

“Declarations Under Control” coalition: Biased audit is a threat to e-declarations system

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The National Agency for Corruption Prevention has launched the second discriminatory tender for the audit of the e-declaration system, but the bidding failed. NACP intends to use the loophole in the law on public procurement, which can result in conclusions that current e-declaration system should be replaced with a new one.

On February 5, NACP announced a tender for conducting an audit of the e-declaration system, but the bidding failed. The terms of the tender violated the requirements of the Public Procurement Law, as they contained discriminatory requirements for participants: access to work with classified information and special certifications. Both conditions can be fulfilled only by companies that are under the influence of a special service named the State Service for Special Communication and Information Protection (SSSCIP).

Moreover, this is second tender announced within the last month. The previous one was also cancelled because nobody applied. Now NACP could use the provisions of legislation that let them appoint any auditors they chose themselves. Given the conditions, it will be the companies controlled by the SSSCIP.

It was exactly the SSSCIP that derailed the launch of the system on August 15, 2016 and was involved in falsification of hack attack on e-declaration system, which has let them take the control over the e-declaration system. It was precisely changes done to the system by the structures of SSSCIP after which the President Poroshenko said that “the program was radically redesigned”. It was the SSSCIP structures that were interfering with the e-declaration system after its launch. But instead of bringing to justice they were given the role of official administrators of the system.

While being administrators of the system in the beginning of 2017 they concluded that the system is so bad that it is impossible to launch automatic verification and that a new system must be created. Thus, they even did the estimation that it would cost 12 million USD and take 4 years. The idea of an independent audit originated precisely to discover when and with what consequences the SSSCIP structures interfered with the system, whether this is the reason of problems in system’s operation and what is needed to launch the automatic verification. Instead, the terms of the tender launched by NACP suggest the audit to be carried out by the same structures of the SSSCIP. In essence – audit themselves.

The Prime Minister Volodymyr Groysman is well aware of the necessity to conduct the audit — in July 2017 he gave a protocol order to conduct such expertise. However, since then, the expertise of the system has been blocked by the SSSCIP that refuses to give access to the system to independent international auditors. We have already addressed the Prime Minister with a request to invite reputable international auditing companies and international partners of Ukraine to help with finding independent experts and organizing the expertise. We now call international partners of Ukraine to address the Prime Minister to

arrange an independent expertise of the system with the participation of foreign experts.

Text of the “Declarations Under Control” Coalition