

Annex N 1

Decision of the Government  
of the Republic of Armenia of 2015 N -N

GOVERNMENT OF THE REPUBLIC OF ARMENIA

ANTI-CORRUPTION STRATEGY OF THE REPUBLIC OF ARMENIA

Yerevan — 2015

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## ABBREVIATIONS

NA	National Assembly
HEI	Higher Education Institution
CoE	Council of Europe
EU	European Union
ENP	European Neighbourhood Policy
MM	Mass Media
EAG	The Eurasian Group on Combating Money Laundering and Financing of Terrorism
TI	Transparency International
RA MES	Ministry of Education and Science of the Republic of Armenia
GRECO	Group of States Against Corruption
CPI	Corruption Perceptions Index
CCI	Control of Corruption Index
ACC	Anti-Corruption Council
WB	World Bank
WBI	World Bank Institute
NGO	Non-Governmental Organisation
RA	Republic of Armenia
ACSIAP	Anti-Corruption Strategy and its Implementation Action Plan
RA MF	Ministry of Finance of the Republic of Armenia

UN	United Nations
UNCAC	United Nations Convention against Corruption
MC	Anti-Corruption Strategy Implementation Monitoring Commission
CRD/TI	Centre for Regional Development/ Transparency International
OECD	Organization for Economic Cooperation and Development
RA CSC	Civil Service Council of the Republic of Armenia
CC	Criminal Code

## INTRODUCTION

1. Over the last 15 years the Government of the Republic of Armenia has recognised and declared the fight against corruption as one of the key areas of its activity.
2. Yet, at the beginning of the previous decade, the Government of the Republic of Armenia has completed the development of the anti-corruption policy, the basic legislative and institutional frameworks. In particular, the Republic of Armenia Anti-Corruption Strategy and its Implementation Action Plan for 2003 - 2007 was approved on 6 November 2003 by the Decision of the Government of the Republic of Armenia N 1522-N, which established the policy for the fight against corruption. This Strategy was aimed at addressing corruption, eliminating the causes and conditions provoking corruption and promoting its dissemination, as well as creating a healthy moral and psychological atmosphere in the country.
3. Formation of an institutional framework was one of the key prerequisites of comprehensive implementation of anti-corruption policy in the Republic of Armenia. The ACC was established by the Decree of the President of the Republic of Armenia on 1 June 2004, which was ex officio chaired by the Prime Minister of the Republic of Armenia. An Anti-Corruption Strategy Implementation Monitoring Commission was established adjunct to the Council under the supervision of the Assistant to the President of the Republic of Armenia.
4. The Republic of Armenia Anti-Corruption Strategy and its Implementation Action Plan for 2009 - 2012 was approved by the Decision of the Government of the Republic of Armenia N 1272 of 8 October 2009, which has established the significant reduction of the overall level of corruption as the primary goal of the Anti-Corruption Strategy and the final expected outcome.
5. The fight against corruption was — one more time — established as one of the key areas of the Government of the Republic of Armenia activity by the Decision of the Nation Assembly of the Republic of Armenia AZhVo-115-N of 22 May 2014 "On

approving the programme of the RA Government". In particular, it was prescribed that the Government of the Republic of Armenia shall implement the anti-corruption policy based on a new redefined vision of the fight against corruption. The mentioned vision shall — first of all — be aimed at reducing the level and prevalence of corruption through building up a conscientious and responsible type of officials in the public administration system, enhancing public confidence, as well as applying more effective and efficient measures to prevent corruption.

## CHAPTER 1. IMPLEMENTATION OF THE ANTI-CORRUPTION POLICY IN THE REPUBLIC OF ARMENIA

### 1.1. Outcomes of the Republic of Armenia Anti-Corruption Strategy and its Implementation Action Plan for 2009-2012

6. Assessment of the outcomes of the Republic of Armenia Anti-Corruption Strategy and its Implementation Action Plan for 2009 - 2012 is highlighted with the view of outlining the priorities and objectives covered by the new anti-corruption policy, determining the relevance of introducing a new institutional system of the Republic of Armenia anti-corruption bodies, define the further steps of the Government within the scope of anti-corruption policy.

7. Anti-Corruption Strategy and its Implementation Action Plan for 2009 - 2012 of the Government of the Republic of Armenia was mainly focused on corruption prevention measures, new institutional structures and improvement of the legal framework highlighting the role of extensive public participation in the fight against corruption and monitoring of anti-corruption measures.

8. The Government of the Republic of Armenia, under the Republic of Armenia Anti-Corruption Strategy and its Implementation Action Plan for 2009 - 2012, has established the significant reduction of the overall level of corruption as the primary goal of the Anti-Corruption Strategy and the final expected outcome, whereas the main expected outcomes shall be: elimination of the systemic nature of corruption, significant limitation of the level of prevalence of corruption, improvement of the quality of public services rendered to citizens, improvement of the perception of social justice, strengthening the stability of the political system, increasing the country's economic competitiveness. Around 124 strategy provisions have been provided for in the document — aimed at achievement of the mentioned goal and the key



outcomes — that are arranged into actions to be implemented in 2009, 2010, 2011 and 2012.

9. Since 2000 the key benchmarks of the Republic of Armenia Anti-Corruption Strategy have been continuously stipulated in the Programme of Activities of the Republic of Armenia Government, as well as in the Annual Action Plan thereof.

10. The following remarkable outcomes of the Republic of Armenia Anti-Corruption Strategy and its Implementation Action Plan for 2009 - 2012 in different areas of public life have been achieved:

- (1) With the view of bringing the legislation of the Republic of Armenia in the field of combating money laundering and financing of terrorism into compliance with international standards the access to international registries of persons having political influence has been ensured for financial observations and financial institutions of the Republic of Armenia. The efficiency of detecting the cases of money laundering and financing of terrorism has increased.
- (2) In the tax sector — aimed at minimising direct contacts between tax officers and taxpayers — methods and procedures for detection of corpus delicti of corruption during investigation of tax crimes and revealing relations between economic crimes and corruption offences have been introduced based on the best international practice. The scope of electronic tax services has been **expanded. The requirement of accepting tax reports exclusively by mail or in electronic form has been stipulated.** The automated system of delivering alert-notices to taxpayers has been introduced. The automated system of risk management and selectivity of taxpayers subject to audit has been put into operation. The procedures for appealing against activity of the tax service and actions of the officials thereof, tax payers service centres and a Call Centre have been introduced and are fully operational.

- (3) In the customs sector the effectiveness and accountability of the customs service management have been raised. A performance evaluation system of the customs service, procedures for professional advancement of customs officers based on the performance evaluation system and a procedure for mandatory periodic rotation of customs officers have been introduced. In the reporting period effective communication between the head of the customs authority, citizens and economic entities has been ensured through the official website and the hot line of the customs service.
- (4) In the education sector the unified system of entrance examinations of higher educational institutions has been introduced; the process of transfer from schools to higher education institutions has been facilitated. Within the framework of the strategic provision on raising transparency, accountability and lawfulness of governance Annual Anti-Corruption Strategic Programmes have been developed by higher education institutions in compliance with the "Integrated Action Plan for 2011 - 2012 to fight against corruption-related phenomena in education system" approved by the Order of the Minister of Education and Science of the Republic of Armenia. Standards for licensing of higher education institutions have been tightened. A unified and independent system of knowledge assessment has been established within the framework of strategic provision on assurance of transparency and independence of systems of assessment of knowledge, capacities and skills.
- (5) In the healthcare sector within the framework of the strategic provision on raising transparency and accountability of management of public finances the package of hospital services has been reviewed and amended, which is reflected in the Law of the Republic of Armenia of 2012 "On state budget".
- (6) In the judicial system — aimed at ensuring the transparency and controllability of conflict of interests, declaration of income and assets of judges — the Law of

the Republic of Armenia "On public service" has been adopted in 2012 regulating the institute of conflict of interests of judges.

- (7) In the area of state registration of legal persons the concept of an Electronic Register has been introduced making amendments to the law "On state registration of legal persons". After adoption of the Law the documents required from other state bodies for state registration are received only through the Agency of State Register of Legal Entities. Time-frames for the provision of certificates — confirming the absence of liabilities of legal persons — and registration of liquidation thereof have been shortened.
- (8) In the area of compulsory enforcement of judicial acts — aimed at building the capacities of compulsory enforcement officers in detecting the debtor's property — an electronic enquiry system of detection of the debtor's property has been introduced. The mechanisms for supervision over compulsory enforcement of judicial acts carried out within the Ministry of Justice of the Republic of Armenia have been improved. The methods and procedures for supervision over activities of the Judicial Acts Compulsory Enforcement Service have been reviewed. A procedure ensuring the annual outcomes of activities of the Judicial Acts Compulsory Service has been established.
- (9) In the police sector significant results have been recorded, notably a computer-based programme has been introduced within the Traffic Police to record road traffic accidents and to maintain statistics thereon. The system of the State Register of Population has been upgraded. The use of data of the State Register of Population while rendering public services has been regulated. The system of public service numbers has been introduced in the database of the State Register of Population. The accessibility of procedures for appealing against actions of police officers has been improved. The procedure for conducting examinations to obtain a driving licence has been simplified. A simplified procedure has been

introduced for removing — in a short time — a person not entitled to use housing premises from the registration based on the application of the owner.

(10) In the public service sector the Law of the Republic of Armenia "On public service" has entered into force from 1 January 2012, which regulates the unified principles as regards the rights and obligations of public servants, as well as for the collection, promotion and resignation, conduct and conflict of interests thereof. The ethics, mechanisms for declaration of interests of high-ranking officials of the Republic of Armenia and the procedures for conducting proceedings in cases of conflict of interests have been regulated in. The Commission on Ethics of High-Ranking Officials has been established, as well as the system for declaration of assets, incomes of high-ranking officials and their affiliated persons has been put into operation.

(11) Anti-corruption legal acts such as: the Law of the Republic of Armenia "On procurement" adopted on 22 December 2010, the Law of the Republic of Armenia "On public service" adopted on 26 May 2011, the Electoral Code of the Republic of Armenia adopted on 26 May 2011 (as regards corruption prevention mechanisms in financing of election campaigns) — adopted during the period of effectiveness of the Plan — are of key importance for the fight against corruption.

11. For implementation of the anti-corruption policy, a decentralised system of the fight against corruption has been introduced in the Republic of Armenia, where the functions of the policy development, oversight and co-ordination are distinct from those performed by the specialised bodies of corruption detection and prosecution.

12. The goals outlined in the Republic of Armenia Anti-Corruption Strategy and its Implementation Action Plan for 2009 - 2012 have not been completely implemented, and Armenia continues to be classified in the group of countries with high level of corruption. The lowest level of corruption perception in society is observed in local

self-government bodies and schools. The highest level of corruption is perceived to be in the Police, judicial system, tax and customs bodies, State Automobile Inspectorate and higher education institutions.

13. It is worth mentioning that the system of monitoring and assessment of the Republic of Armenia Anti-Corruption Strategy and its Implementation Action Plan for 2009 - 2012 is anchored on the internationally recognised system of corruption assessment indicators and the methodology thereof.

14. The Anti-Corruption Strategy Action Plan for 2009-2012 had adopted a policy of developing and implementing departmental (sector-specific) anti-corruption programmes, the implementation thereof, however, has not been completely ensured by state bodies. Only in individual cases sector-specific programmes or other documents — addressing the fight against corruption-related phenomena — have been adopted, specifically: the "Integrated Action Plan for 2011 - 2012 to fight against corruption-related phenomena in education system", the "2010 - 2012 Schedule of Implementation of Activities aimed at Reforming the Healthcare System and Reducing Corruption Risks"). Adoption of a number of anti-corruption laws provided for by the Plan has not been ensured. For instance, the Laws of the Republic of Armenia "On programme budgeting" and "On ensuring public health safety in the Republic of Armenia" have not been adopted.

15. Reasons for the failure to achieve — in full or in part — the outcomes of the Action Plan for the 2009 - 2012 are conditioned by non-complete planning of the Action Plan for the 2009 - 2012 for the implementation of the Anti-Corruption Strategy of the Republic of Armenia owing to non-properly defining actions, bodies responsible for the implementation of outcomes, as well as setting unreasonable deadlines for the implementation of outcomes. Actions were not comprehensive and complete to the extent necessary. While developing the Plan the main issues of corruption, its causes, as well as various corrupt practices were not completely identified.

16. In addition, one of the problems of the Strategy — in the view of absence of full-fledged provision of financial and other resources required — was the extremely broad and non-targeted nature of sectors included.

17. Revealing corruption risks and seeking ways to address them during development of the Anti-Corruption Strategy is a key issue, whereas risks should have been assessed prior to the development of the Action Plan, which was not ensured during development of the Action Plan for 2009 - 2012. Changing or supplementing actions outlined in the Plan based on examination of new corruption risks and causes was not ensured in the course of implementation of the Plan. Aimed at reduction of corruption risks actions involving mainly legislative amendments and/or trainings were provided for by the Plan in a number of areas, which could not have a significant impact on the level of corruption risks.

## 1.2. International commitments assumed by the Republic of Armenia in the fight against corruption

18. The scope of commitments assumed by the Republic of Armenia in the area of fight against corruption has been continuously expanded.

19. In January 2004 Armenia acceded to the GRECO and in June and December of 2004 signed and ratified the Council of Europe Criminal Law Convention on Corruption and Civil Law Convention on Corruption respectively. Armenia is also involved in Istanbul Anti-Corruption Action Plan of the Organisation for Economic Co-operation and Development (OECD) — initiated for eight former Soviet Union countries — which is aimed at improving anti-corruption policies of the given countries through recommendations worked out by international experts.

20. Within the framework of the ENP the European Union and the Republic of Armenia have ratified an Action Plan in 2006, where the fight against corruption is defined as a priority area. The Action Plan for Armenia involved eight anti-corruption

measures among special priorities, including: guaranteeing proper examination and prosecution of corruption-related crimes, bringing the Criminal Code in line with international standards, development of rules of ethics for prosecutors and judges, imposition of sanctions in case of incorrect declaration of assets and income by officials, increasing the salaries of judges, etc. Almost all actions outlined in this Action Plan are, at the same time, included in UN, CoE Criminal law and Civil law Conventions, Recommendations made by GRECO and OECD.

21. In 2005 the Republic of Armenia has signed the United Nations Convention Against Corruption (UNCAC), which was ratified in 2006 by the National Assembly of the Republic of Armenia. As a member to the UNCAC Armenia has undergone a monitoring as regards the implementation of the UN Convention against Corruption.

22. Under the Individual Partnership Action Plan of the Republic of Armenia with NATO signed in 2005 the Government of the Republic of Armenia has committed to get actively involved in the activities of GRECO and ensure the implementation of recommendations made by GRECO, implement the ACSIAP, introduce a clear and transparent reporting mechanism for corruption prevention and prosecution by state officials, improve awareness raising on corruption through education and training of state officials.

23. Armenia has joined the Open Government Partnership on 17 April 2012. Open Government Partnership was launched on 20 September 2011 by eight founding countries (Brazil, Indonesia, Mexico, Norway, Philippines, South Africa, United Kingdom, United States) aimed at implementation of a transparent, accountable and effective governance. By joining this Initiative the Republic of Armenia has assumed a number of commitments, among them — also the fight against corruption.

### 1.3. Goals, key areas and objectives of the Republic of Armenia Anti-Corruption Strategy and its Implementation Action Plan

24. The primary goal of the Anti-Corruption Strategy is to contribute to the progressive and consistent reduction of the corruption level in Armenia, strengthen the confidence of citizens in public administration bodies, as well as promote the principle of zero tolerance towards corruption through implementation of international standards in the fight against corruption.

25. The Strategy will assist public administration institutions in changing their institutional anti-corruption culture and — in terms of implications — adopt an outcome-oriented approach. The Strategy requires active involvement of all state authorities, the civil society and the international community.

26. Republic of Armenia Anti-Corruption Strategy shall be aimed at reducing the level and prevalence of corruption through conscientious and responsible officials, enhancing public confidence in processes targeted at fight against corruption, expanding public support in the course of implementation of anti-corruption measures, as well as applying more effective and efficient measures to prevent corruption. The main objective of the Republic of Armenia Anti-Corruption Strategy is to ensure the integrated application of measures targeted at corruption prevention in the area of public service, imposition of adequate sanctions for corrupt conduct, effective investigation of practices of corrupt conduct and enhancement of public confidence. The Republic of Armenia Anti-Corruption Strategy shall attain this objective in four target areas: healthcare, education, state revenue collection, provision of services rendered to citizens by the Police.

### 1.4. Fundamental values and principles underlying the anti-corruption policy

27. The new vision for the implementation of the anti-corruption policy in the Republic of Armenia shall be based on the "theory of change". It means attaching new



significance to the process of fight against corruption, revising and altering the underlying principles, values and standards.

28. The anti-corruption policy must be based on the prerequisite of putting the following fundamental values into practice:

- (1) Dominance of human rights and fundamental freedoms, rule of law: all state authorities must adhere to the requirements of law. The citizens — whose rights have been violated — must have access to an effective remedy.
- (2) Political will: all branches of state power, i.e. legislative, executive and judicial, shall be fully conscious of the importance of having a society free from corruption and effectively co-operate to ensure the implementation of the Strategy.
- (3) Priority of public interest: the representatives of the authorities and public institutions shall be obliged to place the public interest above any other interest while exercising their powers. The use of powers to obtain unjustified material or non-material benefits or advantages for themselves, their families or close relatives are impermissible.
- (4) Good faith: the representatives of the authorities and public institutions shall be obliged to disclose any personal interest in conflict with the impartial fulfilment of their duties, as well as undertake all the necessary measures to avoid any conflict of interests and activities incompatible with their duties.
- (5) Transparency: the representatives of the authorities and public institutions shall ensure access to information relating to public interest, transparency of decision-making process and participation of the civil society in this process.

29. The implementation of the Strategy aimed at establishment of a modern and effective system of public administration shall be based on the following principles:

- (1) Rule of law: everyone is equal before the law and is equally protected by law; the complete separation of powers, respect for human rights and freedoms, as

well as the consistent implementation of the principle of inevitability of liability shall be ensured.

- (2) Liability: public authorities shall be responsible for the implementation of actions deriving from the Strategy and ensuring the effectiveness thereof.
- (3) Assessment and management of corruption risks: each public institution must be able to foresee potential corruption risks in the process of management carried out thereby and reduce them adequately.
- (4) Self-assessment: corruption risks must be periodically assessed by responsible bodies of public administration with the view of implementation of the present Strategy and its relevant Action Plan.
- (5) Proportionality of development and implementation of anti-corruption procedures: public institutions must develop, introduce and implement reliable procedures that will be proportionate to the institutional risks and to the degree of protection (vulnerability) of the given institution, as well as comply with the resources and the organisational peculiarities of this or that institution.
- (6) Accountability at the highest political level: the effectiveness of the anti-corruption policy requires transmission of clear impulses of absolute intolerance of corruption to all public institutions at the highest level of management. Each level of management must initiate, manage and supervise measures to counteract corruption being aware that corruption contradicts the fundamental values of good faith and transparency.
- (7) Prevention of corruption-related offences: it is of primary importance and mandatory to ensure the early detection and timely neutralisation of prerequisites provoking or promoting corruption-related offences. Public institutions must undertake measures aimed at finding reliable partners in the fight against corruption and co-operating therewith. When concluding partnership or other agreements each institution must make sure that the

adverse party has a policy and procedures in place complying with this and other principles.

- (8) Co-operation and concordance: institutions engaged in the process of fight against corruption must closely co-operate with each other ensuring unified definition and joint implementation of goals and measures aimed at achievement thereof.
- (9) Public-private partnership: it is necessary to ensure the engagement of the civil society and business community in the implementation of specific preventive measures being undertaken against corruption.

#### 1.5. Bodies implementing the anti-corruption policy in the Republic of Armenia

30. There is a decentralised management system operating in Armenia in the fight against corruption, where the functions of development, oversight and co-ordination of the anti-corruption policy are separated from the bodies specialised in detecting corruption.

31. The anti-corruption policy in the Republic of Armenia shall be implemented within the framework of the preventive institutional model having the below-mentioned structure.

32. Co-ordination and oversight of anti-corruption reforms implementation in Armenia shall be carried out by the Anti-Corruption Council (hereinafter referred to as "Council"). The Council shall be chaired by the Prime Minister of the Republic of Armenia. The Council shall be composed of the Minister-Chief of Staff of the Government of the Republic of Armenia, the Minister of Finance of the Republic of Armenia, the Minister of Justice of the Republic of Armenia, the Prosecutor General of the Republic of Armenia, the Chairperson of the Commission on Ethics of High-Ranking Officials, one representative from each of the parliamentary opposition

factions, the President of the Public Council, one representative from the Union of Communities and two representatives from civil society.

33. The Council shall:

- (1) discuss and approve the Anti-Corruption Strategy;
- (2) submit a recommendation on making amendments and supplements to the Anti-Corruption Strategy;
- (3) discuss and approve sector-specific programmes developed based on the Anti-Corruption Strategy;
- (4) submit a recommendation on making amendments and supplements to the sector-specific programmes developed basing on the Anti-Corruption Strategy;
- (5) co-ordinate the implementation of actions deriving from the Anti-Corruption Strategy and the international obligations and commitments assumed by the Republic of Armenia, the process of development and implementation of sector-specific anti-corruption programmes requesting and receiving from state bodies necessary materials and information, arranging and holding meetings, discussions, hearings, considering the pending problems in the field of fight against corruption and offering possible options for the solution thereof;
- (6) exercise oversight of the implementation of actions deriving from the Anti-Corruption Strategy and the international obligations and commitments assumed by the Republic of Armenia, the process of development and implementation of sector-specific anti-corruption programmes submitting recommendations to the responsible bodies, requesting reports and analyses, arranging and holding discussions, meetings, hearings;
- (7) consider the results of assessment (monitoring) of anti-corruption programmes, and submit recommendations to the responsible bodies based on the reports summarised by the Task Force;

(8) co-operate — in the process of fight against corruption — with international and regional organisations, civil society representatives, organisations representing the business sector, bodies playing a key role in implementation of the anti-corruption policy, as well as institutions contributing to the prevention of corruption, inter alia, through co-ordinated meetings. Moreover, during co-ordinated meetings discussions shall be held on the actions carried out, problems, possible solutions thereto meanwhile ensuring proper communication and effective co-operation between state and local self-government bodies. The Council may include the opinions submitted as a result of discussions in the recommendations prepared thereby:

(9) approve the rules of procedure of the Council;

(10) approve the rules of procedure of the Task Force;

(11) establish the procedure for selection of experts, as well as the criteria for the latter.

34. The recommendations of the Council submitted to the responsible bodies based on reports summarised by the Task Force are implemented by the decisions of the Government of the Republic of Armenia, legal acts being adopted by the Prime Minister of the Republic of Armenia or the responsible bodies. The recommendations of the Council may also serve as a basis for the legal acts of the National Assembly of the Republic of Armenia and that of local self-government bodies.

35. A permanently functioning Expert Task Force composed of independent experts shall be established adjunct to the Council.

36. The Task Force shall:

(1) support development of the Anti-Corruption Strategy and sector-specific anti-corruption draft programmes, submits recommendations to the Council on

- making amendments and supplements to the Strategy and/or to the sector-specific anti-corruption programmes;
- (2) conduct monitoring, evaluation of programmes, summarises the reports on programme implementation;
  - (3) prepare reports, reviews on the progress of programme implementation and submits recommendations to the Council;
  - (4) conduct — in areas specified by the Council, as well as in areas prescribed by the Anti-Corruption Strategy — of corrupt practices and the causes of corruption and submit recommendations on measures to be taken to address them more effectively;
  - (5) carry out actions — on the instruction of the Council — aimed at contributing to the increase and dissemination of knowledge of the society in relation to prevention of corruption by participating in preparation of information and educational materials, appearing on Mass Media and performing other functions. While performing this function, the Task Force shall co-operate with state bodies, educational institutions, as well as Mass Media;
  - (6) ensure — in the process of fight against corruption — the co-operation of the Council with regional and international organisations, civil society, organisations representing the local business sector, bodies playing a key role in implementation of the anti-corruption policy, as well as institutions contributing to the prevention of corruption;
  - (7) develop guidelines on the instruction of the Council and submits them for the approval of the Council, provide methodological and other assistance to the responsible bodies;
  - (8) carry out other assignments as instructed by the Council.

37. The Anti-Corruption Programmes Monitoring Division of the Staff of the Government of the Republic of Armenia (hereinafter referred to as "Monitoring Division") — established with the view of ensuring the effective organisation of organisational and technical activities of the Council and the Expert Task Force — shall perform the following functions; in particular it shall:

- (1) ensure the implementation of organisational and technical activities of the Council;
- (2) organise the activities of the Expert Task Force and ensure communication of experts with the responsible entities of the state authorised bodies operating in the given sector;
- (3) conduct monitoring of reviews on implementation of the Anti-Corruption Strategy of the Republic of Armenia and its Implementation Action Plan, programmes, reports and on fulfilment of obligations undertaken by international treaties for the fight against corruption;
- (4) exercise control over the progress of implementation of the Action Plan and priorities of the Government of the Republic of Armenia for the given year with regard to the fields of its activities, and submit information thereon to the Council;
- (5) provide professional expertise on draft legal acts — submitted to the Government of the Republic of Armenia and the Prime Minister of the Republic of Armenia for consideration or opinion — with regard to anti-corruption programmes approved (prescribed) by the Anti-Corruption Strategy, sector-specific anti-corruption programmes and other legal acts, as well as professional expertise relating to individual issues, delivers opinions on draft legal acts on development of the relevant sector and improvement of the effectiveness of activities;

(6) arrange and conduct events, including discussions, round tables, dissemination of information materials and guidelines — in conjunction with the representatives of state and local self-government bodies, as well as of local and international sectoral organisations — that will contribute to the increase in the level of public awareness in the area of fight against corruption.

38. The anti-corruption policy in separate sectors shall be implemented by the responsible bodies (ministries, state bodies adjunct to the Government). The responsible bodies shall ensure the development and full-fledged implementation of sector-specific programmes. Entities (a person/subdivision) responsible for the implementation of anti-corruption programmes shall be appointed in the given bodies. Functions deriving from the implementation of the anti-corruption programmes must be included in the position passports (job description) of the responsible entities. Also, an official co-ordinating the implementation of anti-corruption programmes must be appointed in each responsible body at least at the level of a Head of the Staff or a Deputy Head of the Body.

39. There are many state bodies operating in the Republic of Armenia that — while exercising their functions and powers — contribute to the prevention of corruption. Such bodies are: the Commission on Ethics of High-Ranking Officials, the Ethics Committee of the National Assembly of the Republic of Armenia, the Ethics Committee of the Council of Court Chairmen of the Republic of Armenia, the Control Chamber of the Republic of Armenia, the State Commission for the Protection of Economic Competition of the Republic of Armenia, the Civil Service Council and the Central Electoral Commission, etc. Many state bodies and local self-government bodies play a key role in implementation of the effective anti-corruption policy in the Republic of Armenia.

40. Detection and preliminary investigation of corruption crimes shall be carried out by the Investigative Committee of the Republic of Armenia, the Special Investigation Service of the Republic of Armenia, the Police of the Republic of Armenia adjunct to



the Government of the Republic of Armenia, the National Security Service of the Republic of Armenia. Control over lawfulness of the preliminary investigation and inquest of corruption crimes, as well as the pursuing of charges in relation to corruption crimes in the court shall be carried out by the Prosecutor's Office of the Republic of Armenia.

## CHAPTER 2. MAIN MEANS FOR THE FIGHT AGAINST CORRUPTION

### 2.1. Corruption prevention measures

#### 2.1.1. Building up a class of decent and faithful public servants

41. From the point of view of preventing corruption, the importance of building up a class of decent and faithful public servants shall be stressed. In this regard, the establishment of an institutional system ensuring the decent and faithful conduct of public servants and officials shall be considered as a primary precondition. Actions aimed at implementation of the latter shall include:

- (1) defining the principles of ethics and rules of conduct by the Law of the Republic of Armenia "On public service" and, if necessary, by sector specific laws in accordance with the fundamental principles of the rules of ethics applied for public servants or officials of the EU and the OECD countries;
- (2) establishing units exercising supervision and control over observance of the requirements of the rules of conduct in separate sectors of public service (commissions on ethics or entities responsible for ethics-related issues), defining norms for the establishment and activities thereof, ensuring their proper functioning, as well as establishing a duty for the latter to report on their activities to the co-ordinating body and the public;
- (3) appointing a body co-ordinating the activities of the units exercising supervision and control over observance of the requirements of the rules of conduct in separate sectors of public service (commissions on ethics or entities responsible for ethics-related issues); The mentioned body will provide the units with methodological guidelines and ensure the effectiveness of their training, monitoring and evaluation;

- (4) introducing efficient mechanisms for cooperation between the units exercising supervision and control over observance of the requirements of the rules of conduct in separate sectors of public service (commissions on ethics or entities responsible for ethics-related issues), the subdivisions of personnel management and the entities responsible for the implementation of the anti-corruption programmes in each state body;
- (5) providing the Commission on Ethics of High-Ranking Officials with adequate tools to study, analyse and summarise the practice of observing the rules of conduct in separate sectors of public service and supplementing with resources;
- (6) developing and introducing efficient procedures ensuring the actual fulfilment of the requirements of the rules of conduct, including application of enforcement measures for failure to obey those requirements;
- (7) reserving the functions of identifying conflict of interests, incompatible activities and other restrictions in separate sectors of public service to the units exercising supervision and control over observance of the requirements of ethics-related issues;
- (8) submitting recommendations on revising the process of establishment of the Commission on Ethics of High-Ranking Officials and selection of its members, supplementing the Commission on Ethics of High-Ranking Officials with resources;
- (9) revising the scope of incompatible activities of public servants and officials, as well as other restrictions provided for by the Law of the Republic of Armenia "On public service" ensuring their clarity and predictability.

42. One of the key preconditions for building up a class of decent and faithful public servants is the establishment of practically applicable institutional arrangements preventing the conflict of interests. With the view of implementation of the aforementioned it is necessary to carry out the following actions:

- (1) defining the concept and situations of conflict of interests of public servants and officials, defining and improving mechanisms for declaration of interests, including in the high-risk sectors, also for the state officials who do not have any superior;
- (2) reserving the functions of identifying conflict of interests, incompatible activities and other restrictions, as well as neutralisation thereof in separate sectors of public service to the units exercising supervision and control over observance of the requirements of the ethics-related issues;
- (3) developing and introducing efficient procedures ensuring the identification and neutralisation of conflict of interests, incompatible activities and other restrictions, as well as the application of enforcement actions for breaching of the requirements set.

43. Another key precondition for building up a class of decent and faithful public servants is improvement of the system of declaration (financial disclosure) of assets and interests of public servants and officials. The activities aimed at implementation of the latter shall include:

- (1) revision and optimisation of the process of declaration of assets and interests enlarging the list of data subject to declaration and the scope of officials making declarations, specifying the set of data on affiliated persons and the family composition, clarifying the procedure and time-periods of declaration;
- (2) efficient procedures ensuring development and introduction of fulfilment of rules concerning the declaration process, including the application of enforcement measures for failure to fulfil the requirements of those rules;
- (3) increasing transparency and accessibility of the declaration process stipulating the procedures for submitting public clarifications or explanations on the verified declarations in the Law of the Republic of Armenia "On public service".

### 2.1.2. Establishment of an effective public administration system

44. The unity and integrity of public service, the clear separation of functions of state bodies, provision of structural and functional effectiveness are deemed to be the conditions required for the prevention of corruption. In this regard, the Anti-Corruption Strategy of the Republic of Armenia will be aimed at ensuring the structural and operational reforms in the public administration bodies. The activities aimed at implementation of the above-mentioned shall include:

- (1) developing and implementing the complex programme on simplification of administration;
- (2) evaluating the structural effectiveness of public administration bodies, ensuring the revision of functions of the currently operating institutions and making the powers complete for full-fledged exercise thereof;
- (3) introducing an effective management institution of a unified public service differentiating the concepts of "a public servant" and "a public official";
- (4) strengthening the legal and institutional guarantees for admission into public service on a general basis;
- (5) recruiting professional specialists for the public service;
- (6) building public policy planning and implementation capacities, ensuring capacity building of public administration bodies for carrying out anti-corruption measures and provision with resources.

45. Ensuring the effective management of resources is one of the core preconditions for the establishment of a system of effective public administration. The following activities will be carried out to this end:

- (1) increasing effectiveness of budget funds management;
- (2) improving the internal audit system, including through raising the qualification of relevant specialists;

(3) improving the procedures for arrangement of procurement and for appealing the results thereof.

46. With the view of establishment of a system of effective public administration, also the continuous modernisation of the public administration system is highlighted. The activities to be implemented to this end shall cover:

- (1) improvement of electronic management systems;
- (2) continuous study and application of the best international practice in the field of modernisation of the administration system.

47. Improvement of the quality of public services is also one of the preconditions for establishment of the system of effective public administration. The activities aimed at implementation of the latter will include:

- (1) implementing proper provision of services within reasonable time limits;
- (2) developing and implementing a complex programme on provision of electronic services in the area of services provided by the state;
- (3) setting objective and predictable criteria for assessment of the quality of services;
- (4) introducing the quality assessment systems of the services provided by the state;
- (5) ensuring continuous assessment of the quality of services, the principles of fair and targeted distribution of services, engaging beneficiaries in the process of improvement of public services.

### 2.1.3. Establishment of a transparent and accountable governance system

48. Establishment of a transparent and accountable governance system is an important precondition for prevention of corruption. The importance of ensuring full accessibility of public information is highlighted on the way.

49. The activities aimed at ensuring the full accessibility of public information will include:

- (1) clarifying procedures and time limits for the provision of information, imposing adequate sanctions for the violations thereof;
- (2) appointing an official responsible for freedom of information in state bodies and laying down the functions thereof in appropriate documents;
- (3) analysing the Law of the Republic of Armenia "On freedom of information", as necessary, making amendments and supplements thereto, bringing it into line with international standards;
- (4) developing secondary legislative acts arising from the Law of the Republic of Armenia "On freedom of information";
- (5) introducing new tools for the provision of information and ensuring feedback to the public.

50. For the establishment of a transparent and accountable governance system it is also important to increase the transparency of activities of public authorities and public institutions. In this respect the activities will include:

- (1) developing guidelines for assessment of the compliance with the rules of ethics in the process of selection of state servants;
- (2) putting a system for selection and promotion of state servants — that will be intelligible and reliable for the public — into operation;
- (3) ensuring that the vacant posts of the state service are mostly filled by a competitive procedure and appointing a competent body authorised to coordinate the process of filling the vacant posts and monitoring;
- (4) ensuring the publication of regular reports on the activities carried out, the outcomes of activities, including financial operations;

- (5) defining minimum standards for publicity of the activities of political decision-makers;
- (6) developing institutional arrangements for state and local self-government bodies to provide the public with complete and reliable information on developments and issues of public interest.

51. Increasing financial transparency is also an important precondition for the establishment of a transparent and accountable governance system.

52. The following activities will be carried out to this end:

- (1) improving the institutional arrangements for state budget monitoring ;
- (2) developing the system of independent audit;
- (3) increasing publicity of audit opinions.

#### 2.1.4. Establishment of a participatory governance system and co-operation with civil society

53. The engagement of civil society in the activities of the public administration system is of essential significance for the fight against corruption. For the establishment of a participatory governance system, firstly, it is important to ensure the establishment of stable communication, continuous dialogue among civil society, authorities and public institutions. The activities aimed at fulfilment of this objective will include:

- (1) raising the level of awareness of the civil society, business community, citizens, mass media concerning the ongoing reforms and programmes through publishing a report — by a body responsible for the implementation of the activity — on the electronic web page once in each quarter; holding regular meetings;



- (2) contributing to the establishment of new and stable platforms for dialogue in the form of coalitions of civil society organisations, formal networks;
- (3) introducing regulated formats for the arranging and conducting public hearings and public discussions;
- (4) creating a common on-line platform for publishing draft normative legal acts being developed by state administration bodies.

54. Ensuring public participation in the process of decision-making, implementation and oversight plays an important role in the establishment of a participatory governance system. The activities implemented to this end will include:

- (1) introducing separate tools for e-democracy inter alia through application of electronic opinion polls, electronic voting, collection of new recommendations and other methods;
- (2) discussing with civil society representatives — as a result of regular meetings — the issue of delegating particular powers of public institutions or offering an opportunity for joint implementation thereof;
- (3) introducing a monitoring system for the implementation of state programmes and the provision of public services through the establishment of stable and independent monitoring subsystems in each sector, engagement of beneficiaries and civil society representatives in the monitoring process, putting the institutional arrangements — for liability and incentive based on monitoring results — into operation;
- (4) contributing to the building of necessary and relevant capacities that ensure full and effective participation of the civil society in the decision-making, implementation and oversight process.

## 2.2. Imposing adequate sanctions for a corrupt conduct and effective investigation

55. The imposition of adequate sanctions for a corrupt conduct and effective investigation of manifestations of such a conduct is considered to be one of the key measures for the fight against corruption in the public administration system. Despite the fact that the Criminal Code of the Republic of Armenia prescribes more than dozens of corruption crimes, it does not fully reflect the scope and content of international anti-corruption commitments assumed by the Republic of Armenia. Meanwhile, there is not a system for imposing liability on officials for corruption-related offences operating in the Republic of Armenia. There exist no efficient institutional arrangements for subjecting officials to disciplinary or administrative liability; the scope of corruption crimes is not clearly defined and the requirements of independence, specialisation and mutual co-operation of bodies carrying out investigation of corruption offences are not always observed.

56. In this regard a necessity arises to introduce an efficient system for subjecting officials to liability for corruption-related offences, as well as continuously improve disciplinary, administrative and criminal sanctions for corrupt practices. Aimed at fulfilment of the aforementioned, the following activities should be carried out:

- (1) setting forth the provisions providing for liability for corruption-related offences in an accessible and predictable manner;
- (2) conducting analysis on appropriateness of criminalising the illicit enrichment;
- (3) making punishments imposed for corruption offences tougher, extend the statute of limitations for criminal liability for those crimes;
- (4) improving the mechanisms for compensation of the damage caused owing to a corrupt conduct.

57. One of the most important actions covered by the Anti-Corruption Strategy is the implementation of effective investigation of corruption-related offences, which still remains at a low level. The preliminary investigation of cases on corruption offences is carried out by various investigative bodies, which, in itself, does not affect positively the effectiveness of the investigative activities. A necessity arises to put the institutional arrangements — ensuring the effectiveness of investigation of corruption-related offences — into operation.

58. The activities aimed at putting such institutional arrangements into operation shall include:

Reserving the power to submit recommendations to competent persons or bodies on application of legal enforcement measures against public servants and officials having violated the requirements of codes of conduct, including the rules of conflict of interest, incompatible activities and other restrictions or to apply sanctions independently to the Commission on Ethics of High-Ranking Officials:

- (1) developing an appropriate methodology to determine the scope of corruption crimes and defining the exhaustive list thereof as prescribed by law;
- (2) differentiating clearly the subordination of preliminary investigation bodies examining criminal cases on corruption taking into account both the nature of these crimes and the characteristics of persons charged in the committal thereof;
- (3) ensuring that the corruption offences are examined by specialised subdivisions of preliminary investigation bodies and the control over lawfulness of preliminary investigation with respect to those cases and further the criminal charge is defended exclusively by prosecutors specialised in those cases.
- (4) strengthening co-operation among bodies carrying out operational intelligence activity, preliminary investigation bodies and bodies carrying out control over the

lawfulness of activities thereof while detecting corruption-related offences, as well as conducting criminal proceedings with regard thereto;

- (5) developing scientifically substantiated and uniform methodology for the examination of corruption crimes, as well as for exercising control thereover, i.e. a set of certain principles and criteria which will enable the law enforcement officer to thoroughly identify all factual circumstances of corruption crimes-irrespective of the type, nature and the person having committed the crime.

### 2.3. Enhancing public confidence

59. Participation of civil society representatives in the fight against corruption is one of the key components of the fight against corruption. In this regard proper efforts aimed at raising public awareness concerning the measures and institutional arrangements for the fight against corruption is highlighted. The systematic and regular anti-corruption education provided to public servants, responsible entities, as well as other interested parties is also closely related to the latter. However, no essential steps have been undertaken in this sector so far at a state level; the society has not been fully engaged in the fight against corruption and has been objectively deprived of the possibility to have influence on that process.

60. Besides, the co-operation between law enforcement bodies and the public is not sufficiently active, which is, first of all, preconditioned by the low level of public confidence in bodies fighting against corruption. The public does not provide the law enforcement bodies regular and complete information on corruption-related offences. Currently, there exist no necessary conditions in the Republic of Armenia for whistleblowing. There exist no sufficient and comprehensive legislative regulations relating to this activity. Besides, there is not positive environment created that would urge the society to fight against corruption. The campaign on the issue of intolerance towards corruption-related offence in society conducted by the State is also weak.

61. Aimed at dealing with the aforementioned main issues the fulfilment of a number of comprehensive and consistent steps is highlighted. Thus, the following efficient measures should be undertaken targeted at enhancing and strengthening public confidence in bodies fighting against corruption:

- (1) defining, by law, that persons submitting reports on corruption crimes equally enjoy the special remedies prescribed by the criminal procedure legislation for victims, witnesses and experts;
- (2) providing for criminal liability by separate a article of the Criminal Code of the Republic of Armenia for damage caused to the property and health of or such a threat to a person reporting on crime or his/her affiliated persons for reporting on crime, as well as for unlawful disclosure of a person reporting on crime by the representative of a law enforcement body;
- (3) defining that persons engaged in corruption crimes may be released from criminal liability or may expect to be subjected to relatively mild punishment in case of co-operating with law enforcement bodies;
- (4) regularly providing the public with information on the process and results of the investigation of corruption-related offences and publishing brief information on the established disciplinary, administrative and judicial practice;
- (5) regularly providing the public with information on dismissal of state servants or penalties imposed against them and making the substantiations public having in mind the protection of personal data and provision of other guarantees.
- (6) creating mechanisms in each public institution for reporting to appropriate bodies in case of corruption offences and conduct a campaign among public servants to raise the awareness on such mechanisms;
- (7) improving the systems of maintaining statistics and submitting reports on corruption-related offences.

## CHAPTER 3. PRIORITY IMPLEMENTATION SECTORS OF ANTI-CORRUPTION PROGRAMMES

### 3.1. Anti-Corruption Strategy in education sector

62. Education sector is of great importance in Armenia as a precondition for the sustained progress of the country, reproduction and development of human capital, therefore, the development of this sector is deemed to be one of the key priorities for development of the country. Raising education quality and effectiveness at all levels of education system, bringing them into compliance with international standards, ensuring affordable and accessible education for all layers of the population are considered to be the priority objectives in education sector for the Government of the Republic of Armenia.

63. During 2009-2012, as an outcome of the Anti-Corruption Strategy, the forms of the statement of information "On professional skill level of teachers of general education institutions" and of classifiers, as well as "The procedure on training of teachers subject to sequential attestation in the education institution, implementing basic general education programmes, " were developed. The Procedures "On mastering education programmes by learners of the education institution, on carrying out the final assessment or attestation of their competence in educational programmes, their promotion to the next grade, graduation and promotion of those learners, who were absent for 120-200 hours during an academic year to the next grade or next level of general education," "On organisation of end-of-year and graduation examinations in the form of external studies", "On making recommendations for evaluation of performance of the learner of a general education institution" and "On admission to, transfer from and removal of a learner from the general education institution" have been amended. The unified system of admission examinations to higher education institutions is introduced. There are a number currently effective legal acts regulating the process of appointment of employees in

the field of general education. In 2012 the applicants of non-state higher education institutions passed centralized admission examinations together with the applicants of state higher education institutions. The laws of the Republic of Armenia "On education" and "On higher and postgraduate vocational education" have been amended with the view of establishment of a competitive field for state and non-state higher education institutions in the Republic of Armenia and a common policy thereon. The establishment of textbook assessment subject committees has been regulated and the process of conducting competitions for textbooks has been improved ensuring its publicity. The Annual Anti-Corruption Strategic Programmes of higher education institutions have been developed by those institutions in compliance with the "Integrated Actions Plan for 2011-2012 to fight against corruption-related phenomena in the education system" — approved by an Order of the Minister of Education and Science of the Republic of Armenia. Standards for licensing of higher education institutions have been toughened, due to which 34 of more than 90 private higher education institutions operate presently. The scope of functions of the State Inspectorate of Education has been enlarged. Internal quality assurance centres have been introduced and operate at all higher education institutions that submit analytical reports. Reports on inspection, review and examination of higher education institutions in 2011-2012 have been posted in the official website and the education portal of the Ministry of Science and Education of the Republic of Armenia ([www.edu.am](http://www.edu.am), [www.armedu.am](http://www.armedu.am)), as well as in "Krtutyun" weekly. The capacity assessment package for structural and separate subdivisions of the Staff of the Ministry of Education and Science of the Republic of Armenia, as well as its training needs — one of the components of which is conducting trainings on such topics, as raising public awareness on corruption and implementing anti-corruption measures — has been developed. In the course of 2012 a total of 30 specialists from the Staff of the Ministry of Education and Science of the Republic of Armenia have participated in similar seminar-workshops and trainings. Provisions ensuring participation of parental and pedagogical councils and methodological unions in the functions of school

administration and supervision, as well as the powers of student councils have been stipulated the new model statute of general education schools. "Communication strategy 2011 - 2015 of the Ministry of Education and Science of the Republic of Armenia" has been approved which also aims to enhance the anti-corruption capacities of the Staff of the Ministry. The supervision over the observance of operational procedures established in schools has been toughened. A uniform and independent system has been established for knowledge assessment. With the view of raising public awareness, the progress of activities planned by the Anti-Corruption Programme implemented in education sector has been covered, the "Integrated Action Plan for 2011-2012 to fight against corruption-related phenomena in education system" was posted on the information page of anti-corruption programmes of the official website of the Ministry, reports related to this programme have been published in various media outlets. Anti-corruption issues in the sector of general education have been included in the teaching process of "Sociology" subject of the basic school. "Education against corruption" methodology guide for teachers at general education schools, as well as "Guide to organising anti-corruption trainings and events" has been developed and introduced for learners at higher, primary and middle level vocational education institutions. With the help of the mentioned booklet students hold and conduct anti-corruption youth events in their education institutions.

64. Currently, the main goal of the state policy in education is to ensure that every citizen is able to obtain quality education based on his or her preferences and abilities and supply the economy of the Republic with competitive specialists. The State will create education opportunities for every citizen irrespective of his or her social position and age. To achieve these goals, one of the important preconditions is to reduce corruption risks in education sector.

65. The reforms implemented at all levels of education suppose considerable growth in citizen engagement in education sector as a result whereof more citizens will be involved in the education sector. Therefore, the corruption risks in the sector may



both endanger the successful progress of reforms implemented in the education sector and have undesirable consequences in shaping public attitude to education.

66. With the aim of ensuring transparency, publicity, accountability and lawfulness in education sector and reducing corruption risks therein, a comprehensive study on corruption risks is planned to be conducted in the first year of the Strategy implementation. The anti-corruption activities in education sector will be defined based on the study.

### 3.2. Anti-Corruption Strategy in the area of state revenue collection

67. Fight against corruption is one of the most important directions in implementing continuous reforms in tax administration. Significant steps have been undertaken during previous years targeted at addressing corruption in tax and customs systems. Particularly, the steps prescribed by the Anti-Corruption Strategy and its Implementation Action Plan for 2009 - 2012 have been consistently carried out as a result whereof tax officer-taxpayer direct contact has been significantly minimised, the effectiveness of human resources management in the tax service, the publicity, accountability of the tax service have been enhanced.

68. As an outcome of implementation of the Anti-Corruption Strategy and its Implementation Action Plan for 2009 - 2012 the direct contacts between tax officers and taxpayers have been considerably minimised mostly due to full operation of the system of rendering services provided to taxpayers, submitting tax reports electronically, introducing the systems of risk-based selection of taxpayers subject to audit. Continuous activities have been carried out aimed at extending the scope of rendering awareness raising services to taxpayers, raising the level of accessibility of information necessary for paying taxes and submitting reports, explanatory activities on tax legislation. Continuous activities have been carried out aimed at clarification of the legislative regulation of customs administration, introduce simplified procedures,

define clear standards for setting customs values. Regular public awareness procedures on the progress of customs administration reforms have been introduced. The functions of structural subdivisions of the system have been reviewed, clarified; job descriptions of tax and customs officers have been developed whereby the scope of work responsibilities of tax officers have been clarified; compulsory training scheme for tax and customs officers has been introduced in compliance with the approved programme. Appeals procedures have been improved and the level of taxpayers' confidence towards the appeals system has been raised. Internal control implementation procedures in tax and customs systems have been introduced; simplified customs procedures have been established for bona-fide economic operators. The institute of Authorised Economic Operator has been introduced with the latter entitled by law to apply simplified export, import procedures; criteria for granting the status of Authorised Economic Operator have been defined.

69. With the aim of ensuring transparency, publicity, accountability and lawfulness of the activities of tax and customs bodies, improving internal control mechanisms and reducing corruption risks in the nearest future, a comprehensive study on corruption risks is foreseen in the first year of the Strategy implementation. The anti-corruption activities in the area of state revenue collection will be defined based on the study.

### 3.3. Anti-Corruption Strategy in police sector as regards rendering services to citizens

70. The continuous activities carried out in the police system targeted at implementation of the national policy for the fight against corruption are becoming more systematic in nature. Particularly, the police take comprehensive measures to ensure consistent application of legal, economic, educational, organisational and other projects aimed at prevention of corruption in all sectors of the system. To achieve the mentioned goals and to ensure the effectiveness thereof, principles such as the

feasibility, continuity, consistence of goals, publicity of activities, etc. lay the ground of the implemented activities.

71. During 2009 - 2012 — as an outcome of the Anti-Corruption Strategy — procedures ensuring transparency of establishment of an extra-budgetary fund for material reward and technical development of the Police and of spending the financial means have been established; computer-based programme to register road traffic accidents and maintain statistics thereon has been introduced in the Traffic Police; the system of the State Register of the Population has been improved; the application of data in the State Register of Population while rendering public services has been regulated. The system of public service numbers has been introduced in the database of State Register of Population, and the number of the public services to the citizen is generated automatically, on the basis of individual data stipulated by the Law. The availability of the procedures on appealing against actions of police officers has been increased. A standing working group, conducting official investigation against police officers was established. In the "Support to citizens" section of the new [www.police.am](http://www.police.am) internet website of Police of the Republic of Armenia the citizens enjoy the opportunity to send requests to the Deputy heads of the Police of the Republic of Armenia. Aimed at reducing the difficulties of communication between the interim units of Police and between the officers and citizens, the procedures on holding examinations for receipt of a driving license, state registration of the property right on vehicles, carrying out their inventory, providing registration numbers and certificates, as well as granting and exchanging driving licenses have been facilitated. Electronic payment terminals accepting state duties, administrative fines and other payments meant for rendering passport services have been installed in several Passport Divisions of Passport and Visa Department, which has significantly boosted citizen service speed. A wireless internet (WIFI) system has been installed in the building of the Passport and Visa Department of the Police of the Republic of Armenia, which has offered the citizens visiting the Department an opportunity to use the internet free of charge. Citizenship

and Special Residency Register of the Republic of Armenia — an electronic system of individual data — has been introduced. A simplified procedure of removal in a short time from record-keeping of a person having no right to use residential premises based on the landlord's application has been introduced. The process of registering persons in the state register of the population and removing them from the register has been simplified, according to which the passport service clarifies electronically the list of persons entitled to property over a residential area with the Real Estate Cadastre adjunct to the Government of the Republic of Armenia. Systems for electronic submission of identification documents have been installed within all passport services, except for the services in Davitashen and Kanaker-Zeytun, which has provided the opportunity to serve the residents of the Marzes as well, also conditioned by pension reforms. A Hotline service for quick response has been established.

72. Rendering of services to citizens, as well as implementation of activities necessary in other fields of work, strengthening public confidence in the activities of the police of the Republic of Armenia continue to remain topical in the fight against corruption.

73. With the aim of solving existing gaps and problems in the area of activities of the police of the Republic of Armenia with regard to rendering citizen service, ensuring transparency, publicity, accountability and lawfulness and reducing corruption risks, a comprehensive study on corruption risks is foreseen in the first year of the Strategy implementation. The anti-corruption events in the sector of police will be defined based on the study.

#### 3.4. Anti-Corruption Strategy in healthcare sector

74. Fight against corruption is a key direction of implementing continuous reforms in healthcare sector.

75. The corruption risks in healthcare sector are particularly considerable in the areas of healthcare system management, funding, rendering medical aid and services under state funding, circulation of medical articles.

76. As an outcome of the Anti-Corruption Strategy for 2009-2012 several measures have been undertaken in the healthcare sector as a result whereof — within the framework of strategic provision on raising transparency and accountability of management of public finances — the package of hospital services has been reviewed and amended; "Urgent and gynaecological medical assistance" budget programmes have been approved for introducing co-payment system in hospitals. Provision of state-guaranteed free of charge medical aid and service by granting certificates is available only in the programmes of obstetric aid and medical aid service for children (under the age of seven). Within the framework of strategic provision on improvement of pricing system in the healthcare sector and abolition of favourable conditions for informal payments, the principle of co-payment system has been introduced also in the programmes on "Medical aid services for cancer and hematologic diseases" and "Medical aid services for sexually transmitted diseases". The pricing schedule of estimated minimum and maximum costs for paid medical services provided by healthcare organisations, carrying out state-guaranteed free of charge medical aid and service, as per marzes and city of Yerevan, and estimated standards for expenditure items of prime costs of medical services have been approved. Only healthcare organisations providing medical aid and service under state funding operate according to these standards. The contractual state-provided funds have been accounted taking into consideration the actual indicators of the previous year. The list of the conditions and diseases requiring urgent medical intervention is revised and clarified. Within the framework of strategic provision for ensuring transparency, accountability and lawfulness of the activities of outpatient-polyclinic medical facilities, clinical guidelines and criteria based on empirical medicine were introduced in 2012. Within the framework of strategic provision on raising the transparency, accountability of the

activities of Hygiene and Anti-Epidemic Service the registration forms (overall 39) used in bacteriological, sanitary and chemical, parasitology research laboratories and the registration forms used during measurement of the levels of their physical factors, as well as administrative statistical reporting forms of the imuno prevention field have been approved and introduced.

77. With the aim of ensuring transparency, accountability in healthcare sector and reducing corruption risks therein, a comprehensive study on corruption risks is foreseen in the first year of the Strategy implementation. The anti-corruption events in healthcare sector will be defined based on the study.

### 3.5. Sector-specific risk analysis, revision of the Anti-Corruption Action Plan

78. Taking into account the issues related to the implementation of the previous Strategy and the result of international expertise, it becomes obvious that from the perspective of effectiveness of the Anti-Corruption Strategy and Its Implementation Action Plan there is a need to conduct sector-specific risk assessment by independent experts. With the periodicity of at least once in a year, the council — based on risk assessment — will discuss the effectiveness of events stipulated by the Action Plan, the expediency of including new events or revising the existing events covering urgent activities that are necessary to reduce the level of corruption in key areas.

79. The mentioned practice aims to underline the best lines of action instead of proposing ready-made solutions.

CHAPTER 4. SYSTEM OF MONITORING AND EVALUATION FOR THE REPUBLIC  
OF ARMENIA ANTI-CORRUPTION STRATEGY AND ITS IMPLEMENTATION  
ACTION PLAN FOR 2015-2018

80. Since the Anti-Corruption Strategy and its Action Plan do not rule out corruption risks, the implementation of the Strategy on the fight against corruption in the public administration system and sector-specific programmes is ensured through the introduction of a monitoring and evaluation system.

81. The Government of the Republic of Armenia highlights the importance of introducing a system of monitoring and evaluation that is public, transparent, innovative and is based on active participation of the society. The system of monitoring and evaluation of Anti-Corruption Strategy will aim to raise transparency and accountability in public administration system which is possible to achieve through reforms proposed by the existing Anti-Corruption Strategy and the exigence of civil society actors aimed at having corruption-free public administration, armed with knowledge and capacities as well as by their participation in the implementation of the Anti-Corruption Strategy.

82. Proper system of monitoring and evaluation of Anti-Corruption Strategy can give opportunity to assess to what extent the events foreseen by the planned Anti-Corruption programme are integrated, target-oriented and complete. The assessment will enable to reveal the incomplete or disputed solutions contained in the Anti-Corruption Strategy, to identify new problems based thereon and to formulates solutions to such problems.

83. Anti-Corruption Strategy monitoring will be conducted by a permanently functioning Expert Task Force composed of independent experts created adjunct to the Council in the activities whereof representatives of the society and non-governmental organisations will participate.

84. The innovation and peculiarity of the monitoring of this Anti-Corruption Strategy is that the level of participation of the representatives of society will be considerably increased in activities of monitoring the Strategy implementation. The innovative approaches in implementation of the participatory monitoring will become the major part of the Anti-Corruption Strategy actions and will be regularly revised with the aim of raising the effectiveness of public participation in the implementation of the Anti-Corruption Strategy and including new approaches on receiving communications on public responses.

85. In the introduction of monitoring and evaluation system of the Anti-Corruption Strategy — in addition to engagement of civil society — the importance of the establishment of an institutional structure, methods and indicators for monitoring and evaluation, organisation of informational flows and creation of databases as well as continuous building of monitoring and evaluation capacities will be highlighted.

86. The following will be the approaches and goals of the Anti-Corruption monitoring:

- (1) undertaking anti-corruption preventive measures;
- (2) regular monitoring and evaluation of the Anti-Corruption Strategy with the aim of identifying practical issues;
- (3) studying the implementation process (progress) of the Anti-Corruption Strategy;
- (4) dealing with practical problems detected in the course of implementation of the Anti-Corruption Strategy;
- (5) raising awareness on anti-corruption efforts in private and public sectors.

87. The outcomes of the Anti-Corruption Strategy must be publicised semi-annually and annually by drawing up monitoring reports for 2009-2012. The final outcome of the Anti-Corruption Strategy of the Republic of Armenia was the reduction of the overall level of corruption, which was measured by the reduction in gap identified between target and current indicators of the Corruption Perceptions Index (CPI) and



Control of Corruption Index (CCI). The new Anti-Corruption Strategy of the Republic of Armenia will also use these indicators. The final outcome will be determined by several interim outcomes the monitoring and evaluation whereof will be established according to aggregated indicators of the effectiveness of governance, including quality of regulation, effectiveness of governance, rule of law, making the voice heard and accountability, political stability, political freedoms.

88. The outcomes of the Anti-Corruption Strategy — the reduction of the level of operational, administrative and political corruption — will be determined by activities aimed at raising the level of effectiveness, transparency, publicity, accountability and lawfulness in the target areas and systems. Respective factor indicators will be applied for the implementation of the latter and the monitoring and evaluation of the outcomes.

89. The system of monitoring and evaluation methods and indicators will include an assessment of public confidence, effectiveness, transparency of governance, and the levels of public activity, quality of public service. With the view of monitoring the implementation of measures and activities of the Action Plan, specific indicators stating the implementation thereof will be developed which will serve as a basis for impact assessment. The assessment of the **Anti-Corruption Strategy's impact by the society** and target groups will be conducted through surveys, researches and public discussions.

90. Information flows for the assessment of outcomes will be organised and databases will be created. This requires the collection of data on statistical indicators for the statistical assessment of outcomes of the Strategy and sector-specific programmes, as well as on separate indices and indicators determining the level of transparency, publicity and accountability by international organisations and those referring to corruption. This also requires the creation of databases as a result of thematic and target surveys and researches.

91. Several requirements will be imposed on the indicators included in the system of Anti-Corruption Strategy monitoring indicators: they should be clearly identifiable, exclude the possible of double interpretation, be quantitatively measurable, describe the level of mutual impact of activities (as per fields) and of events (as per sectors) of Anti-Corruption Strategy policies.

92. The system of Anti-Corruption Strategy Monitoring indicators — in addition to general guidelines — should also ensure the assessment of certain important developments and trends from the perspective of the project. The expected outcomes of the monitoring of the Anti-Corruption Strategy will be: discovering the general state of corruption and risks in public administration sector; more knowledge on corruption in target-specific areas of public administration prone to corruption; as well as increased capacity of civil society actors in monitoring of the public administration sectors, demanding transparency thereof and keeping them accountable.

93. As a result of regular evaluation of the Anti-Corruption Strategy, the experts will draw evaluation reports and recommendations. The evaluation indicators of the monitoring in target-specific areas will have certain peculiarities. Annual reports will be drawn as a result of the monitoring.

94. The annual report will include opinions on the implementation of the concept, the shortcomings unveiled and recommendations to solve them. Since the importance of the accountability and publicity of the monitoring and the results thereof will be highlighted, the Task Force will create an integrated portal wherein the Anti-Corruption Strategy reports will be posted making them available for the representatives of civil society.