systems, except for the services associated with current payments	29,0% ±6,4	37,0% ±6,8	6,8% ±3,6	20,5% ±5,7	15,5% ±2,0
Law enforcement activities to ensure law and order, pre-trial investigation	27,2% ±6,2	32,0% ±6,4	7,0% ±3,5	16,1% ±5,1	16,4% ±2,1
Control and supervision of business activities	27,2% ±6,0	30,8% ±6,2	3,6% ±2,5	21,9% ±5,6	17,5% ±2,1
Judicial system (including enforcement of court decisions)	19,0% ±6,1	27,8% ±7,0	4,7% ±3,3	11,8% ±5,0	12,8% ±1,9
Activities of tax authorities	13,2% ±3,6	17,6% ±4,1	4,0% ±2,1	9,5% ±3,1	26,3% ±2,5

* % was calculated from the number of those respondents who encountered the field

SECTION 3. INTEGRATED INDICATORS FOR THE STATE ANTI-CORRUPTION POLICY

Within the scope of this study, data was collected for the calculation of indicators of the state anti-corruption policy (1-3), as well as for additional indicators of the effectiveness of the system of preventing and combating corruption (4, 5) in accordance with the Methodology of a standard survey on corruption in Ukraine:

1. The share of the population (entrepreneurs) that has a negative attitude to corruption.
2. The share of the population (entrepreneurs) that had own corruption experience.
3. The share of the population (entrepreneurs) that can be a whistleblower of corruption.
4. The share of the population (entrepreneurs) that supports the activities of whistleblowers.
5. The share of the population that are properly informed of the guarantees of legal protection of whistleblowers.

In 2021, the approach to indicators changed, and their number increased. Since these indicators are valuable because of their ability to assess changes in the country, the indicators of the previous years were recalculated according to the new methodology, where it was possible.

Indicator 1. The share of the population (entrepreneurs) that has a negative attitude to corruption

The goal of the anti-corruption policy is to increase the share of the population that has a negative attitude towards corruption. This indicator cannot be measured through a direct question as to whether one likes or dislikes corruption, because then the respondents would give socially desirable answers and the data would be biased. Instead, the research used the method of hypothetical situations, which means *the respondents (both the population and entrepreneurs) were offered a hypothetical situation in which they receive an administrative service from a state authority or a local self-government body.*

"Imagine the situation. You have applied to a government agency for a certificate that you urgently need to deal with a personal affair. You have been informed that the certificate will be ready in 30 days, but you need it as soon as possible. When you left the office, a random person in the hall told you that his neighbor received such a certificate the next day, paying 1000 hryvnias to the head of the department that issues such certificates. What would most likely be your actions in such a situation?"

The respondents were asked to select the most probable option for resolving a common problem (the answer options are given below):

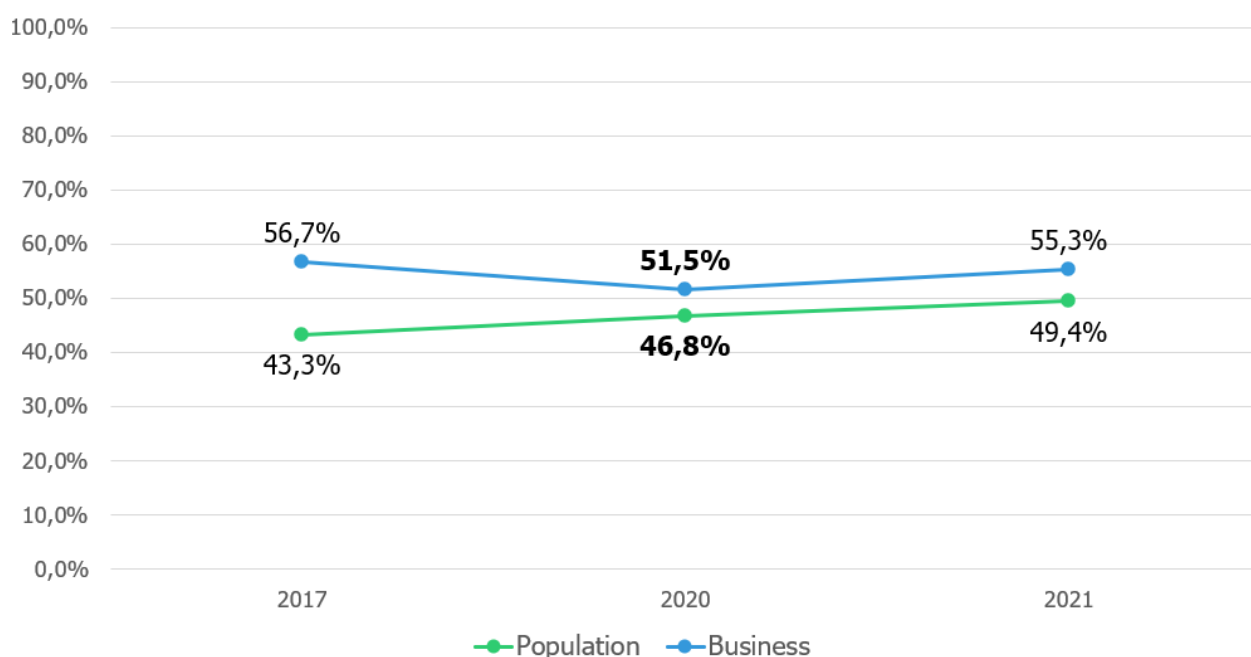
1. "I will wait 30 days"
2. "I would pay 1,000 hryvnias, but I don't have funds for that."
3. "I would look for acquaintances or relatives to help speed up obtaining the certificate"

4. "I would pay 1,000 hryvnias"
5. "I would file a complaint about corruption in the institution to a higher-level authority"
6. "I would report to the law enforcement authorities"
7. "I would turn to the mass media (provide these facts to journalists)"

Information and corresponding quantitative indicators on **the identification of respondents' negative attitude** towards corruption were obtained based on the results of data analysis regarding their *refusal to participate in corruption as a means for resolving problems* in the specified hypothetical situation.

The category of people who refuse the corrupt model of behavior are defined as those who chose answer options 1 (waiting according to the rules) or 5-7 (reporting corruption), and at the same time do not choose corruption as a means for resolving the problem (options 2-4).

Figure 3.1. Indicator 1. The share of the population (business) that has a negative attitude to corruption

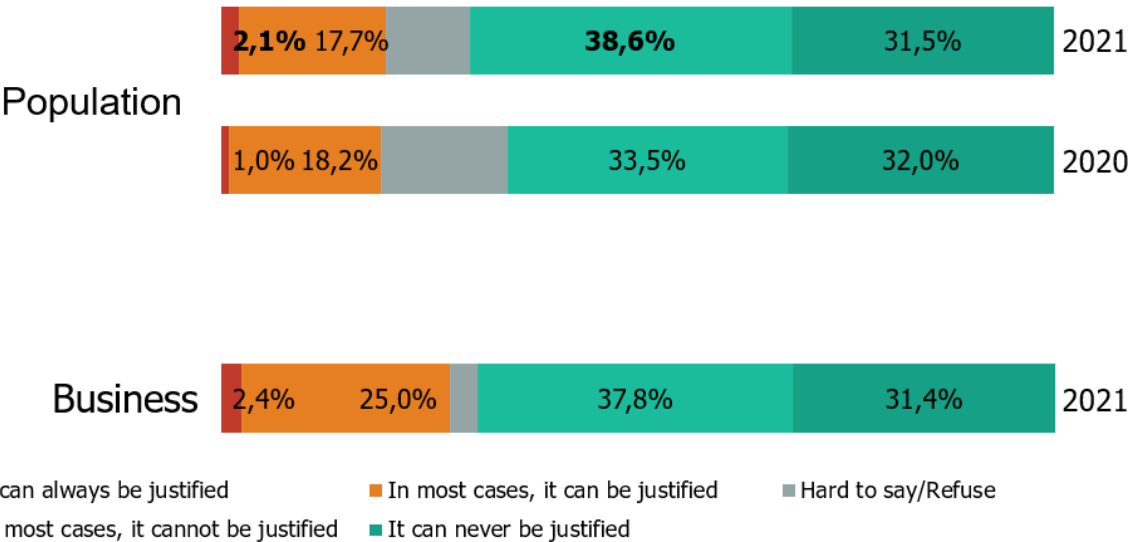


In 2021, approximately **half** of the population and businesses have **had a negative attitude towards corruption**. Among the population, Indicator 1 has statistically significantly **increased** from 43.4% in 2017 to 46.8% in 2020, and there is an upward trend in 2021 as well (49.4%). Among businesses, the indicator **decreased** in 2020 to 51.5%, but recovered to 55.3% in 2021. At the same time, during all years of the study, the **value of the indicator** was **higher among Ukrainian entrepreneurs** than among the public.

There are certain regional differences in this indicator among the *public*. The lowest values are recorded in the Central (45.2%) and Eastern (40.2%) regions. Also, women have a slightly worse attitude to corruption than men: 51.2% vs. 47.2%, respectively. As for different age groups, people aged over 60 years show the highest index of a negative attitude towards corruption – 64.1%.

Despite the fact that Indicator 1 is based on a hypothetical situation, it is supplemented by a *direct question* to determine the share of respondents who do not justify the use of corruption practices as means for resolving the issues important to citizens/enterprises (see Figure 3.2).

Figure 3.2. Justification for giving a bribe, unofficial services or a gift, if it is necessary to resolve an important issue¹



About a third of both the *population* (31.5%) and *entrepreneurs* (31%) believe that the corruption method of resolving issues **can never be justified**. For the public, there are no statistically significant changes compared to the previous study (32%).

Indicator 2. The share of the population (entrepreneurs) that had own corruption experience

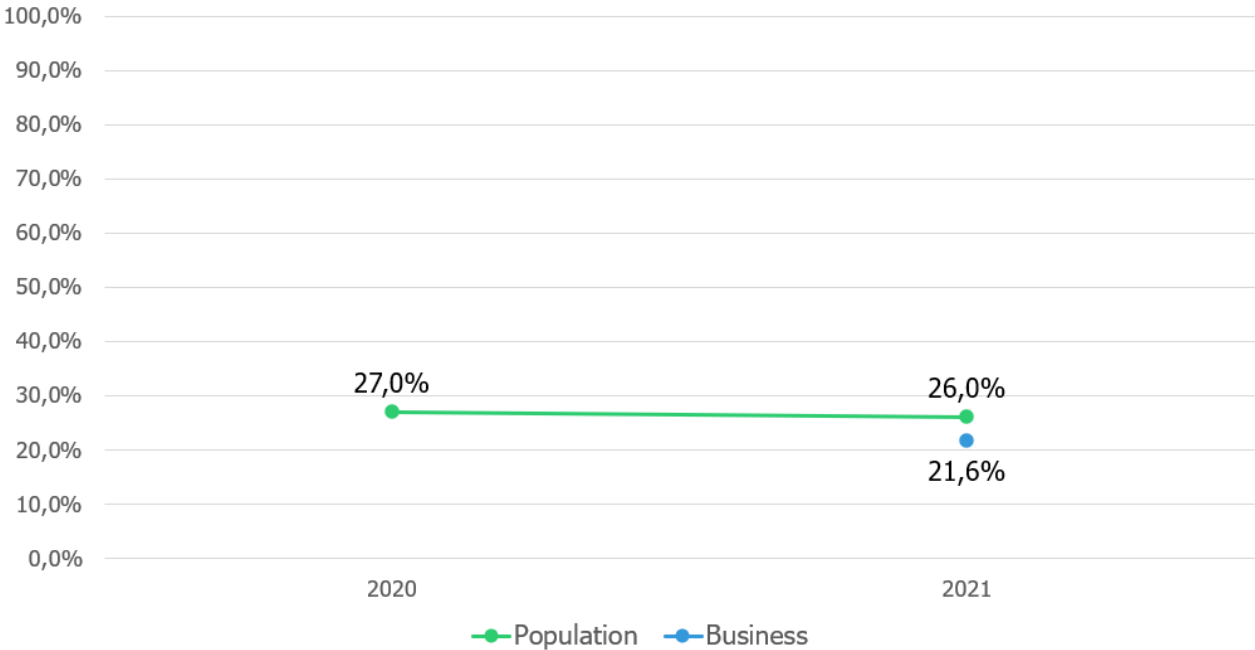
The goal of the anti-corruption policy is to reduce the share of people who have had their own corruption experience. In order to determine the indicator, a *direct question* is asked about *respondents' self-assessment* of their involvement in corruption: whether they personally or their family members (or employees of the enterprise for the benefit of the enterprise in the survey of the business) have encountered corruption (gave or were demanded bribes, used connections, etc.) over the last 12 months. The results of this indicator reflect self-perception of their own corruption experience by the population/ business, in other words they are of a subjective "informative" nature and may differ from real assessments of their involvement in corruption (if certain situations are analyzed for the presence of a corruption component in accordance with the legislation).

This indicator is **26%** in 2021 (there is a statistically insignificant change compared to 27% in the previous year) among the *population* and **21.6%** among *businesses* (see Figure 3.3). Residents of

¹ Question: "In your opinion, can giving a bribe, informal services or a gift be justified if it is necessary to resolve an important matter for the enterprise you work for?"

large cities with the population of more than half a million (35.2%) and residents of the Northern region (30.6%) report corruption experience much more often, exceeding the average value for Ukraine, while the residents of the Central (22.5%) and Eastern (23.9%) regions – less often. As for age categories, people aged over 60 years report corruption experience the least often (20.7%).

Figure 3.4. Indicator 2. The share of the population (entrepreneurs) that had own corruption experience



If, in accordance with the above, we summarize corruption experience in individual fields (see Section 2), in other words, we delve into the issue, and we do not use only one direct question, the indicator of corruption experience would be 33.8% for the population and 17.4% for entrepreneurs.

Indicator 3. The share of the population (entrepreneurs) that can be a whistleblower of corruption

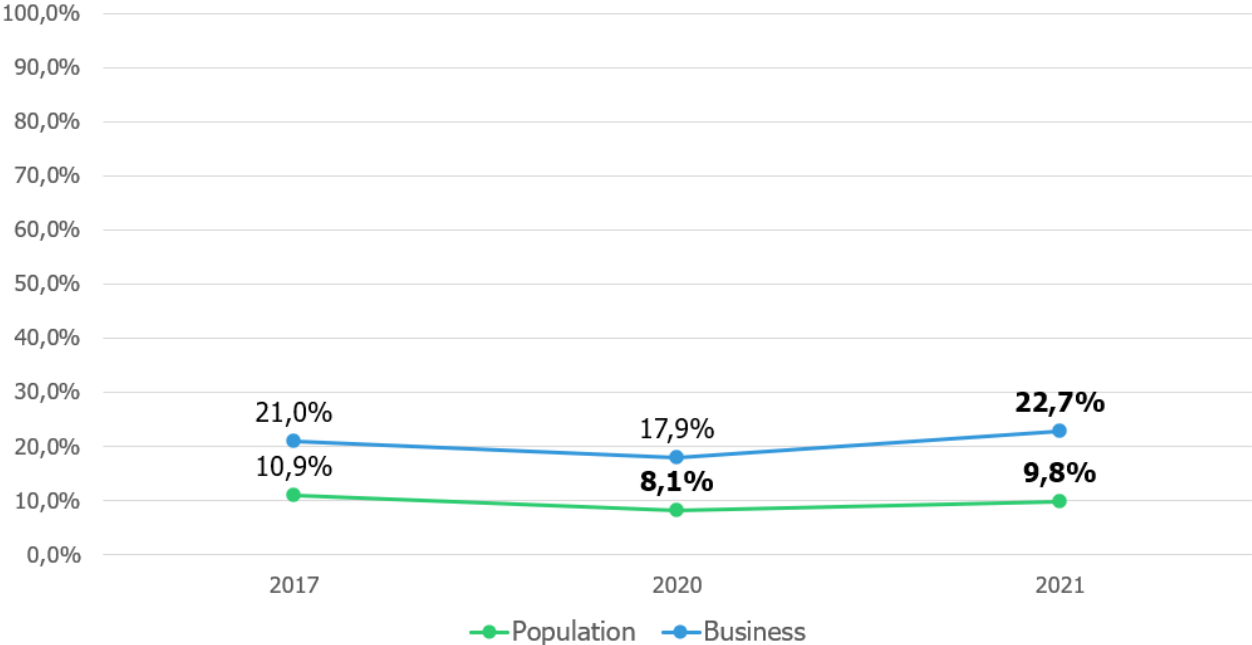
The goal of the anti-corruption policy is to increase the number of citizens who are ready to *report the facts of corruption* (Indicator 3.1), as well as *citizens who have reported the facts of corruption that have happened to them to the relevant authorities* (Indicator 3.2).

In order to determine Indicator 3.1, the same hypothetical situation is used as in Indicator 1, but **the share of people who chose a revealing model of behavior** is determined (answer options: 5. "I would file a complaint about corruption in the institution to a higher-level authority", 6. "I would report to the law enforcement authorities" or 7. "I would turn to the mass media (provide these facts to journalists)").

In 2021, Indicator 3.1 **increased** both among the *population* (up to 9.8%) and among entrepreneurs (22.7%) compared to 2020, when it declined, but it did not change significantly

compared to 2017 (see Figure 3.3). At the same time, **entrepreneurs are much more willing to report corruption than the public.**

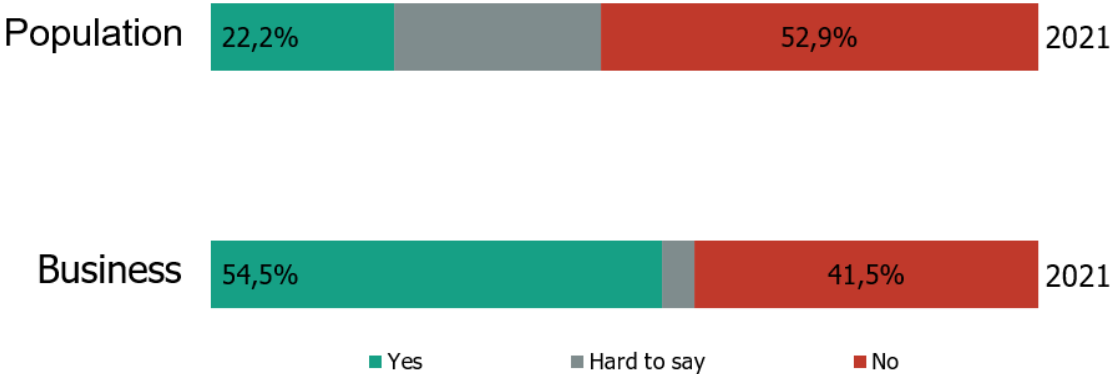
Figure 3.5. Indicator 3. The share of the population (entrepreneurs) that are willing to report facts of corruption



The residents of the Eastern region are slightly more willing to report corruption (12.6%) than the residents of other regions. Willingness of men to do so is slightly higher (11.9%) than that of women (8.1%).

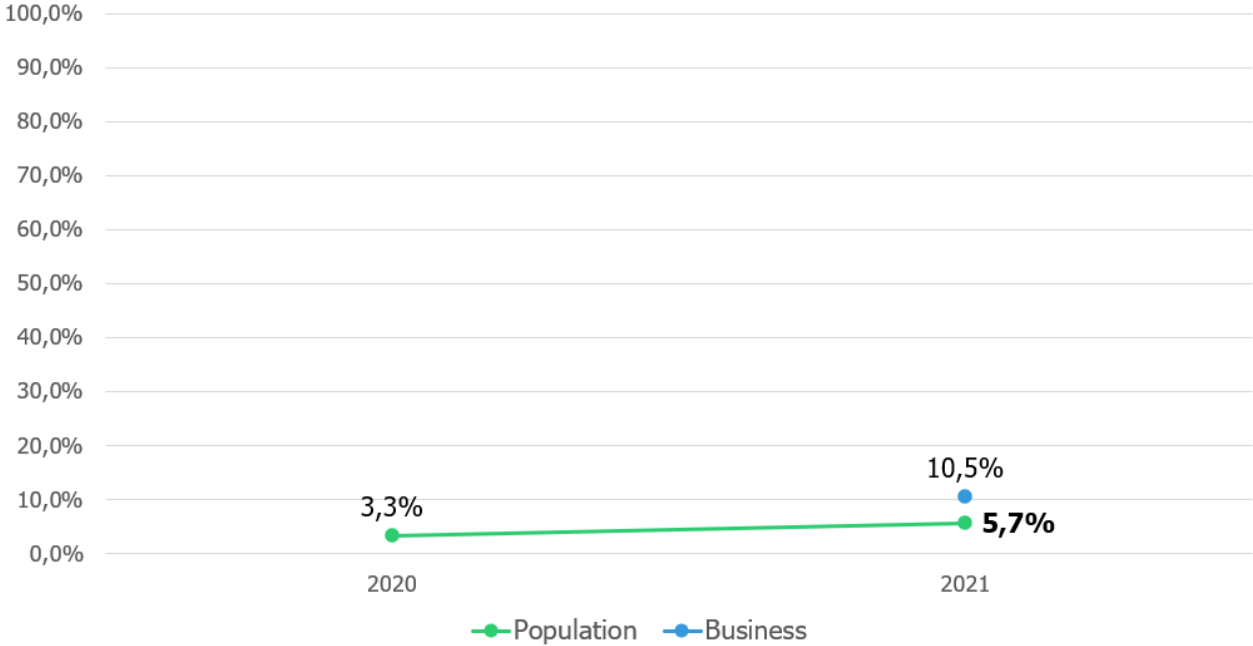
A direct question (*"Would you file a complaint to authorities or law enforcement agencies in connection with a case of corruption?"*) shows a **significantly higher proportion of potential whistleblowers**. However, this indicator may be distorted by social desirability of a "yes" answer: 22.2% of the population and 54.5% of entrepreneurs.

Figure 3.6. Willingness to file a complaint to authorities or law enforcement agencies in connection with a case of corruption (direct question)



Indicator 3.2 is defined as the share of those who reported the fact that after encountering a corruption situation, *they filed a complaint to authorities or law enforcement agencies* (direct question). This indicator is extremely **low: 5.7%** of the population; but this is a significant increase compared to 2020 (3.3%). Among business representatives, this indicator is **almost twice as large as that of the population – 10.5%**.

Figure 3.7. Indicator 3.2. The share of the population (business representatives) who reported to the competent authorities the facts of corruption that happened to them



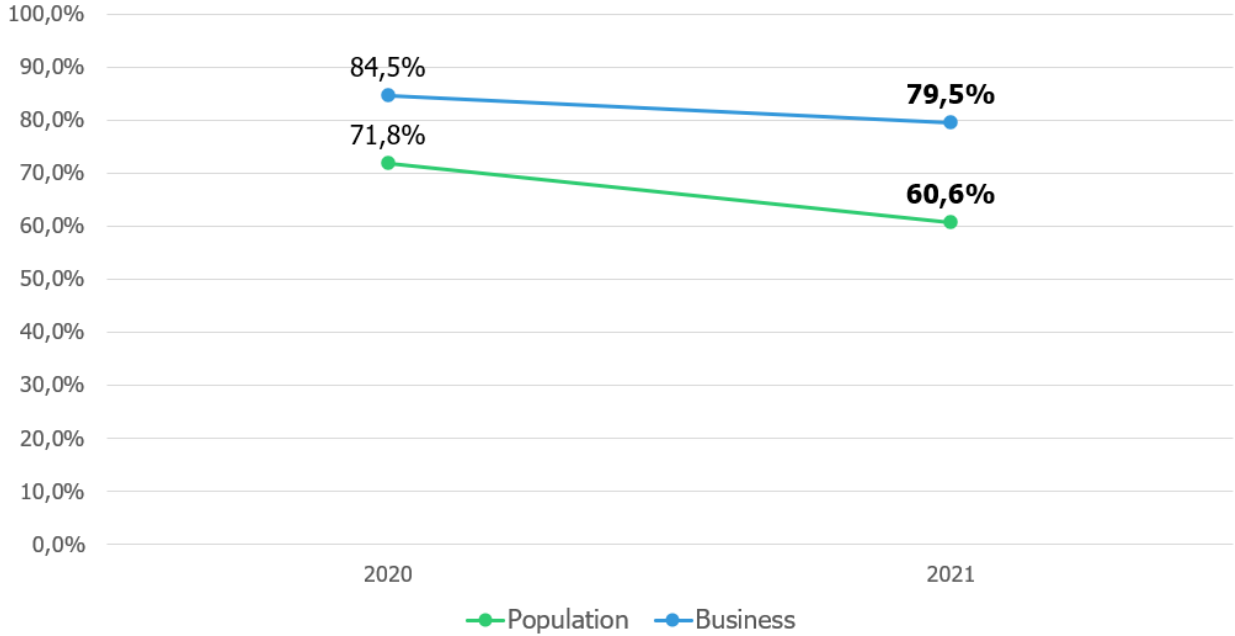
Indicator 4. The share of the population (entrepreneurs) that supports the activities of whistleblowers

The goal of the anti-corruption policy is to develop respect for whistleblowers as responsible citizens. The corresponding indicator 4 is defined based on the direct question *"What is your attitude towards people who file complaints (reports) to authorities or to law enforcement agencies regarding a case of corruption?"* on a response scale containing 5 options (from "fully condemn" to "fully approve"). The quantitative indicator is obtained as a result of adding the percentages of the respondents "fully approve" and "fully approve" answers.

In general, both the population and entrepreneurs approve of the activities of whistleblowers, but their **percentage decreased** compared to 2020: among the *population* – from 71.8% to **60.6%**, and among *entrepreneurs* – from 84.5% to **79.5%**.

The lowest indices are among the *population* in the East (49.7%) and South (55.4%) of Ukraine. Older age categories are more positive about corruption whistleblowers than the younger ones: 61.5% among people aged 50-59 and 67.1% among people aged over 60.

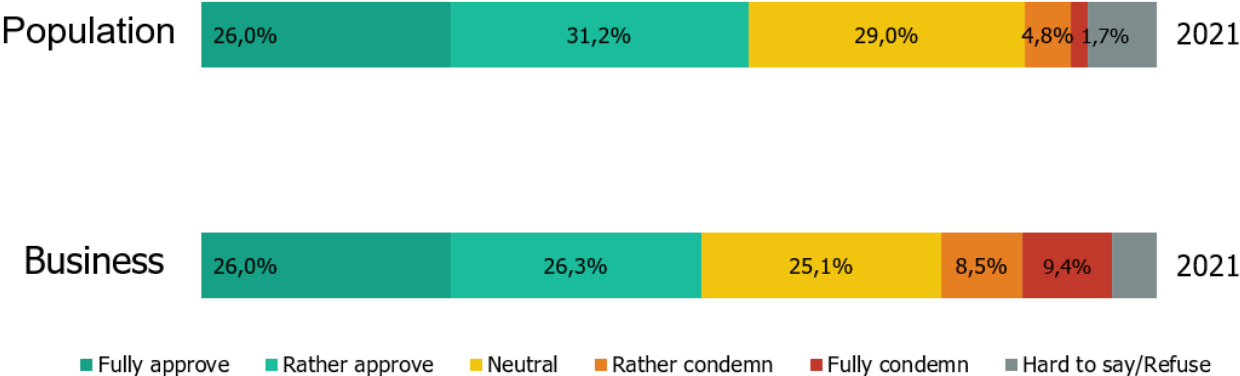
Figure 3.8. Indicator 4. The share of the population (entrepreneurs) that approves the activities of whistleblowers



Additionally, for the indicator, the answers in the hypothetical situation are analyzed: “Imagine such a situation. In the organization (enterprise) where you work, your colleague informed the relevant authorities about a corruption crime committed by another employee. What is your attitude towards the actions of your colleague?”.

Both the population and entrepreneurs show **less approval of their colleague’s actions** revealing corruption offence committed by an employee (compared to declarative answers to a direct question): the share of “fully approve” and “rather approve” is 57.2% among the *population* and 52.3% among *entrepreneurs*.

Figure 3.9. Hypothetical situation: attitude towards the actions of a colleague who informed the competent authorities about a corruption crime committed by another employee



Indicator 5. The share of the population that are properly informed of the guarantees of legal protection of whistleblowers

The goal of the anti-corruption policy is to achieve a state when a significant proportion of citizens is properly informed about the guarantees of legal protection of whistleblowers. The corresponding indicator 5 is calculated based on the question "Do citizens who report corruption cases to the competent authorities have the right...?", where the respondent can choose answer alternatives "yes", "no" or "hard to say" for each item:

1. for free legal aid in connection with the protection of his rights (correct is "yes");
2. for paid vacation during the period of consideration of a notification about a case of corruption, but not more than 30 days (correct is "no");
3. for a monetary reward in cases specified by law (correct is "yes");
4. to receive information from law enforcement agencies about the results of the pre-trial investigation regarding all crimes committed by a person regarding whom corruption was reported (correct is "no");
5. for immediate reinstatement at the previous job (position), if such persons were dismissed from their job in connection with the notification of possible facts of corruption or corruption-related offenses (correct is "yes");
6. from the moment of reporting corruption to law enforcement agencies to take measures to ensure the protection of housing, regardless of the presence of threats to the life and health of such a person (correct is "no");
7. for the reimbursement of expenses for a lawyer in connection with the protection of the rights of a person as a whistleblower (correct is "yes");
8. to transfer at his own will to another equivalent position (job) in the institution (facility) in which he works (correct is "no").

The respondents who gave correct answers to more than half of the statements, in other words, at least 5 out of 8, are considered **properly informed**. In 2021, there were **13.4%** of such respondents. 45.8% gave correct answers to half of the statements, and 40.8% to less than half of them.

As for the regions, the West stands out with the index of 23.3%. Also, the respondents aged 30-39 years (15.3%) and 40-49 (17.0%) are more aware than the younger or older ones.