

Transformation of the activities of law enforcement entities in the economic sphere (part 2)

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Abstract

The article examines various aspects of the organization and functions of law enforcement agencies of Ukraine, including their classification by purpose, areas of activity, and organizational and legal forms. Special attention is paid to the analysis of bodies that ensure the prevention and fight against criminal offenses in the economic sphere, such as the Security Service of Ukraine, the Bureau of Economic Security, the State Bureau of Investigation and the National Anti-Corruption Bureau. The article defines the types of law enforcement agencies according to their purpose (general, force, special), areas of activity (organizations of public order, state security, combating criminal offenses) and organizational and legal forms (agencies, bureaus, services, management). The role of these bodies in the system of law enforcement structures of Ukraine to ensure national security and effective management of law and order is defined. Criminal offenses investigated by the SBU and not related to state security were investigated, the specific weight of criminal offenses against the economic system in the structure of crimes investigated by this body was determined.

Keywords: law enforcement agencies of Ukraine; organizational and legal forms; areas of activity; public security; police services.

1. Problem statement

In the modern conditions of Ukrainian society, the importance of law enforcement agencies, especially those aimed at protecting the economic system from criminal offenses, is extremely relevant. Constant challenges in the field of economic security, corruption and financial crimes require the effective functioning of these bodies and the constant improvement of their methods and strategies.

The aim of this research is a comprehensive study of the organization and functions of law enforcement agencies of Ukraine, in particular their classification by purpose, areas of activity and organizational and legal forms. The article is aimed at analyzing the role of such bodies as the Security Service of Ukraine, the Bureau of Economic Security, the State Bureau of Investigation and the National Anti-Corruption Bureau in the system of law enforcement structures. Special attention is paid to the investigation of criminal offenses in the field of economy and their impact on national security, with the aim of revealing their structure and mechanisms of countermeasures by the above-mentioned law enforcement agencies.

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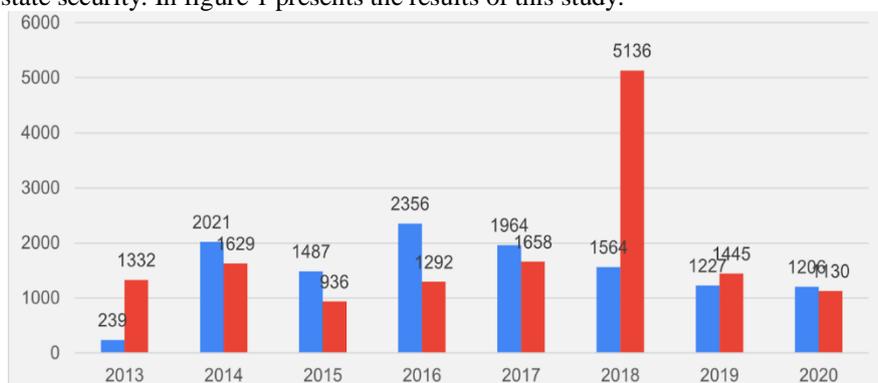
doi: [https://doi.org/10.26642/ppa-2024-1\(9\)-18-21](https://doi.org/10.26642/ppa-2024-1(9)-18-21)

2. Analysis of the latest research and publications

Law enforcement agencies in Ukraine have different purposes, areas of activity, and organizational and legal forms. According to their purpose, law enforcement agencies are divided into general, force, and special. Bodies of public order, state security, and prevention and countermeasures against criminal offenses are distinguished according to the areas of activity. According to the organizational form, law enforcement bodies are divided into: agencies, bureaus, services, and management.

The functions of preventing and countering criminal offenses against the economic system are characteristic of the following law enforcement agencies:

1. Security Service of Ukraine. By the Law of Ukraine on the Security Service of Ukraine «The Security Service of Ukraine is entrusted, within the limits of competence defined by the law, with the protection of state sovereignty, the constitutional order, territorial integrity, scientific, technical and defense potential of Ukraine, the legitimate interests of the state and the rights of citizens from the intelligence and subversive activities of foreign special services, encroachments by individual organizations, groups and individuals, as well as ensuring the protection of state secrets. The tasks of the Security Service of Ukraine also include prevention, detection, termination, and disclosure of criminal offenses against the peace and security of humanity, terrorism and other illegal actions that directly threaten the vital interests of Ukraine» [8]. Accordingly, within the framework of ensuring state security, the SBU is entrusted with the task of preventing and countering criminal offenses against the economic system, provided that they pose a threat to national security. However, according to the results of an analytical study conducted by the Public Organization «Osyazhnyi Obryi» of the cases investigated by the SBU in the period from 2013 to 2020, most of them did not relate to state security. In figure 1 presents the results of this study.



Source: depicted based on [1]

Fig. 1. Criminal offenses that were investigated by the SBU and did not relate to state security (blue column - related to state security, red column - not related to state security)

The predominance of cases that did not relate to state security and were investigated by the SBU is observed in: 2013 – 1,332 cases, which is more than 84 %; 2018 – 5136 cases, which is more than 76 %; 2019 – 1,445 cases, which is more than 54 %. In general, during the years under review, the number of cases that were not identified as a threat to state security amounted to 14,558, which is more than 54 %.

Table 1 presents the spheres of activity of the SBU during the research period.

Table 1

Specific weight of criminal offenses against the economic system in the structure of crimes investigated by the SBU

Field		2013	2014	2015	2016	2017	2018	2019	2020	
Against the economic system	Number	517	316	366	431	394	412	477	355	
	Specific weight	32,93	8,66	15,11	11,81	10,88	6,15	17,84	15,20	
Total		100	1570	3650	2423	3648	3622	6697	2674	2336

The number of criminal offenses against the economic system investigated by the SBU during the research period amounted to 3,268 cases, which is more than 12 %. The largest number of cases related to criminal offenses against the economic system was in 2013 and amounted to more than 517 cases, which is more than 32 %. In subsequent years, the specific weight of investigated criminal violations did not exceed 20 %, and in 2014 and 2018 they were less than 10 %.

2. The Bureau of Economic Security is a newly created specialized law enforcement agency that has been operating since 2021. In accordance with the legislation, this law enforcement body performs the following tasks:

- «- identification of risk zones in the economy by analyzing structured and unstructured data;
- assessment of risks and threats to the economic security of the state, development of ways to minimize and eliminate them;
- provision of proposals for amendments to normative legal acts on the elimination of prerequisites for the creation of schemes of illegal activity in the economic sphere;
- ensuring the economic security of the state by preventing, detecting, terminating, and investigating criminal offenses affecting the functioning of the state's economy;
- collection and analysis of information on offenses affecting the economic security of the state, and determination of ways

to prevent their occurrence in the future;

- planning measures in the field of combating criminal offenses assigned by law to its jurisdiction;
- detection and investigation of offenses related to the receipt and use of international technical assistance;
- drawing up analytical conclusions and recommendations for state bodies in order to increase the effectiveness of their management decisions regarding the regulation of relations in the economic sphere» [6].

The Bureau of Economic Security is a specialized law enforcement agency that performs the functions of preventing and countering criminal offenses against the economic system. According to the BEB report [3] for 2022, there were: 650 statements and notifications about the commission of criminal offenses were registered; 29 criminal proceedings were referred to the court, 24 of which were accompanied by an indictment; BEB detectives investigated 961 criminal proceedings; the remainder of criminal proceedings at the end of 2022 is 510, of which 15 were reported with a person of suspicion; compensation for losses in the amount of UAH 33.3 million was ensured.

«According to the information of the Unified Register of Pre-Trial Investigations, for the period from 01.01.2022 to 31.12.2022, 442 criminal proceedings were registered by the BEB of Ukraine, including under investigation by BEB detectives in accordance with Part 3 of Art. 216 of the Criminal Procedure Code of Ukraine, namely: - Art. 191 of the Criminal Code - 89, - Art. 199 of the Criminal Code - 37, - Art. 200 of the Criminal Code - 5, - Art. 203-2 of the Criminal Code - 12, - Art. 204 of the Criminal Code - 24, - Art. 205-1 of the Criminal Code - 34, - Art. 206 of the Criminal Code - 2, - Art. 206-2 of the Criminal Code - 2, - Art. 212 of the Criminal Code - 165, - Art. 212-1 of the Criminal Code - 2, - Art. 218-1 of the Criminal Code - 2, - Art. 219 of the Criminal Code - 5, - Art. 229 of the Criminal Code - 1, - Art. 232-2 of the Criminal Code - 1, - Art. 233 of the Criminal Code - 1, - Art. 358 of the Criminal Code - 14, - Art. 364 of the Criminal Code - 3, - Art. 366 of the Criminal Code - 13» [3].

The important importance of the Bureau's activity is also aimed at preventing and countering Russian aggression, in particular: «Currently, the detectives of the Security Intelligence Service are investigating 27 criminal proceedings related to the assets of the Russian Federation and the Republic of Belarus, for which such assets have been established and seized for a total amount of UAH 41 billion. The specified seized goods and material values were handed over to ARMA, which has already sold such property for UAH 951 million. In order to speed up the transfer of these funds for the needs of the Armed Forces, in agreement with the Cabinet of Ministers of Ukraine, UAH 600 million worth of military bonds were purchased» [3].

3. State Bureau of Investigation. November 12, 2016 is considered the official date of creation of the State Bureau of Investigations, which is the day of entry into force of the Law of Ukraine on the State Bureau of Investigations [7]. However, «the full functioning of the said law enforcement body did not start immediately. Only on May 10, 2016, a competition was announced to fill the vacant positions of Director and Deputy Director of the Bureau. The competition continued for 1.5 years, only on November 16, 2017, the competent commission named the winners for these positions» [2].

According to the Report on the activities of the SBI [4], the main areas of prevention and countermeasures against criminal offenses against the economic system in 2021 were the following:

- countering the illegal movement of goods across the state border of Ukraine with the use of corrupt connections in law enforcement, customs and control bodies. Losses of more than 175.6 million hryvnias were established, the most losses were recorded in Lviv, Volyn, Zakarpattia, Cherkasy, Odesa, Kharkiv and Zaporizhzhia regions. In total, the number of investigated cases was 636, of which 106 were indictments against 124 persons;

- exposure to crimes that reduce the country's defense capability were implemented according to the articles of the Criminal Code of Ukraine. Regarding criminal offenses against the economic system. In particular, it was identified that losses to the state in the amount of more than UAH 500 million were caused. through: equipment for the supply of low-quality equipment, amounting to UAH 450 million; theft of funds during the construction of barracks in the amount of UAH 45 million; abuse during provision of food products in the amount of about 1 million hryvnias; embezzlement of military property worth about UAH 15 million;

- combating criminal offenses in the budgetary sphere, as a result of which losses to the state were established in the amount of UAH 233 million. In particular, the number of investigated cases was 541, of which 42 were indictable acts against 78 persons.

4. The National Anti-Corruption Bureau is a special law enforcement body created in the context of the European integration processes, whose area of competence includes the prevention and counteraction of corruption. «The creation and launch of the National Anti-Corruption Bureau of Ukraine was one of the requirements of the International Monetary Fund and the European Commission for the liberalization of Ukraine's visa regime with the European Union. On October 14, 2014, the Verkhovna Rada of Ukraine adopted the Law «On the National Anti-Corruption Bureau of Ukraine». In January 2015, for the first time in the history of modern Ukraine, an open competition was announced to fill the vacant position of the head of a state body. 186 candidates for the position of director of the National Anti-Corruption Bureau of Ukraine submitted their documents. The winner was Artem Sytnyk» [5]. A number of corruption offenses were committed against the economic system of the state, or corruption offenses were investigated together with criminal offenses against the economic system. In particular, criminal cases related to gambling and corruption in the Gambling Regulatory Commission were high profile in 2021.

In general, the institutional support of the system of preventing and countering criminal offenses against the economic system is represented by the Security Service of Ukraine, the Bureau of Economic Security, the State Bureau of Investigation and the National Anti-Corruption Bureau of Ukraine. Taking into account the pressing problems and the need to counter the investigated crimes, there is a need to transform their activities in the following directions:

1. Implementation of the Unified National Information and Communication Portal of law enforcement agencies to ensure: a 24-hour exchange of information between law enforcement agencies regarding cases under joint jurisdiction; informational support of investigative actions, special operations and intelligence activities; formation of the register of criminal cases according to the chapters of the Criminal Code of Ukraine. The single national communication portal of law enforcement

agencies should be adapted to the information portals of international police organizations, and the exchange of information between them should be coordinated by the National Central Bureau of INTERPOL. The specified portal must meet all standards for ensuring information protection;

2. Implementation of the personnel development system of the law enforcement system of Ukraine through the introduction of personnel reserves of managerial, operational, analytical and other personnel. The administration of the personnel reserve shall be entrusted to the Ministry of Internal Affairs of Ukraine with the coordination of the Prime Minister of Ukraine in the part of subjects that do not have departmental subordination to the Ministry of Internal Affairs of Ukraine. Work on the formation and use of the personnel reserve should include the assessment of applicants, their training and retraining through training. In the regulatory documents regarding the personnel policy of law enforcement agencies, it is stipulated that when announcing competitions for the filling of vacant positions, the participation of participants in the personnel reserve should be taken into account;

3. Development of the personnel potential of law enforcement agencies through the implementation of the concept of «Education throughout life». In particular, there is a need for law enforcement officers to acquire new skills related to their work in the information society, namely: information hygiene during work and personal life; transformation of economic processes in conditions of digitalization; anti-corruption training; legal training regarding European integration processes; work in conditions of emergency and martial law; psychological training using methods of extreme psychology;

4. Expanding the activities of law enforcement agencies in terms of cooperation with other law enforcement agencies regarding the creation of joint investigative teams for particularly important cases related to the investigation of criminal offenses that pose a threat to national security. In the area of criminal offenses against the economic system, there is a need to create joint investigative groups of the Security Service of Ukraine, the Security Service of Ukraine, State Security Bureau, and the National Bureau of Investigation in relation to financing of collaborative activities; search for assets of persons accused of collaboration or treason; search for assets of persons charged with crimes in connection with Russian aggression;

5. Expansion of BEB activities in the context of preventing and countering criminal offenses against the economic system, which relate to corruption in the corporate sector, as well as preventing and countering illegal mining (production), purchase, sale and exchange of cryptocurrencies;

6. Expanding the educational activities of law enforcement agencies as a tool to prevent criminal offenses against the economic system, in particular: implementation of measures to form zero tolerance for corruption and persons accused of these offenses;

7. Formation of a unified approach to cyber protection and ensuring information security of law enforcement agencies, investigative actions, law enforcement officers and their family members.

3. Conclusions from this study and prospects for further research

Based on the conducted research, the role and significance of the Security Service of Ukraine, the Bureau of Economic Security, the State Bureau of Investigation and the National Anti-Corruption Bureau of Ukraine in combating crime against the economic system have been determined. In order to increase the effectiveness of the law enforcement agencies of Ukraine in combating criminal offenses against the economic system, the following are proposed: implementation of the Unified National Information and Communication Portal of law enforcement agencies; implementation of the personnel development system of the law enforcement system of Ukraine through the introduction of personnel reserves; development of personnel potential of law enforcement agencies through the implementation of the concept of «Education throughout life»; expanding the activities of law enforcement agencies in terms of cooperation with other law enforcement agencies regarding the creation of joint investigative teams; expansion of BEB activities in the context of prevention and counteraction of criminal offenses against the economic system, which relate to corruption in the corporate sector; expansion of educational activities; formation of a unified approach to cyber protection and ensuring information security.

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The article was sent to the editorial board on 22.02.2024.