The President

H.E. Petro Poroshenko President of Ukraine 11 Bankova street Kyiv 01220 Ukraine

Brussels, 2 February 2017

Your Excellency,

I am writing to you on behalf of the Council of Bars and Law Societies of Europe (CCBE) which represents the Bars and Law Societies of 32 member countries and 13 further associate and observer countries, and through them more than 1 million European lawyers.

The CCBE is recognised as the voice of the European legal profession by the national Bars and Law Societies on the one hand, and by the EU institutions on the other.

The Ukrainian National Bar Association, which is an observer member of the CCBE, recently brought to the CCBE's attention their concerns about certain amendments to the Tax Code of Ukraine (Law № 1791 On Amendments to the Tax Code of Ukraine Regarding the Balancing of Budget Revenues in 2017), passed on the 20th December 2016, which also amended provisions in the law of Ukraine 'On the Bar and Practice of Law'. Paragraph 2 section 2 article 58 of the Law 'On the Bar and Practice of Law' has been modified as follows: The rate of advocates' annual contributions for ensuring implementation of advocates' self-government shall be determined taking into account the need to cover the cost of operation of regional bar councils, the Bar Council of Ukraine, the Higher Audit Commission of the Bar and the cost of maintenance of the Unified Register of Advocates of Ukraine and cannot exceed the rate of minimum subsistence level for employable persons, as of 1 January of relevant calendar year. In the view of the Ukrainian National Bar Association, these changes put at risk the independence and self-governance of the legal profession.

The CCBE shares the concerns of the Ukrainian National Bar Association with regard to these amendments. Based on a survey carried out amongst our members, no other country in Europe sets the amount of annual Bar fees by law, except for one, where certain criteria to determine the fee are regulated by law. The right to determine the amount of the fee is delegated to Bars and Law Societies.

In the CCBE's opinion, the attempts to legally set a Bar fee disregards two of the core values of the European legal profession: independence and self-regulation. Self-regulation is a safeguard of the independence of the legal profession and enables a lawyer to practise free from any outside influence, such as one which may arise from external pressure.

These core values are enshrined in various European and international legal texts, including:

The United Nations Basic Principles on the Role of Lawyers of 1990

"Professional Associations of Lawyers

24. Lawyers shall be entitled to form and join self-governing professional associations to represent their interests, promote their continuing education and training and protect their professional integrity. The executive body of the professional associations shall be elected by its members and shall exercise its functions without external interference."

Recommendation No. R(2000)21 of the Committee of Ministers to member States on the freedom of exercise of the profession of lawyer of 2000

"Principle V – Association

2. Bar associations or other professional lawyers' associations should be self- governing bodies, **independent of the authorities and the public**."

Furthermore, the CCBE's <u>Charter of Core Principles of the European Legal Profession of 2006</u> also lists independence and self-regulation amongst the core principles of the profession.

For the reasons set out above, the CCBE believes that fees to be paid to bars by its members must remain under the bar's authority. Bar Associations, when determining fees to be paid, must take into account the legal, social and economic considerations of a given country, in addition to the needs of the profession and the services offered to their members and their members' clients.

In the light of these comments, the CCBE urges you to review these amendments and to take adequate measures to safeguard the independence and self-regulation of the legal profession.

The CCBE has and will continue to follow the situation of the legal profession in Ukraine and, as an international professional association, we are always available for consultation and assistance in providing expertise.

Yours sincerely,

Ruthven Gemmell WS CCBE President

Copy sent by email to:

Mr. Igor Rainin Head of Presidential Administration glava_apu@apu.gov.ua

Mr. Oleksii Filatov Deputy Head of Presidential Administration <u>oleksiy.filatov@apu.gov.ua</u> pr filatov@apu.gov.ua

Whather Commell