

# Impact Story



## TRANSPARENCY AND ACCOUNTABILITY IN PUBLIC ADMINISTRATION AND SERVICES / TAPAS



### Preventing fires and making new hires: How electronic declarations of compliance with fire safety regulations are speeding up the creation of new jobs in Ukraine

“The electronic service that allows you to submit a declaration of compliance with fire safety regulations is a very convenient and quick solution. Everything works like clock-work” says Yuri Nazarenko, a specialist in the fire and industrial safety department at EVA, a popular Ukrainian retail chain.

Several years ago, EVA, Ukraine’s largest nationwide chain of beauty and health stores, embarked on a mission to create “beauty temples” for women – an unprecedented move for a country in which most competitors sell upscale, globally recognized brands that are too expensive for most Ukrainians. As of January 2020, the chain’s ventures had proven successful, opening more than 990 stores that employ more than 11,000 Ukrainians<sup>1</sup>. EVA stores have not only reached Ukraine’s largest cities, but also small towns with populations of less than 10,000 people.

Even with this historically rapid growth, EVA still continues to expand. The company has set its sights on opening 180 more stores in 2020 – an average of 15 new locations per month. This expansion has produced new jobs for roughly 1,800 Ukrainians, as each store employs a staff of 10 on average. An eDeclaration for compliance with fire safety regulations<sup>2</sup> allows companies to quickly register their compliance status, which in turn enables stores to open more quickly. Ultimately, this means a reduction in the amount of time it takes for job-seekers to secure employment with a reputable company.

#### EVA: How a Beauty Supply Chain became a Trendsetter

The process of opening a store encompasses more than just securing the right location and hiring staff. It is a complex operation that consists of several steps. First and foremost, it involves obtaining a list of permits from the authorities; the fire safety compliance declaration is one of them. According to Yuri Nazarenko, a specialist in the fire and industrial safety department at EVA, prior to being transformed into an eService, the process of submitting a declaration for compliance with fire safety regulations was laborious and time-consuming. It involved filling out a paper-based application, printing and signing it, preparing a cover letter, and walking to the post office to mail it to the nearest Administrative Services Center (ASC). In smaller towns, it could take up to half a day just to make phone calls in order to try and find the nearest ASC and its address. “Finding the address, making sure it’s still correct and checking whether the phone numbers are still the same would eat up a lot of time. The eService has reduced the time cost five to six-fold,” Nazarenko states.

<sup>1</sup> Company profile: <https://eva.ua/ua/o-kompanii/>

<sup>2</sup> The full name of the service is “Registration of the declaration of compliance of a business entity’s material and technical resources with the requirements of fire safety regulations”. It is available on <https://e-services.dsns.gov.ua/>



Nazarenko learned about the eDeclaration of compliance with fire safety regulations through one of his acquaintances. He had also seen information about the eService on leaflets distributed by his local ASC and thus decided to initiate the process of opening up a new EVA store. EVA is currently one of the most active users of the online service. As of August 31, 2020, the company had processed 156 declarations electronically (above 7% of the total number of eDeclarations issued as of August 31, 2020).<sup>3</sup>

A partnership between the State Service for Emergencies, the former State Agency for eGovernance (now the Ministry of Digital Transformation) and the USAID/UK aid funded Transparency and Accountability in Public Administration and Services (TAPAS) program helped to bring the eDeclaration to life in February 2018. The submission form is available here: <https://e-services.dsns.gov.ua>.

## A Stress-Free Saver of Time and Money

The time it took to locate an ASC was not the only obstacle in the way of filing a paper-based declaration of compliance with fire safety regulations. For example, sometimes after submitting an application, an ASC would only provide applicants with a notice that stated that their submission had been approved and included their declaration number. In other words, they didn't receive the declaration itself. "This wasn't very convenient", Nazarenko says. "It's always better to have the actual declaration on hand."

The process of submitting a paper-based application for the declaration was frustrating for regulars and novices alike. Even those who had experience with the paper-based service would often run into challenges. The application was long and complex and, more often than not, a single mistake meant that the applicant had to re-submit their entire documents package. This meant spending extra time on fixing documents, spending money on postage or taking another trip to the closest ASC. Subsequently, this obstacle would force the applicant to incur a delay in opening their new business, be it a coffee shop, hair salon, or grocery store.

Nazarenko also recalls past instances in which human error caused documents to go missing or approvals to be delayed by a few months. Thanks to the new eService, this doesn't happen anymore.

What's more, the approved declaration is often ready for the user on the same day they submitted their application.

## Faster for Employers, Better for Employees

At the end of 2019, almost one million companies were registered in Ukraine. Even though some of them are not brick-and-mortar and therefore do not require a declaration of fire safety regulation compliance to operate, the availability of new eService nevertheless means that hundreds of thousands of companies that do have physical premises no longer have to spend time searching for ASCs in order to complete an application. Additionally, these companies no longer have to worry about whether or not they have filled out their applications correctly, or if government officials have overlooked anything in the applications (i.e. sometimes documents are left out due to human error).

Some Ukrainian businesses have already reaped the benefits of the eDeclarations of compliance with fire safety regulations. For example, many have been able to expand at a faster pace, creating new jobs all over the country. "This is a very convenient and fast service in terms of submitting an application and receiving a registered declaration. Everything works like clockwork," says Nazarenko.

In addition to EVA, several major national and international companies are now counted among the growing number of users of the eService: PUMA and Adidas, the national food retailers chains NOVUS and ATB-Market, British Petroleum (BP), Lviv Danylo Halytskyi International Airport and PrivatBank, Ukraine's largest national bank.

For these companies, being able to submit a mandatory declaration online is convenient and allows them to expand their operations in Ukraine more quickly than before. For Ukraine, the electronic transformation of the service for compliance with fire safety regulations is a lucrative move that will ultimately lead to an increased revenue stream for the state budget, as the time saved in obtaining a permit enables businesses to begin operations much more quickly. For Ukrainian job-seekers, it presents an opportunity for steady employment with one of the country's leading retailers. Although this new eService constitutes only one aspect of business operations in Ukraine, it nevertheless signifies a step forward towards positioning Ukraine as a target for investment and a promoter of commercial activity.

<sup>3</sup> 2,121 eFormat declarations have been issued as of August 31, 2020.

The USAID / UK aid Transparency and Accountability in Public Administration and Services / TAPAS Activity supports citizens and the Government of Ukraine in reducing or eliminating corruption in key public administration functions and services through eGovernance reform and introduces best international practices in the key areas of eProcurement, Open Data, and eServices