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FOURTH EVALUATION ROUND

Corruption prevention in respect of members
of parliament, judges and prosecutors

SECOND *INTERIM* COMPLIANCE REPORT

ARMENIA

Adopted by GRECO at its 93rd Plenary Meeting
(Strasbourg, 20-24 March 2023)

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I. INTRODUCTION

1. This Second *Interim* Compliance Report assesses the measures taken by the authorities of Armenia to implement the recommendations issued in the Fourth Round Evaluation Report on Armenia (see paragraph 2). GRECO's Fourth Evaluation Round deals with "Corruption prevention in respect of members of parliament, judges and prosecutors."
2. The [Fourth Round Evaluation Report on Armenia](#) was adopted at GRECO's 69th Plenary Meeting (16 October 2015) and made public on 25 February 2016, following authorisation by Armenia.
3. The [Compliance Report](#) was adopted by GRECO at its 78th Plenary Meeting (8 December 2017) and made public on 21 December 2017, following the authorisation by Armenia.
4. The [Second Compliance Report](#) was adopted by GRECO at its 84th Plenary Meeting (on 6 December 2019) and made public on 12 December 2019, following the authorisation by Armenia. In that Report, GRECO concluded that the low level of compliance was "globally unsatisfactory" within the meaning of Rule 31 revised, paragraph 8.3 of the Rules of Procedure. GRECO therefore decided to apply Rule 32 concerning members found not to be in compliance with the recommendations contained in the mutual evaluation report.
5. The [Interim Compliance Report](#) was adopted by GRECO at its 88th Plenary Meeting (on 22 September 2021) and made public on 8 October 2021, following Armenia's authorisation. GRECO concluded that the level of compliance remained "globally unsatisfactory" and asked the Head of the Armenian delegation to provide a report on the progress in implementing the outstanding recommendations (i.e. recommendations i-iv, vii-ix, xi, xv, xvi and xviii), pursuant to paragraph 2(i) of Rule 32.
6. On 30 December 2022, the authorities of Armenia submitted a Situation Report on further measures taken to implement the outstanding recommendations and additional information was received on 3 March 2023. This information served as the basis for the current Second *Interim* Compliance Report.
7. GRECO selected Georgia (with respect to members of parliament) and Hungary (with respect to judges and prosecutors) to appoint Rapporteurs for the compliance procedure. The Rapporteurs appointed were Ms Gulisa KAKHNIASHVILI, on behalf of Georgia and Mr Bálint VARRÓ on behalf of Hungary. They were assisted by GRECO's Secretariat in drawing up this Second *Interim* Compliance Report.

II. ANALYSIS

8. GRECO, in its Fourth Round Evaluation Report, addressed 18 recommendations to Armenia. In the *Interim* Compliance Report, GRECO concluded that seven recommendations (v, vi, x, xii, xiii, xiv and xvii) had been implemented satisfactorily or dealt with in a satisfactory manner and eleven recommendations (i-iv, vii-ix, xi, xv, xvi and xviii) had been partly implemented. Compliance with the outstanding recommendations is examined below.

Corruption prevention in respect of members of parliament

Recommendation i

9. *GRECO recommended that the transparency of the legislative process in the National Assembly be secured and further improved (i) by ensuring that the requirement to carry out public discussions on draft laws is respected in practice and that drafts submitted to the National Assembly as well as amendments are disclosed in a timely manner and (ii) by taking appropriate measures to ensure disclosure of information on the content of and participants in committee sittings, as well as more active use by committees of the possibility to organise parliamentary hearings.*
10. GRECO recalls that this recommendation was partly implemented in the previous report. For part (i), GRECO took note of the new public consultation procedures, which expanded the minimum deadline for online consultations and entrusted the Ministry of Justice with monitoring the practice of public consultations. All draft legal acts discussed in Parliament were posted in a timely manner on the dedicated platform and/or Parliament's website. However, apart from the indication that online tools were upgraded to increase their suitability for public consultations, concrete information on the actual practice of public involvement in the law-making process was not provided. In addition, the use of "urgent procedures" was still excessive. Therefore part (i) remained partly implemented. For part (ii), GRECO was satisfied with the increased transparency of committee sittings and hearings, and the wider holding of parliamentary hearings. Part (ii) was therefore implemented satisfactorily.
11. The authorities now indicate, with respect to the remaining part (i) of the recommendation, that the percentage of laws adopted under an "urgent/accelerated procedure" remains high. However, the authorities underline that the urgent procedure applies only to the timeline of the adoption of laws at the parliamentary stage and doesn't exclude prior public and stakeholders' discussion. For all draft laws initiated by the Government, it is mandatory to have public discussions/hearings.¹ As for draft laws initiated by the National Assembly, for which there is no mandatory public consultations, the authorities mention several examples of public discussions and parliamentary hearings held between 2021 and 2022. They indicate that a wide range of stakeholders participated in those discussions. The authorities also stress that the percentage of laws adopted at the initiative of members of the National Assembly is generally low: out of 724 laws adopted during the reporting period, only 6 were authored by members of the National Assembly in 2021 and 80 in 2022.
12. GRECO takes note of the information provided. It welcomes that concrete information on the actual practice of public consultation in the law-making process has been provided. The authorities have also made clear that the vast majority of draft laws are submitted by the Government and that public consultation is mandatory for all draft laws initiated by the Government. While the percentage of laws adopted by means of an urgent procedure remains high, GRECO notes that public consultation is to be ensured despite the accelerated procedure. However, the information provided by the authorities does not clarify how many of the 80 draft laws initiated by members of the National Assembly in 2022 have benefited from public discussion. GRECO therefore maintains its previous position that further information is needed to demonstrate that the requirement to carry out public discussions on draft laws is respected in practice, as requested by the first part of the recommendation.
13. GRECO concludes that recommendation i remains partly implemented.

Recommendation ii

¹ According to the Rules of Procedure of Government (Government decision 252-L dated 21 February 2021), draft laws cannot be discussed and approved by the Government unless they have passed public discussion as well as discussions with all the stakeholders; respective proofs are to be attached to the draft when submitting the package to the Prime Minister's office. Under this procedure, it is also mandatory to consider all the suggestions provided during public and stakeholders discussions, and to provide written justifications in cases respective suggestions are not adopted fully or in part.

14. *GRECO recommended (i) that a code of conduct for members of parliament be adopted and made easily accessible to the public, which provides clear guidance on conflicts of interest and related areas – including notably the acceptance of gifts and other advantages, incompatibilities, additional activities and financial interests, misuse of information and of public resources and contacts with third parties such as lobbyists; (ii) that it be complemented by practical measures for its implementation such as dedicated training, counselling and awareness-raising.*
15. GRECO recalls that this recommendation was partly implemented in the *Interim Compliance Report*. Concerning part (i), GRECO noted that a code of conduct for MPs had been prepared, the text of which had not been provided because discussions on the text were to restart after the June 2021 parliamentary elections. Regarding part (ii), systematic and dedicated training and counselling on a code of conduct had not been introduced.
16. The authorities now report that on 7 December 2022, amendments to the Law on Public Service and related laws were adopted by the National Assembly (“the Amendments”), which apply, inter alia, to MPs. The Amendments revise the definition of what constitutes a gift and all public servants and persons holding public office, including MPs, are required to register gifts they have received/accepted if their value exceeds an established threshold of 40 000 AMD (approximately €98). A procedure for the registration of gifts has reportedly also been established. The authorities stress that the law now regulates conflicts of interest and related areas, including the acceptance of gifts, incompatibilities, additional activities and financial interests. The introduction of a code of conduct for MPs will therefore only echo the already existing regulations under the law and the Model Rules (see below) and be a mere formality.
17. The authorities also report that the Amendments provide that guidance for the provision of advisory opinions should be prepared by the Corruption Prevention Commission (CPC). The latter’s decision on Model Rules of Conduct for Public Servants was adopted on 17 June 2022 and a draft Code of Conduct for MPs is now being revised to bring it into line with the Model Rules. Finally, the authorities refer to draft amendments to the Constitutional Law on Rules of Procedure of the National Assembly that are being prepared to ensure the establishment of an ethics committee in the National Assembly.
18. GRECO takes note that amendments to the Law on Public Service and related laws were adopted by the National Assembly on 7 December 2022. It also notes that all public servants and persons holding public office, including MPs, are now required to register gifts they have accepted if their value exceeds an established threshold of 40 000 AMD (approximately €98) and that a procedure for the registration of gifts has also been established. As a result, several integrity-related rules are now regulated by the legislation. GRECO also notes that the CPC’s decision on Model Rules of Conduct for Public Servants was adopted on 17 June 2022 and that a draft Code of Conduct for MPs is now being revised to bring it into line with this decision. GRECO looks forward to receiving the Code of Conduct that is to be followed by dedicated trainings and awareness-raising activities.
19. GRECO concludes that recommendation ii remains partly implemented.

Recommendation iii

20. *GRECO recommended taking appropriate measures to prevent circumvention of the restrictions on members of parliament holding office in commercial organisations and on their engagement in entrepreneurial activities or other paid occupation in entrepreneurial activities.*

21. GRECO recalls that this recommendation was partly implemented in the *Interim Compliance Report* and that the Evaluation Report described potential problems of a structural nature when looking at the possible circumvention by MPs of the prohibition of side activities. While more systematic efforts were being deployed by the Corruption Prevention Commission (CPC) to monitor side activities of MPs, most of this work appeared to be on-going. GRECO looked forward to being informed of the outcome of the procedures the CPC was carrying out with respect to reviewing asset declarations, including those filed by MPs and of the application of the planned new monitoring methodology as well as of the new types of checks carried out by the CPC. GRECO also took note of dedicated training sessions on integrity matters organised for newly elected MPs.
22. The authorities now reiterate that specific rules on incompatibility requirements are regulated by the Constitution (Article 95) and that in 2022, amendments were introduced to the Law on Public Service and to the Law on Guarantees of the Activity of the Deputy of the National Assembly, which relate to the transfer of shares held by MPs in commercial organisations to trust management. The amendments provide that MPs are obliged to hand over their shares/stock/stake in a commercial organisation to a specialised trust management organisation after entering office. Furthermore, if shares/stock are inherited during the course of a term of office, these must be transferred to a trust management organisation within a month of the inheritance. The amendments also prohibit handing over property to affiliated persons for trust management, i.e. a person holding public office and persons affiliated to public servants cannot act as trust managers.
23. The authorities also recall that the CPC is tasked to monitor compliance with the incompatibility requirements and other restrictions concerning MPs, as well as cases related to conflicts of interest and rules of conduct, and to provide advice on them. They report that two studies on the incompatibility requirements of members of the National Assembly were conducted in 2021 and 2022. As a result of the 2021 study, no grounds for initiating proceedings regarding incompatibility requirements were found, while in 2022, six proceedings were initiated following the examination of the incompatibility requirements of 107 MPs. In five cases, the CPC has published its conclusions on the absence of violation; one case is still ongoing. Compliance with the incompatibility requirements was checked by analysing MPs' declarations of interests for 2021, matching them with data from the Agency of the State Register of Legal Entities of the Ministry of Justice, the Taxpayers' system of the State Revenue Committee and other sources of information available to the CPC, as well as studying relevant media publications. The control carried out by the CPC also includes the verification of participation in commercial organisations, since MPs are required to submit trust management agreements for their shares. In this respect, the 2022 study revealed eight cases of possible violations regarding MPs who did not declare their shares in commercial organisations. The study also revealed that commercial organisations in the names of about 75 MPs were not registered and that 32 MPs were involved in one way or the other in commercial organisations. The CPC is currently investigating possible violations in this context by 26 members of the National Assembly. Finally, the authorities indicate that, during 2021-2022, the CPC also conducted a study concerning eight statements and publications in the media regarding MPs,² but found no grounds for initiating proceedings.
24. GRECO takes note of the amendments made to the Law on Public Service and to the Law on Guarantees of the Activity of the Deputy of the National Assembly, which relate to the transfer of shares held by MPs in commercial organisations to trust

² Two applications concerned conflict-of-interest situations, and the remaining 6 cases related to media publications concerned incompatibility requirements (3 cases) and conflict of interests (3 cases).

management. GRECO also takes note of efforts deployed by the CPC to monitor compliance with the incompatibility requirements of MPs. It is satisfied that regular checks take place, following a specific methodology. However, no mention is made about the consequences of the finding of a violation. Overall, involvement in commercial organisations still constitutes a risk factor for MPs. GRECO expects to be informed about concrete measures adopted as a result of the monitoring carried out by the CPC.

25. GRECO therefore concludes that recommendation iii remains partly implemented.

Recommendation iv

26. *GRECO recommended that the mechanism for monitoring compliance by members of parliament with standards of ethics and conduct be significantly strengthened so as to ensure (i) independent, continuous and pro-active supervision of the rules of ethics and rules on incompatibilities and secondary activities, conflicts of interest and gifts (ii) enforcement of the rules through adequate sanctions.*
27. GRECO recalls that this recommendation was partly implemented in the *Interim Compliance Report*. For part (i), GRECO took note of the legislative process launched by the previous National Assembly to establish an *ad hoc* Ethics Committee responsible for monitoring the adherence to the rules of ethics and *ad hoc* conflicts of interest of MPs. As GRECO did not see the texts of the proposed amendments to the Assembly's Rules of Procedures and of the draft Code of Ethics for MPs (cf. recommendation ii), it could not ascertain whether the monitoring mechanism would meet the prerequisites of the recommendation. GRECO also noted that, following the early parliamentary elections in June 2021, the deliberations on the establishment of the Ethics Committee were to start anew and would entail amendments to the Constitution. As for the supervisory role of the Corruption Prevention Commission (CPC), activities meant to ensure MPs' compliance with incompatibility rules were noted under recommendation iii and those pertaining to the enforcement of gift-related rules – under recommendation xvi. However, no information had been made available on the supervision of MPs' conflicts of interest other than those that were of an *ad hoc nature*. For part (ii) of the recommendation, the legislative measures taken, e.g. the criminalisation of illicit enrichment and administrative sanctions for the violation of rules on asset declarations, met the requirements of this part of the recommendation.
28. The authorities now refer again to the drafting of a Code of Conduct for MPs, which is currently being revised (see Recommendation ii, above). The authorities also report that draft amendments to the Constitutional Law on Rules of procedure of the National Assembly have been developed, which are to address the rules of conduct for MPs and establish a permanent ethics committee in the National Assembly to replace the existing *ad hoc* ethics committee. The application of the Code of Conduct for MPs would thus be overseen by the National Assembly.
29. The authorities also report that amendments were made to the Law on Public Service and to the Administrative Offences Code. The latter has a new Article 166.1 which sets out rules for the acceptance of gifts by persons holding public office or public servants in connection with the performance of his/her official duties. This includes acts that do not amount to a crime (including deliberate failure to report a gift; failure to register a gift or violating the procedure for the registration of a gift), which are subject to a fine (50, 100, 200, 300 or 500 x the specified minimum wage, depending on the offence) and the confiscation of the gift or another fine (if the gift cannot be recovered) in the amount of twice, three or five times the value of the gift (depending on the offence). The authorities report that this type of administrative responsibility

will apply to MPs and the implementation of the administrative proceedings will be carried out by the CPC.

30. GRECO has already noted, under Recommendation ii, that a draft Code of Conduct for MPs is currently being revised. GRECO also notes that draft amendments to the Constitutional Law on Rules of procedure of the National Assembly have been developed, which are to address the rules of conduct for MPs and establish a permanent ethics committee in the National Assembly to replace the existing *ad hoc* ethics committee. Finally, GRECO also takes note that amendments were made to the Law on Public Service and to the Administrative Offences Code, which foresee the imposition of various fines in case of non-respect of the rules related to the acceptance of gifts by persons holding public office or public servants in connection with the performance of his/her official duties.
31. GRECO notes that some progress appears to be underway with respect to this recommendation and acknowledges that these developments are going in the right direction. GRECO is now looking forward to receiving more information on the progress made with respect to the future establishment of a permanent ethics committee and its enforcement powers.
32. GRECO concludes that recommendation iv remains partly implemented.

Corruption prevention in respect of judges

Recommendation vii

33. *GRECO recommended reforming the procedures for the recruitment, promotion and dismissal of judges, including by i) strengthening the role of the judiciary in those procedures and reducing the role of the President of the Republic and requiring him to give written motivations for his decisions and ii) ensuring that any decisions in those procedures can be appealed to a court.*
34. GRECO recalls that this recommendation was partly implemented in the *Interim Compliance Report*. Part (i) was implemented satisfactorily, and part (ii) was partly implemented. For part (ii), GRECO had welcomed that with the adoption in 2018 of the new Judicial Code, Supreme Judicial Council (SJC) decisions to refuse an application to a qualification examination for judges or to a judges' promotion list, could be appealed before an administrative court. Further amendments to the Judicial Code to fully address this part of the recommendation were in the making. With the adoption in 2020 of amendments to the Judicial Code, the results of written qualification examinations for judges could be appealed to the SCJ and an administrative court. Bearing in mind information reported at earlier stages of the compliance procedure, GRECO concluded that proper appeal mechanisms for decisions on the recruitment and promotion of judges had been put in place, while this was not the case in respect of dismissals.
35. The authorities now report that the Ministry of Justice has drafted amendments to the Constitutional Law on the Judicial Code, which are to introduce an appeal mechanism against decisions of the SJC in disciplinary matters regarding judges. This draft was submitted for an opinion to the Venice Commission. The opinion was adopted in December 2022,³ and states that the new system of appeal against the decisions of the SJC in disciplinary matters, by a second-instance panel created within the SJC itself, would address the essence of the recommendation of the Committee

³ Venice Commission, [CDL-AD\(2022\)044](#), Armenia - Joint Opinion of the Venice Commission and the Directorate General of Human Rights and Rule of Law (DGI) of the Council of Europe on the draft amendments to the Judicial Code.

of Ministers (CM/Rec(2010)12).⁴ The authorities state that the draft has been submitted to the Prime Minister's Office and is expected to be adopted in April/May 2023.

36. GRECO notes that, as far as the remaining part (ii) is concerned, new draft amendments to the Constitutional Law on the Judicial Code introduce an appeal mechanism against decisions of the Supreme Judicial Council in disciplinary matters regarding judges. GRECO notes that the new system of appeal against the decisions of the SJC in disciplinary matters consists of a second-instance panel that is to be created within the SJC itself. While an appeal to a court would be a better option, as stated in the recommendation, GRECO notes that this would require amending the Constitution and that the creation of an appellate instance within the SJC was found to be an acceptable compromise by the Venice Commission. However, these amendments have yet to be finalised and adopted. Therefore, this part of the recommendation cannot be considered as fulfilled yet.
37. GRECO concludes that recommendation vii remains partly implemented.

Recommendation viii

38. *GRECO recommended (i) that the role of the Ministry of Justice in disciplinary proceedings against judges be reviewed; (ii) that adequate safeguards be put in place to ensure that disciplinary proceedings are not used as an instrument of influence or retaliation against judges, including the possibility for judges to challenge disciplinary decisions before a court.*
39. GRECO recalls that this recommendation was partly implemented in the *Interim Compliance Report*. Part (i) was not implemented as the Ministry of Justice still could initiate disciplinary proceedings against judges, which is not compatible with judicial independence. Part (ii) was partly implemented as the inclusion of representatives of non-governmental organisations in the Ethics and Disciplinary Commission as well as the possibility for the Supreme Judicial Council (SJC) to re-open a disciplinary case if new circumstances arise were positive developments, however, did not qualify as a proper appeal.
40. The authorities now report that for part (i), the Ministry of Justice still has the possibility of initiating disciplinary proceedings against judges. However, the Action Plan for 2022-2026 on the Strategy of Judicial and Legal Reforms of Armenia intends to review the weight allocated to the votes of non-judge members of the Ethics and Disciplinary Commission of the General Assembly of Judges and whether it should be the only body responsible for the initiation of disciplinary proceedings. The authorities go on to explain that under the draft amendments to the Constitutional Law on the Judicial Code, the Minister of Justice retains the power to initiate disciplinary proceedings before the SJC. The Venice Commission has provided an opinion in December 2022 on this.⁵

⁴ See Recommendation CM/Rec(2010)12 of the Council of Europe Committee of Ministers to member states on Judges: Independence, Efficiency and Responsibilities, adopted on 17 November 2010, para. 69.

⁵ Venice Commission, [CDL-AD\(2022\)044](#), Armenia - Joint Opinion of the Venice Commission and the Directorate General of Human Rights and Rule of Law (DGI) of the Council of Europe on the draft amendments to the Judicial Code. The Venice Commission concluded that "while the power of the Minister of Justice to initiate disciplinary proceedings is not as such in conflict with the European standards, it remains desirable to phase out this power as soon as other mechanisms – namely the Ethics and Disciplinary Commission – prove their efficiency in ensuring judicial accountability." The Venice Commission explained its position in a recent Opinion on Lebanon where it stressed that "if only the Minister may trigger disciplinary proceedings, this may be problematic". However, "what the Venice Commission would seek [...] is a balanced system where the power to investigate disciplinary complaints [against judges] and bring cases before [a disciplinary body] belongs neither exclusively to the Ministry [...] nor exclusively to the judges themselves". See Venice Commission, CDL-AD(2022)020, Lebanon - Opinion on the draft law on the independence of judicial courts, para. 71.

41. For part (ii), the authorities now refer to the draft amendments to the Constitutional Law on the Judicial Code that is to introduce an appeal mechanism against decisions by the SJC in disciplinary matters – which is currently being revised in light of the Venice Commission’s opinion of December 2022 (see recommendation vii, above).
42. GRECO takes note that for part (i) the situation has not changed, as the Ministry of Justice still preserves the right to initiate disciplinary proceedings against judges, pending the implementation of the Action Plan for 2022-2026 on the Strategy of Judicial and Legal Reforms. This Action Plan foresees the review of the weight allocated to the votes of non-judge members of the Ethics and Disciplinary Commission of the General Assembly of Judges and whether it should be the only body responsible for the initiation of disciplinary proceedings. For part (ii), GRECO notes that new draft amendments to the Constitutional Law on the Judicial Code intend to introduce an appeal mechanism against decisions by the SJC in disciplinary matters – which is currently being revised in light of the Venice Commission’s opinion of December 2022.
43. GRECO therefore concludes that recommendation viii remains partly implemented.

Recommendation ix

44. *GRECO recommended that effective rules and mechanisms be introduced for identifying undue interference with the activities of judges in the administration of justice and for sanctioning judges who practice or seek such interference.*
45. GRECO recalls that this recommendation was partly implemented in the *Interim Compliance Report*. GRECO had noted that the 2018 Judicial Code banned interference with the activities of a court or a judge in connection with the administration of justice and included detailed procedures for reporting and processing cases of undue interference whether by a judge or a third party. The Code also provided for disciplinary sanctions to punish judges interfering with the administration of justice by other judges and those who failed to report undue interference with their activities. GRECO also welcomed the preventive measures taken (in the form of awareness and training) to prevent undue interference in the activities of judges in the administration of justice. However, as regards the practical application of the rules introduced by the 2018 Judicial Code, it insisted that more tangible results need to be shown in order to fully comply with the recommendation. This notably concerns the prevalent practices of lower court judges consulting higher court judges out of fear that judgments will be reversed, and judges disciplined for “illegal rulings”. It did not appear that sufficient attention had been paid to such cases nor that judges interfering with the administration of justice by other judges or those who failed to report undue interference with their activities had been properly sanctioned, as is required by the recommendation (see paragraph 158 of the Evaluation Report).
46. The authorities now report that, since the *Interim Compliance Report*, no application, complaint or petition raising the issue of judges from higher instance courts interfering with the administration of justice by judges from lower instance courts were submitted to the Ministry of Justice. In the same vein, no disciplinary proceedings were initiated by the Ethics and Disciplinary Commission under the Assembly of Judges in this respect. Moreover, four of the six judges of this Commission are judges of the first instance, and there have been cases where disciplinary proceedings were initiated against judges of the higher instance by the votes of the judges of the first instance. According to the authorities, this shows that there is no constraint between lower and higher court judges in the judicial system.

47. GRECO takes note of the information provided. It reiterates its position that more tangible results need to be shown in order to fully comply with the recommendation as regards the practical application of the rules introduced by the 2018 Judicial Code. GRECO notably expects to be informed about the outcome of the two cases mentioned in the *Interim* Compliance Report where judges applied to the SJC to report external interference with their activities.
48. GRECO concludes that recommendation ix remains partly implemented.

Recommendation xi

49. *GRECO recommended that a deliberate policy for preventing improper influences on judges, conflicts of interest and corruption within the judiciary be pursued which includes (i) the provision of on-going mandatory training to all judges on ethics and conduct, on judicial impartiality and independence and on the prevention of conflicts of interest and corruption, which is to be organised with strong involvement of the judiciary, and (ii) the provision of confidential counselling within the judiciary in order to raise judges' awareness and advise them with regard to the areas mentioned under (i).*
50. GRECO recalls that this recommendation was partly implemented in the *Interim* Compliance Report. GRECO welcomed the introduction of specialised courses that focus on the rules of conduct and corruption prevention for judges in the regular training for the judiciary delivered to a large number of candidate judges and judges in 2019. Part (i) had therefore been addressed satisfactorily. With respect to part (ii), GRECO noted that the Ethical and Disciplinary Commission (a single disciplinary body for judges) was no longer entitled to issue advisory interpretations of the rules of judicial conduct at the request of judges. This development reflected the GRECO standard that confidential counselling should preferably be provided by a body that is separate from any disciplinary mechanisms. However, pending further improvements, namely the establishment of a neutral and competent body to provide confidential counselling to judges, GRECO concluded that this part of the recommendation remained not implemented.
51. The authorities report no further progress with respect to recommendation xi.
52. GRECO concludes that recommendation xi remains partly implemented.

Corruption prevention in respect of prosecutors

Recommendation xv

53. *GRECO recommended that a deliberate policy for preventing improper influences on prosecutors, conflicts of interest and corruption within the prosecution service be pursued which includes (i) the provision of on-going mandatory training to all prosecutors on ethics and conduct, on impartiality and independence and on the prevention of conflicts of interest and corruption, and (ii) the provision of confidential counselling within the prosecution service in order to advise prosecutors and raise their awareness with regard to the areas mentioned under (i).*
54. GRECO recalls that both parts of the recommendation remained partly implemented in the *Interim* Compliance Report. GRECO welcomed the delivery of training on ethics and corruption prevention to some prosecutors and candidate prosecutors. However, this did not equate with dedicated, mandatory and regular training for all prosecutors requested by the recommendation. While the counselling mechanism for prosecutors had been separated from the disciplinary body, the only example given of the practical operation of this mechanism was already reported on at the previous stage

of the compliance procedure. GRECO noted that, during the reporting period, this mechanism had remained dormant.

55. The authorities recalls that the right of prosecutors to apply for counselling is ensured by law.⁶ They report that measures were taken in 2022 to increase the efficiency of the Ethics Commission, established in 2018 to provide advice to prosecutors on ethics issues, and to ensure that prosecutors are aware of the possibilities for confidential counselling within the prosecution service. In particular, the composition of the Ethics Commission was changed by an order of the Prosecutor General. A sub-committee on Ethical Advice was established in November 2022 and two subordinate prosecutors with appropriate professional qualifications were appointed to advise the prosecutors on ethical issues. The Deputy Prosecutor General, who is the Chairman of the Ethics Commission, has no role in this sub-committee, since his position could have a negative effect on the submission of applications to the Ethics Commission. In addition, all the investigative units of the Prosecutor's Office were instructed to familiarise themselves with the sub-committee's functions, as well as with the submission of an application where questions related to the interpretation and application of the rules of ethics and conduct of prosecutors arose. The steps taken have produced positive results, according to the authorities, and two applications for ethical advice were submitted in 2022, including one after the establishment of the sub-committee.
56. In relation to part (ii) of the recommendation, the authorities indicate that all prosecutors, except for the chief prosecutor and his deputies, are obliged to undergo training no less than every two years (article 51 of the Law "On the RA Prosecutor's Office"). The curriculum for prosecutors includes courses on "Code of conduct for prosecutors" and "Current issues of combating corruption in the public service", which are mandatory for all prosecutors. Moreover, all prosecutor candidates – with few exceptions, such as those who have at least three years of professional experience as a judge, prosecutor, investigator or lawyer - have to undergo a mandatory training at the Academy of Justice, which also includes the two courses above (article 38 of the Law "On the RA Prosecutor's Office"). The authorities report that 72 prosecutors were trained in 2021, 77 in 2022⁷ and it is planned that 76 prosecutors will be trained in 2023. In addition, the Council of Europe HELP online course on Ethics for Judges, Prosecutors, and Lawyers was launched in May 2022 in co-operation with the Justice Academy of Armenia. Several prosecutors have reportedly already taken this course.
57. GRECO notes with satisfaction that measures have been taken in 2022 to increase the efficiency of the counselling mechanism for prosecutors, notably by creating a sub-committee on Ethical Advice with two subordinate prosecutors in charge of advising prosecutors on ethical issues and by instructing the investigative units of the Prosecutor's Office to familiarise themselves with the sub-committee's functions and the submission of an application where questions on the interpretation and application of the rules of ethics and conduct of prosecutors arose. These are positive steps. GRECO would nevertheless encourage the authorities to keep it informed about further awareness-raising activities planned, to ensure that the system is not underused, for example by setting up a dedicated website for the sub-committee.
58. With regard to part (ii) of the recommendation, GRECO notes that regular initial and in-service trainings on ethical issues have taken place and that further training sessions are planned. It welcomes that two courses on the code of conduct for prosecutors and on corruption prevention are mandatory for all prosecutors and

⁶ Article 57 of the Law "On the RA Prosecutor's Office": the prosecutor may apply to the Ethics Commission for advisory comments on the prosecutor's rules of conduct.

⁷ The trainings were conducted from April-May 2022 and from September-December 2022 and included the following topics: "Current issues of fight against corruption in the public service sector" (6 hours per week) and "Prosecutor's Code of Conduct" (10 hours per week).

encourages the authorities to pursue such trainings on a regular basis. In view of the foregoing, GRECO considers that both parts of the recommendation have been complied with.

59. GRECO concludes that recommendation xv has been implemented satisfactorily.

Regarding all categories of persons

Recommendation xvi

60. *GRECO recommended that the rules applicable to the acceptance of gifts by members of parliament, judges and prosecutors be further developed so as to provide clearer definitions to ensure that they cover any benefits – including benefits in kind and benefits provided to associated persons; to introduce a requirement to report gifts received to an appropriate monitoring body; and in the specific case of judges, to lower the existing thresholds for such reporting.*
61. GRECO recalls that this recommendation was partly implemented in the *Interim Compliance Report*. GRECO welcomed the enhanced provisions on gifts in the new Public Service Law and in the new Judicial Code. The new legal framework prohibited gifts as a main rule, specified what constituted a permissible gift and set out the reporting and registration procedures. GRECO noted that, although both the Public Service Law and the Judicial Code still contained several vague terms relating to the definition of acceptable gifts, in relation to most of them, the situation had been remedied by the requirement to report such gifts if they exceed an established threshold (i.e. €95 for single gifts received by MPs, judges and prosecutors, and €385 for gifts received by judges from the same source, except from a close relative, in a calendar year). GRECO was also pleased that the reporting thresholds had been lowered considerably. However, some gifts and hospitality were not to be reported, which was a source of concern. A procedure for registering permissible gifts was only in the preparatory stage (also cf. recommendation iv above). Finally, information on the interpretation and enforcement of gifts-related rules by the Corruption Prevention Commission (CPC) (with respect to MPs and prosecutors) and by the Ethics and Disciplinary Committee (with respect to judges) remained to be provided.
62. The authorities now report that on 7 December 2022, amendments to the Law on Public Service and related laws were adopted by the National Assembly. The Law provides for unified regulations on gifts for all public officials, including MPs, judges and prosecutors. Under Article 29 of the Law, public officials must not accept or agree to accept in the future any gift related to the performance of their official duties. The concept of “gift” covers any advantage related to property interests, including ceded claims, surrender of claims without compensation or at an apparently disproportionately low price, property transferred without compensation or sold at an apparently disproportionately low price, services rendered or work carried out without compensation or at an apparently disproportionately low price, as well as preferential loans, monetary funds (in cash, non-cash or expressed in any other form), cryptocurrency, gratuitous use of another’s property, and other actions, as a result of which a person derives benefit or advantage and which is provided in connection with the holding by a person (including affiliated persons) of a position. Public officials are however allowed to accept certain categories of gifts listed in the Law.⁸ Where

⁸ I.e. gifts given or hospitality usually organised within the framework or during state or official visits or events, as well as work visits, business trips; materials provided free of charge for official use; scholarships, grants or benefits awarded in a public competition on the same conditions and criteria as those which apply to the other applicants, or as a result of another transparent process; and ceremonial gifts given by foreign states, international organisations. The concept of “gifts usually given out at public events” has been removed from the list of permissible gifts.

the value of such gift exceeds 60 000 AMD (€146), it shall be deemed to be the property of the state or community.

63. The authorities add that an advisory opinion procedure has been set up: where a public official has received a gift, which may be reasonably perceived as given in connection with performance of his or her official duties, s/he has to immediately, but not later than within a five day period, inform the Ethics and Disciplinary Commission (for judges), the Ethics Commission (for prosecutors) or the CPC (for MPs), with a view to obtaining — within a period of fifteen days — an advisory opinion on actions aimed at resolving the situation. When the gift is not considered as permissible, it must be returned, or an equivalent compensation be paid, or be handed over to the state. The same procedure applies for family members or persons affiliated with a public official. Moreover, all public officials are now required to register gifts deemed to be permissible if their value exceeds an established threshold of 40 000 AMD (approximately €98). A procedure for the registration of gifts supervised by the CPC has also been established. Finally, sanctions are envisaged for the violation of the above rules: Article 166.1 of the Administrative Offences Code foresees the imposition of a fine in case of acceptance of gifts not considered permissible, failure to report the receipt of a gift or to register it. The authorities furthermore state that, in accordance with the Law, the CPC is to establish the procedures for registration, handover and assessment of gifts and maintaining the register of gifts, as well as the methodology for the provision of advisory opinions. A decision on all these issues is to be adopted by the CPC by July 2023. The CPC is also working on Terms of reference for a platform which would enable the CPC to exercise its control over the gifts registration. This platform is to be established by the end of the year 2023 at the latest.
64. GRECO takes note that amendments to the Law on Public Service and related laws were adopted by the National Assembly on 7 December 2022. GRECO is satisfied that uniform rules on gifts apply to MPs, judges and prosecutors and that the notions of gift and hospitality have been clarified and cover any benefits, including benefits in kind and benefits provided to affiliated persons, as required by the recommendation. It also notes that all public officials, including MPs, judges and prosecutors, are required to register gifts deemed to be permissible if their value exceeds an established threshold of 40 000 AMD (approximately €98) and that an advisory opinion procedure has been set up in this respect. However, considering that the system of registration and advice is not operational yet, the recommendation cannot be considered entirely fulfilled.
65. GRECO concludes that recommendation xvi remains partly implemented.

Recommendation xviii

66. *GRECO recommended that appropriate measures be taken to ensure effective supervision and enforcement of the rules on asset declaration applicable to members of parliament, judges and prosecutors, notably by strengthening the operational independence of the Commission on Ethics for High-Ranking Officials, giving it the clear mandate, powers and adequate resources to verify in depth the declarations submitted, to investigate irregularities and to initiate proceedings and impose effective, proportionate and dissuasive sanctions if the rules are violated.*
67. GRECO recalls that this recommendation was partly implemented in the *Interim Compliance Report*. GRECO noted that with respect to the institutional set-up of the system, the new rules foreseeing the reinstatement of a competition board in the process for the appointment of Corruption Prevention Commission (CPC) members would only apply for subsequent CPC formations. Four of the five commissioners were elected on the basis of the former rules that had been criticised in the Second

Compliance Report. The positive measure for strengthening the operational independence of the CPC had therefore not yet taken effect. As concerned the verification of asset declarations, GRECO noted the significant changes made to the system for interest and asset disclosure since March 2020, which were accompanied by a substantial widening of the functions of the CPC. However, a corresponding increase in the resources of the CPC had not been reported. On the whole, GRECO concluded that the measures taken went in the right direction, but the system remained relatively new, and more time was needed for it to produce credible results.

68. The authorities now report that the CPC is currently composed of four members, one of which being elected according to the rules introduced in 2021, i.e. by a competition board composed of five members appointed respectively by the Government, the National Assembly, the Supreme Judicial Council, the Human Rights Defender and the Chamber of Advocates. One position is vacant and a competition was announced.⁹ The authorities underline that appropriate competitive procedures are therefore in place and will be applied for each subsequent vacant position. As the terms of three members will expire in November 2023, all members of the CPC will soon be elected according to the new regulations. As for the resources of the CPC, the number of staff of the CPC has been constantly increasing. As of now, it has reached 57, compared to 40 at the time of the CPC creation. A request has been submitted to the Prime Minister's office to add eight more positions, which would increase the number of staff to 65. In addition, a new digital system of declarations was launched on 1 February 2023. It ensures interoperability between the platforms of different government bodies and thereby is to facilitate the process of filling and verifying declarations. During the reporting period, the functional powers of the CPC for the collection and use of data in the analysis of declarations have also been expanded. In particular, the CPC is authorised to receive data from state and non-state bodies and has access to several official databases. In the course of the verification of the declarations submitted, the CPC can address bodies carrying out operational investigative activities (the National Security Service, the Anti-Corruption Committee) in order to check the actual possession of property by the declarants. The CPC can also use materials published in the media and information received from citizens from open Internet sources. In 2022, on this basis, the CPC verified the declarations of 130 judges and judicial candidates, 92 prosecutors and 17 members of the National Assembly.
69. The authorities also indicate that, in 2022, the CPC initiated 118 proceedings in relation to the submission of declarations, compared to 42 proceedings the year before, including 15 proceedings against judges and three against MPs. Administrative sanctions were applied as a result of 11 proceedings: a fine of 200,000 AMD (approximately €490) was imposed in 10 cases (for submitting incorrect or incomplete data in the declaration in eight cases; for failure to submit a declaration in two cases) and a warning was imposed in one case for violating the requirements of the procedure for filling the declaration. In five cases, materials of the proceedings were submitted to the Prosecutor General's Office regarding the alleged crime of intentional non-submission of relevant declarations to the CPC. Finally, the authorities report that, in 2022, the CPC initiated 15 disciplinary proceedings against judges. In one case, the CPC found a violation of the requirements concerning the content of the declaration, as the declaration provided incomplete data on a number of immovable properties owned by the declarant, and submitted a petition to the Supreme Judicial Council to resolve the issue of disciplinary responsibility.

⁹ The decision on forming a competition board for selecting the candidate for the position of a member of the CPC is available on the National Assembly website:
<http://www.parliament.am/competition.php?lang=arm>

70. GRECO acknowledges the progress made to meet this recommendation. The CPC has now a clear mandate and powers to verify in depth asset declarations submitted by MPs, judges and prosecutors. Notwithstanding the fact that the declarations of only few MPs have been controlled so far, GRECO recognises that the process is ongoing. GRECO also notes that the Council of Europe provided support to the CPC for the development and implementation of a methodology of verification of the declarations.¹⁰ Several key documents were produced to help the CPC detect financial irregularities in the declarations. A new digital system of declarations has also been launched and is to facilitate the investigation of irregularities. These are welcome developments. In addition, staff of the CPC has been increased. Lastly, the CPC has initiated a number of proceedings and imposed sanctions for failure to submit a declaration or for incomplete or false declaration. GRECO is therefore satisfied that the rules on asset declaration are effectively supervised and enforced.
71. As for the operational independence of the CPC, GRECO notes that the new rules reinstating a competition board in the process for the appointment of CPC members are applied in practice. One member was already appointed following these rules, the procedure is ongoing for another one, and, with their mandate coming to an end in November 2023, the three remaining members will also soon be elected on the basis of the new rules that had been assessed positively in the *Interim* Compliance Report. GRECO recalls that the independence of the CPC is crucial for public trust in the system. While the recommendation has been complied with, the authorities may wish to keep GRECO informed of further developments in this domain.
72. GRECO concludes that recommendation xviii has been dealt with in a satisfactory manner.

III. CONCLUSIONS

73. **In view of the foregoing, GRECO concludes that some steps have been made by Armenia to comply with the outstanding recommendations under the Fourth Evaluation Round. Of the eighteen recommendations included in the Fourth Round Evaluation Report, nine recommendations have now been implemented satisfactorily or have been dealt with in a satisfactory manner. Nine recommendations have been partly implemented.**
74. More specifically, recommendations v, vi, x, xii, xiii, xiv, xv, xvii and xviii have been implemented satisfactorily or dealt with in a satisfactory manner and recommendations i-iv, vii-ix, xi and xvi have been partly implemented.
75. With respect to members of parliament, some progress appears to be underway. Public consultation in the law-making process has been made mandatory for draft laws initiated by the Government. A draft code of ethics for MPs and draft amendments to the National Assembly's Rules of Procedure intended to establish a mechanism to monitor members' compliance with ethical norms have been developed, but not yet presented to GRECO for scrutiny. The supervision of the side activities of MPs is yet to yield tangible results.
76. With regard to the judiciary, the Minister of Justice still has a role in the disciplinary procedures against judges. However, the Action Plan for 2022-2026 on the Strategy of Judicial and Legal Reforms foresees the review of the weight allocated to the votes of non-judge members of the Ethics and Disciplinary Commission of the General Assembly of Judges. Proper appeal mechanisms have been provided for decisions on the recruitment and promotion of judges. For dismissal decisions, new draft

¹⁰ See [Armenian Corruption Prevention Commission staff better equipped to analyse public officials' asset and interest declaration](#).

amendments to the Law on the Judicial Code propose to introduce an appeal mechanism against decisions of the Supreme Judicial Council, however these have yet to be finalised. Measures have been taken to increase the efficiency of the internal counselling mechanism for prosecutors and regular trainings on ethical issues have taken place. GRECO welcomes that two courses on the code of conduct for prosecutors and on corruption prevention are mandatory for all prosecutors.

77. Finally, enhanced provisions on gifts have been introduced and a procedure for registering permissible gifts has been developed for all public officials, but is not operational yet. GRECO is also satisfied that the rules on asset declarations of MPs, judges and prosecutors are now effectively supervised and enforced.
78. In view of the above, GRECO notes that the current level of compliance with the recommendations is no longer “globally unsatisfactory” in the meaning of Rule 31 revised, paragraph 8.3 of the Rules of Procedure. GRECO therefore decides not to continue applying Rule 32 concerning members found not to be in compliance with the recommendations contained in the Evaluation Report.
79. In application of paragraph 8.2 of Article 31 of the Rules of Procedure, GRECO asks the head of the Armenian delegation to provide a report on the measures taken to implement the outstanding recommendations (i.e. recommendations i-iv, vii-ix, xi and xvi) by 31 March 2024 at the latest.
80. Finally, GRECO invites the authorities of Armenia to authorise, as soon as possible, the publication of the report, to translate the report into the national language and to make the translation public.