

# “TORONTO PRINCIPLES”

## Key Reform Priorities in Ukraine

### (working draft)

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*The “Toronto Principles” working draft was prepared by civil society experts working group under coordination of the Reanimation Package of Reforms Coalition with an aim to be discussed at the third Ukrainian Reform Conference, on July 2-4, 2019 in Toronto, Canada.*

*Proposals to the draft document were provided during the online consultations and regional discussions in Kharkiv, Odesa and Lviv in April-May 2019.*

#### **Preamble:**

We, the representatives of Ukrainian civil society, in preparation for the third Ukraine Reform Conference to be held in Toronto on July 2-4, 2019, have agreed upon the following principles that we present to the President of Ukraine, the present and prospective members of the Verkhovna Rada of Ukraine and the Cabinet of Ministers of Ukraine and call on them to work together to implement reforms in Ukraine.

We note the results of the reforms that have taken place since the Revolution of Dignity in Ukraine, and we reaffirm our commitment to their further development. We are aware of the importance of consolidating all Ukrainian reform forces, especially in the context of the armed aggression of the Russian Federation against Ukraine and reaffirm our readiness to work together with the Ukrainian citizens, private sector, authorities, local self-government and international partners to implement the reforms. We believe that the risks and threats faced by Ukraine can be dramatically reduced by effective and consistent reforms.

We reaffirm our commitment to the principles of the rule of law and democracy, integrity, transparency, accountability, equality and inclusiveness in all areas of public policy and public life. By following these principles, we will be able to continue and accelerate the positive changes in our country: ensure respect for human rights, good governance, equitable economic growth and the well-being of citizens, including through Ukraine’s accession to the European Union and the North Atlantic Treaty Organization (NATO).

In order to achieve these goals, we invite policy decision-makers and those responsible for its implementation to be guided **by the below principles and priorities:**

#### **I. SECURITY AND RULE OF LAW, based on integrity, transparency, accountability and sustainability.**

**1. Development of defense and security capabilities based on NATO standards:** To implement systemic reforms envisaged by the Law “On National Security of Ukraine” with an aim to form a holistic sector of national security and defense, based on the principles of national resilience and subject to

comprehensive democratic civilian control (oversight). Introduction of long-term planning, focused on the development of defense and security capabilities, aimed at restoring the territorial integrity and sovereignty of Ukraine. Creation of a system of government management in the defense industry in order to ensure the effective functioning of Ukrainian producers of all forms of ownership and those from NATO countries, in particular, due to transparent access to the state defense procurement order.

**2. Implement comprehensive steps to reform justice sector:** To ensure access to justice, independence, integrity and accountability of judges, prosecutors and lawyers: continue to depoliticize the judiciary; increase the effectiveness of its renewal by empowering those that are most trusted by society (representatives of civil society and foreign experts); as well as re-launch qualification assessment of judges whose integrity is in doubt. Reform the bar system. Modernize legal education and rules of access to legal professions in accordance with the international standards. Enhance the functional capacity of law enforcement agencies through the introduction of international standards and approaches to conducting investigative and secret activities, as well as ensure the independence of the prosecutor's office through its depoliticization. Reform the penitentiary system to ensure the rehabilitation of convicts and their re-integration into society.

**3. Improve the effectiveness of anticorruption infrastructure:** To ensure that all elements of the anticorruption infrastructure (NACP, NABU, SAP, HACC, ARMA, authorized departments engaged in the prevention of corruption in governmental bodies) are professional, independent, effective, and devoid of political interference, in order to prevent and counteract corruption. It is thus necessary to restart the NACP; re-select SAP management under a new legal procedure; as well as ensure the independence of both bodies. It is also necessary to prevent attempts to eliminate anti-corruption legislation and institutions such as NABU. HACC must be provided with the necessary resources in full, and select a head and employees for the court administration based on an open and transparent competition. Lastly, it is necessary to carry out a comprehensive SSU reform to deprive it of atypical anticorruption and economic powers.

## II. DEMOCRACY AND GOOD GOVERNANCE based on equality, inclusiveness, citizen engagement in policy making, and independence of democratic institutions.

**4. Completion of complex electoral reform:** To ensure equal conditions for exercising political rights of citizens, including women's political empowerment and participation, inevitability of punishment for committing crimes against electoral rights, proportionality and efficiency of sanctions for the law violations. To introduce a proportional electoral system with open regional lists designed to strengthen the link between political forces and voters, advocate the electoral rights of internally displaced persons and migrant workers, as well as the effective functioning of electoral justice. To support increased transparency and accountability

in political parties and electoral campaign funding. It is necessary to limit the election funds spent on election campaigning and increase transparency of such expenditures.

**5. Parliamentary reform:** To update the Roadmap on Internal Reform of the Verkhovna Rada of Ukraine, in particular approve a new concept of the legislative process; adopt the Law "On Peculiarities of Civil Service in the Apparatus of the Verkhovna Rada"; develop and approve the Code of Ethics for Members of Parliament.

**6. Continued public administration reform:** To complete the reform of ministries in accordance with the approved government concept, develop and approve new Rules of Procedure of the Cabinet of Ministers of Ukraine with a view to introducing transparent government procedures for effective public policy making and implementation based on policy analysis and strategic planning. Ensure transparency, accountability and effectiveness of public policy implementation by all central executive authorities. Increase professionalism and accessibility of the public service through transparent competitive selection, qualitative assessment of the public servants' performance, as well as through their professional training. Regulate the administrative procedure on a legislative basis.

**7. Decentralization completion:** To complete the reform of local self-government and territorial arrangement of power at the basic and subregional levels; introduce appropriate control regarding the legality of decisions of local self-government bodies and improve the system of financing of the state regional policy. Clearly delineate the powers between the various levels of executive power and local self-government bodies based on the principle of subsidiarity. Constitutional changes need to be adopted to complete the reform and make it irreversible.

**8. Intensification of the e-democracy and e-governance development:** To ensure the best practices of e-engagement of citizens in decision-making at an early stage (e-petition, e-consultations); ensure participation of residents in participatory budgets. To develop the proper infrastructure for e-consultations, e-referendum and e-elections. Introduce of blockchain technologies. To develop the "digital by default" policy, ensuring interoperability of the state and local registries, administrative services online.

**9. Development and protection of civil society:** To ensure favorable legal environment for the development of civil society, in particular through further simplification of legislation regarding civil society organizations and their financial sustainability, abolition of public electronic declarations for anti-corruption

activists, effective investigation of all attacks on public activists. Intensify dialogue between civil society and national and local government to strengthen the influence of civil society on the development and implementation of public policies. Strengthen the protection and exercise of human rights, and the safety of civil activists. Guarantee the right to access to public information, in particular by establishing an independent supervisory institution.

**10. Enhancing independence and financial transparency of Ukrainian mass media:** To protect Ukrainian public broadcasting and non-commercial media from political pressure. Introduce a more secure and transparent model for financing the Public Broadcasting Company in line with the Council of Europe standards. Update of the Ukrainian media and advertising legislation to improve conditions for the media environment and respond to current challenges, in particular in audiovisual media services, and internet regulation. Increase the level of media literacy and critical thinking among citizens through educational programs.

### III. PROSPERITY AND HUMAN CAPITAL DEVELOPMENT based on equitable economic growth that improves well-being of all citizens and enables them to exercise their human rights in full.

**11. Supporting macroeconomic stability and implementing far-reaching market-based economic reforms:** To maintain macroeconomic stability, preserve and protect the independence of the National Bank of Ukraine from any political interference, as well as to continue the implementation of the cooperation program with the International Monetary Fund. Improve business climate and investment attractiveness through the introduction of far-reaching market-based economic reforms:

- 1) Lift the moratorium and establish an open agricultural land market;
- 2) Privatize large state-owned enterprises, reduce the list of state-owned enterprises that are prohibited for privatization, and complete the corporate governance reform of state-owned enterprises through the establishment of independent supervisory boards;
- 3) Reform tax and customs institutions in course of creation of service-oriented bodies, as well as establish a financial investigation service as the only body combating economic crimes in the law enforcement system;
- 4) Liberalize control over the movement of capital and currency regulation, simplify and optimize customs

procedures, as well as enforce implementation of existing free trade agreements;

5) Establish equal conditions for doing business, create favorable environment for small and medium-sized businesses based on free competition protected by an effective regulator.

**12. Energy efficiency, liberalization and transparent functioning of energy sector:** To complete the gas and electricity markets reform, abolition of state subsidies in the energy sector, launch of the coal market reform and reduction of its consumption, introduction of competition in the heat supply sector, development of renewable energy sources, as well as the efficient use of energy resources, protection of vulnerable consumers, good governance and energy independence. Implementation of efficient energy efficiency programs in the sectors of energy generation, transportation and consumption, in particular in the residential sector.

**13. Prevention of environmental damage:** To implement the environmental control reform to ensure that it is effective, efficient, operational, transparent, and professional; introduce mechanisms for ensuring the inevitability and proportionality of liability of individuals and legal entities for environmental damage; all measures in the field of environmental protection should be planned taking into account monitoring data and the consequences of their environmental impact. Ensure proper implementation addressing the waste management issue.

**14. Continuation of complex healthcare system reform:** To promote the development of a patient-centered healthcare system by changing the organizational and economic principles of management in accordance with the market conditions and international standards that will ensure equal access to quality healthcare and financial protection in case of illness, as well as create conditions for the introduction of insurance medicine. Ensure prevention of non-communicable diseases and strengthen legislation on tobacco, alcohol and healthy nutrition control.

**15. Social services reform:** To develop a social services system in accordance with international standards; develop a mechanism of public-private partnership, and establish a comprehensive system for responding to domestic violence.

**16. Culture and national memory:** To implement strategies of cultural policy and cultural practices in all spheres; support for the development of creative industries; develop policy on commemoration and symbols aimed at consolidating the Ukrainian political nation; build the public capacity to stand up to human rights violations, including through the prohibition of

totalitarian regime propaganda, restoring the rights of victims of repression and guaranteeing access to archives.

**17. Continuation of comprehensive education and science reforms:** To ensure integration into the European academic and scientific space; significant increase in the institutional autonomy of educational

institutions, in academic freedoms of the educational process participants, and in the quality of educational and research programs at all levels. Education and research should meet the requirements of the modern labor market, prepare labor markets of the future and serve as the basis for forecasting, adaptation and sustainable development of Ukraine as a competitive state, contribute to civic education.

### NGOs and public associations that support the “Toronto Principles”:

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#### All-Ukrainian

- Dixi Group
- EasyBusiness
- StateWatch
- Transparency International Ukraine
- Anti-corruption Headquarters
- Association Energy Efficient Cities of Ukraine
- Association of Ukrainian Human Rights Monitors on Law Enforcement (Association UMDPL)
- All-Ukrainian Consumer Federation “PULSE”
- Vostok SOS
- Civil Network OPORA
- Civil Society Online
- Detector Media
- Environment - People - Law
- Civil Society Institute
- Institute for Economic Research and Policy Consulting
- Institute for Euro-Atlantic Cooperation
- Institute for the Development of the Regional Press
- Internews-Ukraine
- Committee of Voters of Ukraine
- Agency for Legislative Initiatives
- League of Interns
- MAMA-86
- Independent Defence Anti-Corruption Committee
- Plast National Scout Organization of Ukraine
- Healthcare Platform
- Human Rights Platform
- Human Rights Initiative
- Together against Corruption
- Union of Archaeologists of Ukraine
- CCC Creative Center
- Ukrainian Foundation for Public Health
- Ukrainian Scientific Club
- Ukrainian Center for Independent Political Research
- Ukrainian Women’s Fund
- Ukrainian Philanthropists Forum
- Ukrainian Center for European Policy
- Ilko Kucheriv Democratic Initiatives Foundation
- DEJURE Foundation
- Center for Public Health Advocacy
- Centre for Democracy and Rule of Law
- Center for Army, Conversion and Disarmament Studies
- Center for the Liberation Movement Research
- Center for Innovation Education “Pro.Svit”
- Center for Environmental Initiatives Ecoaction
- Centre for Economic Strategy
- Life Centre
- Eidos Centre
- Center for Economic Research and Forecasting “FINANCIAL PULSE”
- New Europe Center
- Centre of Policy and Legal Reform
- Anti-Corruption Action Center
- Human Rights Center Zmina
- Center for Innovations Development
- Centre UA
- School of Public Health of National University of Kyiv-Mohyla Academy
- “Legal Hundred”

#### Regional, Local

- Fourth Estate (Chetverta Vlada) Journalistic Investigations Agency
- Anticorruption Monitoring
- Association of Political Sciences
- Ecoclub
- Ecopravo-Kharkiv
- Coalition of NGOs Zaporizhzhia Reform Council
- Kropyvnytskyi Coalition of NGOs “Expert Council”
- Anti-Corruption Centers Network
- “Molod-DIIE” (Youth ACTS)
- “Dnipro Youth”
- People’s Control of Kirovohrad Region
- Rivne Council of Housing Cooperative Heads
- “Rivne-takmed”
- Rivne Center “Social Partnership”
- Union of Rivne Cyclists
- Center for Public Monitoring and Analysis
- Center for Public Monitoring and Research
- Ukrainian Center for Policy “Eksampey”
- Chuhuiv Human Rights Group
- Ternopil Region Democratic Alliance
- Public Association “Business Council of Ternopil”