

# Draft law on financial investigations bureau would undermine NABU's exclusive jurisdiction

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Draft law on financial investigations bureau (FIB) has been developed by the working group headed by the MP Nina Yuzhanina, the head of Parliamentary Committee on tax policy, upon assignment from the President of Ukraine. Draft law is not yet submitted, but was made [public](#) by Yuzhanina.

Creation of financial investigations bureau is Ukraine's obligation according to [memorandum](#) with the IMF of September 2016. According to the memorandum, a new civil service with new staff under the Ministry of Finance shall be established authorized to investigate financial and economic criminal offenses against the State. It is also emphasized in the memorandum, that such a body shall act without infringing upon the investigative jurisdiction of NABU (part a., paragraph 27 of the Memorandum).

However, powers of the FIB as offered by Yuzhanina's draft law intervene into investigative jurisdiction of NABU and in general exceed powers of any other law enforcement body.

The draft law introduces new crime of *misappropriation of budget funds* and gives it under investigative authority of the FIB. This crime nearly duplicates existing crime of misappropriation of assets through the abuse of office, which falls under investigative capacity of NABU. Since almost all crimes of misappropriation through the abuse of office involve budget funds, introduction of new crime will allow the FIB to intervene into investigative capacity of NABU and thus undermine exclusive investigative jurisdiction of NABU over corruption crimes.

In addition, the draft law gives the FIB powers to information on bank accounts and bank transaction without judicial warrants. As of now, neither law enforcement body enjoys such powers. The FIB also receives powers of financial intelligence service similar to those of the Security Service of Ukraine (in the meantime, respective powers of the Security Service are not cut).

The FIS chief is to be selected upon the competition and appointed/dismissed by the President. Will be controlled by the Prosecutor General and Rada's law enforcement committee.

To eliminate intervention into investigative jurisdiction of NABU, the crime of misappropriation of budget funds shall not be introduced and jurisdiction of the FIB shall be limited to tax crimes.