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The Rule of Law in Ukraine – More Than Combating Corruption

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A series of scandals in Ukraine has shown that Russia’s war of aggression has not put an end to corruption in the country. Although Ukraine’s specialised institutions play an important role in combating corruption, the country’s governance model does not yet meet the requirements of the rule of law, allowing corruption to remain entrenched. The difficulties involved in fundamentally overhauling this model are often underestimated. However, such a transformation will be necessary for Ukraine’s accession to the EU. Both Kyiv and Brussels will need to work on several tracks simultaneously to consolidate the rule of law in Ukraine.

In July 2025, the Ukrainian parliament passed a law that stripped two of the most important anti-corruption institutions of many of their key powers. Nine days later, following public protests and demands from external actors, most of the provisions of that law were revoked by another piece of legislation; however, the fact that the original version was passed shows that the country’s political leadership has not yet committed itself to the rule of law. Rather, ways are being sought to circumvent or eliminate necessary procedures or at least render them harmless for certain categories of the elite.

Despite having been triggered by a series of corruption scandals, the reshuffles in the government and parts of the security apparatus in early 2026 further demonstrated that the fight against corruption is not a priority. The biggest stir was caused by the so-called “Operation Midas”, in which the

investigative authorities uncovered a system of kickbacks centred around the state-owned energy company Energoatom. In the fallout, the minister of energy and the minister of justice, who had formerly served as minister of energy, had to step down from their posts, while Andriy Yermak, the powerful head of the Presidential Office and Volodymyr Zelenskyi’s right-hand man, was forced to tender his resignation after the National Anti-Corruption Bureau had searched his home.

Nevertheless, it was not primarily the desire to combat corruption that informed the personnel decisions necessitated by these and other dismissals. Rather, factors such as the popularity of the new appointees, their loyalty to the president, their expertise and their networks played the main role. This applies not least to the appointment of Kyrylo Budanov as the new head of



the Presidential Office. Budanov has both profound military knowledge and good contacts with parts of Donald Trump's team. Previously, he served as head of military intelligence, in which capacity he was responsible for a number of successful high-profile operations that made him extremely popular in Ukraine.

It is understandable that various criteria – and not just the fight against corruption – have been important in the selection of new politicians and civil servants, especially as the country's overriding concern is to survive the war. However, the phenomenon of corruption is currently being addressed only at the margins. Even if the anti-corruption institutions do not come under further pressure (which is far from certain), they have to operate alongside a judiciary that has been only partly reformed and still offers numerous opportunities for corruption. Furthermore, corruption has become an integral part of Ukraine's governance system and cannot be brought under control without a transformation of that system. The fight against corruption therefore requires a broader approach aimed at ensuring a balanced separation of powers and an elite of a higher calibre. In this context, the war represents both an obstacle and an opportunity.

Building the rule of law: An enormous challenge

Although Ukraine has been independent for close to 35 years and the influence of its Soviet legacy is slowly waning, progress towards the rule of law has been anything but straightforward. Under President Leonid Kuchma (1994–2005), a form of oligarchy emerged that was underpinned by an opaque symbiosis of politics and business. Powerful economic actors wielded their financial and media clout to help politicians consolidate their power. In return, political decisions were taken that served the interests of those oligarchs, allowing networks based on corruption to form and become entrenched over time.

That system continued under Kuchma's successors, albeit with significant nuances. Under Viktor Yushchenko (2005–2010) and Petro Poroshenko (2014–2019), a more pluralistic form of oligarchy developed than under Viktor Yanukovich (2010–2014), but there was no significant change in the mechanisms of the system.

Although during this period key pillars of democracy were established in Ukraine – including largely free and fair elections – other hallmarks failed to materialise or were sabotaged by the oligarchy. In particular, the general principle of the separation of powers, the independence of the judiciary and certain mechanisms of accountability have not been sufficiently enforced. And it is the deficiencies in these areas that are enabling corruption at the highest political levels to persist. Even though the recently formed anti-corruption institutions have managed to more or less preserve their independence and carry out their work, they operate alongside a dysfunctional judicial system that not only undermines their achievements but has also enabled the oligarchs to secure positions in the courts for individuals well disposed towards them or otherwise exercise influence over court decisions.

The fact that a fully independent judiciary has not yet been established in Ukraine is closely linked to developments within the other branches of government. Ukrainian presidents have systematically sought to expand their powers via both official and unofficial channels. The power struggle between the president and the government or the parliament is reflected in the changing competences attributed to those institutions under the various versions of the Ukrainian Constitution. In fact, successive presidents have sought not only to control the government and parliament either directly or indirectly; they have also attempted to extend their influence to a range of other institutions, such as the Prosecutor General's Office or the Constitutional Court. Thus, a fundamental step towards improving the rule of law in Ukraine would be a shift of real power away from the president

towards the other branches of government or within the executive itself. Furthermore, the so-called fourth estate — namely, the media — would need to be strengthened and become more independent. Only then could it perform an adequate monitoring role and ensure a pluralistic public debate.

However, it is not just the considerable power of the president that is preventing the parliament from fulfilling its functions. Another major factor is that political parties in Ukraine have a problematic history. Since the emergence of oligarchic structures in the 1990s, parties have tended to become mere groupings that subordinate themselves to the interests of a single individual or clique. They are often founded by strong personalities who have no clear political programme, act opportunistically and offer their services to one or the other oligarch. Thus, numerous political parties become integrated into and support the oligarchic governance structure.

As a result of these processes, certain key institutions are associated — directly or indirectly — with a particular oligarch. The oligarchs, in turn, cooperate or compete with one another, depending on the situation and their interests. They form either a single pyramid (under Kuchma and Yanukovich) in which they vie for positions, or multiple pyramids (under Yushchenko and Poroshenko). In both constellations, they and their supporters are able to use their influence to exempt themselves from legal obligations and escape accountability. Thus, the rule of law is compromised by oligarchic rule in several fundamental areas.

Regime development under Zelenskyi: Contradictory

Volodymyr Zelenskyi was elected president in 2019 not least because he was seen as someone from outside the political system. Nevertheless, his election campaign received significant support from an oligarch, Ihor Kolomoyskyi. Over time, however, Zelenskyi not only distanced himself from Kolomoyskyi but also confronted the oligarchs.

Kolomoyskyi lost both his bank (PrivatBank) and his influence over several key energy companies and was even arrested. Furthermore, in autumn 2021, Zelenskyi introduced a bill into the parliament that established four criteria for defining an oligarch and tasked the National Security and Defence Council, which is chaired by the president himself, with compiling a register of oligarchs. Various political and economic restrictions were to be imposed on those individuals.

Despite still not having been fully implemented, the “anti-oligarch law” has already had an impact. Influential oligarchs such as Rinat Akhmetov and former President Petro Poroshenko divested their media holdings or reduced their stakes in those companies. However, the Venice Commission of the Council of Europe has criticised the law, stating that it was directed less against the oligarchic system itself than against individuals.

The situation for the oligarchs changed even more drastically following the Russian full-scale invasion in February 2022. As further territories were occupied by Russia, major industrialists lost key assets. At the same time, it became significantly more difficult for the oligarchs’ companies to continue to export their products, primarily owing to Russia’s increasing control over the Black Sea. Moreover, some companies that belonged to oligarchs were nationalised by the Ukrainian leadership for war-related purposes.

Despite all these setbacks for the oligarchs, it cannot be assumed that the oligarchic model is a thing of the past in Ukraine and the country has thus inevitably embarked on a path towards greater rule of law. First, the fight against the oligarchic system is not being waged consistently, and second, this fight cannot be equated with the complete removal of obstacles on the path to the rule of law. President Zelenskyi has demonstrated through other actions that he is not always inclined to take institutions seriously but prefers rather to rely on individuals. Furthermore, like other Ukrainian presidents before him, he has sought to expand his

power and take control of parts of the judiciary. Moreover, he repeatedly neglects the core function of the parliament as a source of checks and balances and expects it to rubber-stamp the laws proposed by him and the government.

More important than Volodymyr Zelenskyi's personal attitude towards the rule of law, however, is that the oligarchic model has become firmly entrenched in the minds of many key Ukrainian political and economic actors. They include not only the oligarchs themselves and those who support them but also large sections of Ukrainian society who are unfamiliar with other forms of governance and who either tolerate the manifold impacts of the oligarchic system on their daily lives or are simply unaware of them. This fact does not detract from the significant changes that Ukrainians have obtained by means of major protests or "revolutions". But those achievements have not yet led to the establishment of a fundamentally new form of governance.

In addition, the oligarchic model enjoys a certain acceptance among the population because it allows for a degree of pluralism. For example, it has frequently been pointed out that the oligarch-controlled media represent different points of view. Even within the landscape of political parties, which are often financed by oligarchs, controversial opinions and stances are expressed. Nevertheless, it must be noted that both the parties and the media have often served as instruments for advancing oligarchs' agendas, particularly during election campaigns.

Opportunities for a new governance model during wartime

The full-scale Russian invasion in February 2022 undoubtedly marked a turning point for Ukraine. It is viewed by some as an event that could drive the transformation of governance in the country. At the start of the invasion, it was not uncommon to hear it said that under the new circumstances, no one would dare engage in corrupt practices

as this could cost lives and would amount to a betrayal of Ukraine.

Developments show that this prediction has not been fulfilled. On the contrary, the consequences of the invasion have, in some respects, created conditions that encourage corruption. First, the flow of funds into Ukraine from abroad in the form of military, financial and humanitarian aid has increased many times over. Second, restrictions imposed for security reasons have reduced transparency in numerous areas. This makes it more difficult not only for external actors such as the EU but also for civil society organisations within Ukraine to establish whether corruption is taking place.

It should be emphasised that in wartime, it is never easy to focus on political goals and measures not directly linked to the conflict. Nevertheless, an eye must be kept on the development of the political system in Ukraine amid the ongoing hostilities because the direction that will be taken in the post-conflict period is being shaped now.

Some observers see the forced departure of Andriy Yermak, Zelenskyi's former chief of staff, as an opportunity to include certain competent and capable individuals in the leadership of the Ukrainian state – individuals who, until now, have not been part of the inner circle owing to their difficult relationship with Yermak. It is hoped that these and other developments could lead to less tolerance for corruption and thus a different kind of governance.

However, there are good reasons to doubt such an outcome, not least because Yermak was merely a product of a system that is deeply entrenched in Ukrainian politics (and the Ukrainian economy) and provides substantial benefits for many influential actors. Neither the president's personnel decisions to date nor the repeated blocking of rule-of-law reforms suggest the emergence of a new elite that would significantly alter the current governance model.

After the war (assuming the continued existence of a sovereign and independent Ukraine), it is likely that those who have distinguished themselves through outstand-

ing achievements during the conflict — whether on the battlefield or behind the front lines — will come to power. Not only would this be seen as logical by many Ukrainian voters; it could prove advantageous if (as is to be expected) Ukraine were to come under attack from Russia again. However, it is unlikely that such figures will have extensive experience of other models of governance or that the transformation of the rule of law in Ukraine will be a top priority for them. Thus, it is all the more important to start thinking now about measures that can be 1) introduced during the war and 2) easily adopted and continued by a post-war elite.

Measures to strengthen the rule of law in the Ukrainian context

The reform of the judiciary in Ukraine is a clear priority for both the EU and civil society actors in the country. Efforts in this direction have been under way for many years now, but progress has been both slow and partial. The vested interests and path dependencies within the system are simply too strong, while the preferences of the president and his team are often contrary to the spirit of the reform. Nevertheless, this reform remains firmly on the agenda of many Ukrainian and external actors. For this reason, the following proposals focus on additional measures which — like judicial reform — can strengthen the separation of powers.

Furthermore, the primary focus here is not on anti-corruption institutions. There is no doubting the importance of these institutions, which already receive a great deal of attention. However, in the long term they cannot function in an environment in which the three branches of government are confronted with the threat of state capture by oligarchs or other influential groups.

For this reason, it is important to view the extent of corruption in Ukraine as symptomatic of deficiencies in the rule of law and to acknowledge the resulting need to work towards a different model of govern-

ance on several tracks simultaneously. The measures proposed here are based on this holistic approach. Nevertheless, each measure can be implemented effectively on its own. Moreover, the list is not exhaustive. There are many other measures that could expand and consolidate the rule of law in Ukraine as the transformation required is extremely complex.

First, it could help to involve more individuals from the diaspora or with relevant experience abroad by appointing them to senior posts. Efforts along these lines during Petro Poroshenko's presidency can be described as having been partly successful. Ultimately, however, the entrenched corrupt elements within the system proved stronger than the innovative reformist forces from outside.

The larger the number of posts that are given to people with experience of other governance models, the greater the likelihood of transforming the existing system. Such individuals need not always be appointed as ministers since they can also play an important role at other levels. They must, however, wield decisive influence in their field.

Second, efforts should be made to ensure that political parties become more issue-oriented and less dependent on specific personalities. Parties led by a single individual are more attractive as instruments for oligarchs because they are easier to control and focus on particular interests rather than questions important to society as a whole.

One obvious measure would be to improve the monitoring of the sources of party funding. Although there are rules in place for reporting on such sources and the National Agency on Corruption Prevention (NACP) is supposed to ensure compliance, the former are too easy to circumvent and the latter lacks the necessary capacity to adequately monitor the situation.

At the same time, it would make sense to promote initiatives aimed at enabling voters to elect politicians and parties that champion their interests. Such increased transparency can be achieved, for example, by monitoring the voting behaviour of

elected legislators — something that various NGOs have been doing for years at both the national and local level. The relevant platforms should be made more visible and could be expanded to cover a wider geographical area. Furthermore, monitoring has declined in the wake of the full-scale Russian invasion and needs to be stepped up again.

Third, alongside existing measures in the area of judicial reform, more attention should be paid to the issue of legal education. The idea here is to train a new generation of lawyers and judges who would not tolerate the current state of affairs in the judiciary. It involves ensuring that legal education is more closely linked to an appropriate system of values. This can be best achieved within a university setting, where it is possible to forge strong links between legal content and other subjects. To this end — and because there is a surplus of law students in Ukraine — many of the smaller law programmes offered by various institutions should be closed.

Fourth, efforts should be made to strengthen the independence of the media. Rather than having to depend on “oligarchic pluralism”, the media should be able to carry out their work under as little political influence as possible. Zelenskyi’s “anti-oligarch law” was oriented in this direction. However, it is also necessary to provide public media services with increased resources and to support smaller media outlets in the creation of new strategies and funding models. Since USAID withdrew from this sector, local and regional media have had to rely on financial assistance from other external sources, including the EU and Member States. But it is equally important to work with those outlets to develop a sustainable model for a new media landscape.

Fifth, the coalition of actors committed to the rule of law needs to be expanded. The close cooperation between Ukrainian civil society organisations and external actors such as the EU is an example of constructive engagement in this area: coordinated pressure from the two parties (the so-called sandwich method) has often led to

successful reforms or prevented problematic decisions from being taken. Nevertheless, based on experience to date, more than just this joint approach will be needed to transform the governance model in Ukraine, particularly as the influence of the US in this area has not only declined, it has even become counterproductive.

Against this background, a more concerted effort should be made to recruit and engage other stakeholders with an interest in the rule of law. Of particular relevance here are businesspeople and business associations outside the oligarchic circles. As they are at a disadvantage owing to the privileges enjoyed by the oligarchs, they have a strong interest in the introduction of a system in which everyone has the same rights and is treated equally before the law. A “bottom-up” component could thus complement the more elite-oriented measures mentioned above — not least as the economic actors being considered here tend to already support the rule of law agenda, albeit while adopting a low profile. Greater cooperation between such actors and civil society representatives could strengthen the Ukrainian layer of the “sandwich”.

The rule of law and EU accession

The issue of the rule of law has always been of crucial importance in the EU accession process. But it has gained even greater significance following the 2020 reform of the accession methodology. The cluster of negotiation chapters titled “Fundamentals” deals with, above all, the characteristics of a state governed by the rule of law. It is the first to be opened and is not closed until the negotiation process has been completed. The aim is to ensure that the principles of the rule of law are incorporated and addressed throughout the entire process.

Considerations about accelerating the accession process and, where appropriate, introducing a form of partial membership are unlikely to change the central role played by the rule of law; at most, they may affect the point in the process at which the

issue is included on the agenda. Given that several EU Member States have experienced difficulties implementing the rule of law since their accession, it is unlikely that Brussels or the individual European capitals will be prepared to relax standards in this area.

How can the EU best contribute to the proposals aimed at strengthening the rule of law in Ukraine that are outlined in the previous section? As regards the involvement of politicians from the diaspora, the EU's scope for action is very limited, as it is Ukraine that decides who fills ministerial and other relevant posts. With regard to the de-oligarchisation of political parties, assessments by EU institutions (or the Council of Europe) concerning the enforcement of rules on the financing of political parties could feature in the negotiations on the "Fundamentals". Through the provision of funding for projects designed to increase the transparency of the voting behaviour of elected legislators (including in the regions), the EU can signal that an issue-oriented approach is desirable. Closer cooperation between Ukrainian political parties and those represented in the parliaments of EU Member States (and, in the case of Germany, political foundations) would help achieve progress in implementing such an approach.

As regards legal education, the EU or individual Member States could promote additional training programmes intended to forge closer links between values and law-making. The absence of USAID is making itself felt in this area. An increased exchange between law faculties in the EU and Ukraine on the issue of curriculum design could be beneficial, although some Ukrainian educational institutions have already taken significant steps in this direction.

In the media sector, it will be important to seize the opportunity that will arise once the war is over and the pressure to centralise has eased, so that the oligarchs can be prevented from reclaiming control of the media landscape. Thus, it would be advisable to strengthen public media in Ukraine by influencing legislation as part of the accession process and consolidating the institutional standing of those outlets. Further-

more, the legal framework for private media and for the treatment of journalists could become another topic of the accession process, as the shaping of the media landscape is linked in many ways to the development of the rule of law.

Finally, the EU can help involve additional stakeholders in the agenda for strengthening the rule of law, especially small and medium-sized enterprises (SMEs) that are not integrated into oligarchic networks. It can work towards ensuring that both SMEs and the associations representing them are better informed and more actively involved as partners in addressing those aspects of the transition to rule of law structures that directly affect them. This can be achieved in two ways: through increased communication between relevant directorates-general and the corresponding economic actors in Ukraine and by fostering links between the latter and sections of Ukrainian civil society. Clearly identifying overlaps in the priorities of business and civil society actors – for example, with regard to the development of an independent judiciary – could broaden the coalition for the rule of law and increase its chances of success.

Checklists will not suffice

The fight against corruption in Ukraine is of the utmost importance, and the actors involved in the country's anti-corruption institutions and civil society deserve continued encouragement and support. However, corruption is so deeply rooted in the country because the rule of law remains underdeveloped. Russia's war of aggression has only exacerbated the shortcomings in certain areas. However, the EU accession process requires Ukraine to transform its governance system in order to fully comply with the Copenhagen criteria.

Among the useful tools with which to achieve that transformation are lists of measures such as the one presented in December 2025 by Enlargement Commissioner Marta Kos and Ukrainian Deputy Prime Minister Taras Kachka to combat

corruption and strengthen the rule of law. But in order to tackle the underlying governance issues, a broader approach is needed – one that focuses on rebalancing the separation of powers. At the same time, it is important that the measures target and involve both the elite and societal levels.

There is no doubt that serious geopolitical reasons exist for accelerating the current round of EU enlargement. However, such an acceleration will have little bearing on the complexity and difficulty of the transformation process in Ukraine. It will be a prolonged affair, but it is necessary if Ukraine is to exit the grey zone and become a full-fledged EU Member State. Ultimately, of course, such a development is predicated on the assumption that the EU itself remains a space where the rule of law is upheld.



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