

THE COMMISSION ON ETHICS OF HIGH-RANKING OFFICIALS

DECISION

ON

INITIATING PROCEEDINGS ON THE BASIS OF THE APPLICATIONS SUBMITTED BY V. HOKTANYAN – EXECUTIVE DIRECTOR OF TRANSPARENCY INTERNATIONAL ANTI-CORRUPTION CENTER AND R. NIKOGHOSYAN -RA CITIZEN

6-A

Yerevan city

April 10, 2013

The Commission on Ethics of High-Ranking Officials composed of E. Babayan (Chairman), A. Shushyan (Deputy chairman), L. Petrosyan, A. Khudaverdyan, A. Sargsyan (hereinafter referred to as: the Commission), in accordance with Article 44 of the RA Law on Public Service, has discussed application TI-121151 of December 17, 2012 of V. Hoktanyan – executive director of Transparency International Anti-Corruption Center and applications of citizen R. Nikoghosyan submitted on 26.09.2012, 24.10.2012 and 05.11.2012 which state that the head of State Revenue Committee by the RA Government (hereinafter referred to as: SRC) – is engaged in entrepreneurship activities and in conflict of interests situation during the performance of his official duties.

In the applications it was, in particular, mentioned that in articles titled as *“We Work Together with Our People”*, *“The Real Soldier of the Struggle”* released in *“Haykakan Zhamanak”* newsletter on October 18, 2012 and in article titled as *“The Fertile Monopoly of Cash Register Receipts”* released on *“Lragir.am”* website, reflections were made on the entrepreneurship activities performed or “controlled” by the head of SRC – G. Khachatryan. In particular, according to the above-mentioned articles, “Alexserv” company that provides papers for the cash register receipts, belongs to the head of SRC – G. Khachatryan. Moreover, according to the same articles G. Khachatryan’s name is related with a number of companies: “Apeyron” LLC, “Megafood” LLC, “Megasport”, “Megamotors”, “U-COM”, “Chronograph”, “Chimeg”, “World of Clothes”, “Galaxi Supermarket”, “Galaxi Bread Factory”, “Amasia Milk Factory”, “Alliance” customs terminal and “Santa Fe”.

The Applicants have requested the Commission to initiate proceedings in order to check the accuracy of the facts mentioned in the articles, and to find out whether there is a

conflict of interests situation and whether there was an abuse of official position and powers during the management of investments.

During the preliminary examination of the Commission prior to the proceeding, it was revealed that there are no registered companies in Armenia with names “Galaxi Supermarket”, “Galaxi Bread Factory”, “Amasia Milk Factory”, “Santa Fe”. “Alliance” customs terminal company is not registered but there is “Alliance” customs terminal company which was re-organized to “Trans Alliance” LLC.

Hence, the facts mentioned in the applications are to be discussed only with respect to companies “Apeyron” LLC, “Megafood” LLC, “Megaspport”, “Megamotors”, “U-COM”, “Chronograph”, “Chimeg”, “World of Clothes”, “Trans Alliance”.

On the basis of application TI-121151 of December 17, 2012 of V. Hochtanyan – executive director of Transparency International Anti-Corruption Center and applications of citizen R. Nikoghosyan submitted on 26.09.2012, 24.10.2012 and 05.11.2012 and being guided by Article 44 of the RA Law on Public Service:

the Commission on Ethics of High-Ranking Officials

HAS HEREBY DECIDED

- 1. to initiate proceedings on the basis of application TI-121151 of December 17, 2012 of V. Hochtanyan – executive director of Transparency International Anti-Corruption Center and applications of citizen R. Nikoghosyan submitted on 26.09.2012, 24.10.2012 and 05.11.2012;**
- 2. to suggest G. Khachatryan – the head of SRC to submit his objections and clarifications in ten days after receiving this decision.**

Chairperson of the Commission

E. Babayan