



This action is funded by the European Union

**ANNEX 2**

**of the Commission Implementing Decision on the Annual Action Programme 2017 of the Republic of Armenia**

**Action Document for “Consolidation of the Justice System in Armenia”**

**INFORMATION FOR POTENTIAL GRANT APPLICANTS**

**WORK PROGRAMME FOR GRANTS**

This document constitutes the work programme for grants in the sense of Article 128(1) of the Financial Regulation (Regulation (EU, Euratom) No 966/2012) in the following sections concerning calls for proposals: 5.3.1.1 “Grants – call for proposals (direct management)” has been used.

<b>1. Title/basic act/ CRIS number</b>	<b>"Consolidation of the Justice System in Armenia"</b> CRIS number: <b>2017/040-664</b> financed under European Neighbourhood Instrument
<b>2. Zone benefiting from the action/location</b>	East Neighbourhood, Armenia The action shall be carried out at the following location: Armenia
<b>3. Programming document</b>	Single Support Framework for EU support to Armenia 2017-2020
<b>4. Sector of concentration/ thematic area</b>	Sector (3) - Strengthening Institutions and Good Governance
<b>5. Amounts concerned</b>	<b>Total estimated cost: EUR 4 000 000</b> <b>Total amount of EU budget contribution: EUR 4 000 000</b> The contribution is for an amount of EUR 4 000 000 from the general budget of the European Union for 2018 subject to the availability of appropriations following the adoption of the relevant budget.
<b>6. Aid modality(ies) and implementation modality(ies)</b>	Project Modality: Direct management: grants (call for proposal) and procurement of services
<b>7. DAC code(s)</b>	Main DAC code: Legal and judicial development (15130). Sub-codes: Justice, law and order policy, planning and administration (15131); Judicial affairs (15134).

<b>8. Markers (from CRIS DAC form)</b>	<b>General policy objective</b>	<b>Not targeted</b>	<b>Significant objective</b>	<b>Main objective</b>
	Participation development/good governance	<input type="checkbox"/>	<input type="checkbox"/>	x
	Aid to environment	x	<input type="checkbox"/>	<input type="checkbox"/>
	Gender equality (including Women In Development)	<input type="checkbox"/>	x	<input type="checkbox"/>
	Trade Development	x	<input type="checkbox"/>	<input type="checkbox"/>
	Reproductive, Maternal, New born and child health	x	<input type="checkbox"/>	<input type="checkbox"/>
	<b>RIO Convention markers</b>	<b>Not targeted</b>	<b>Significant objective</b>	<b>Main objective</b>
	Biological diversity	x	<input type="checkbox"/>	<input type="checkbox"/>
	Combat desertification	x	<input type="checkbox"/>	<input type="checkbox"/>
	Climate change mitigation	x	<input type="checkbox"/>	<input type="checkbox"/>
	Climate change adaptation	x	<input type="checkbox"/>	<input type="checkbox"/>
	<b>9. Global Public Goods and Challenges (GPGC) thematic flagship</b>	Human development, incl. decent work, social justice and culture		

## SUMMARY

This programme aims to support Armenia's justice reform process and strengthen the independence, transparency, predictability, accountability and efficiency of the Armenian justice system in line with EU's best practices. In particular, it will seek (1) to support Armenia's justice reform process and (2) to increase the independence, accountability, predictability and efficiency of justice in line with EU Peer Review recommendations.

The programme will build on the past results of EU-funded projects and continue to support Armenia in its reform processes through providing technical assistance to the Ministry of Justice, the judiciary, the Prosecutor's Office, the Judicial department and the law enforcement agencies to improve the organisational, administrative, technical and resource management capacities, as well as the case management capacities.

It will also contribute to increasing the independence, accountability, predictability and efficiency of the justice system through enhancing the quality of judgements and efficiency of court proceedings, improving the governance of judiciary, as well as designing and implementing e-tools for automatization of standard processes, for collection and publishing information and statistical data and for enhancing anti-corruption measures.

The programme is in line with the Single Support Framework 2017-2020, Armenia Development Strategy 2014-2025 and the Government Programme 2017-2022. The proposed programme will support the Government of Armenia in the implementation of the envisioned Strategic Plan of Legal and Judicial Reforms of the Republic of Armenia for 2018-2022, as well as other key strategic documents related to the field of justice and human rights, included but not limited to National Strategy on Protection of Human Rights and Action Plan, Anti-Corruption Strategy and Action Plan for 2015-2018, and E-Governance Action Plan for 2014-2018.

The Programme builds on the findings of the TAIEX Peer Review on Reforms in Judiciary, Penitentiary and Prevention of Torture and Ill-Treatment in Armenia (6-10 March 2017) through focusing on the key areas highlighted in the report: independence of judiciary, implementation of anti-corruption measures (e.g. increasing the capacity of judges to write quality judgements, implementation of e-filing system, and promotion of e-justice with paperless courts), efficiency of judiciary and improved management of justice system.

The programme will be carried out through project modality (grant and procurement of services). The implementation of programme activities will be harmonised with those of the other Development Partners as well as Government's Reform Plans.

## **1 CONTEXT**

### **1.1 Sector/Country/Regional context/Thematic area**

Armenia is a landlocked country with limited natural resources and with a population of about 3 million. Based on OECD/DAC criteria, Armenia is classified as a lower middle-income country with projected GDP per capita 3,568 USD (2016). Armenia has undergone profound changes since independence in 1991. In the area of good governance, rule of law and democracy Armenia has implemented a number of reforms. Nonetheless, Armenia ranked 101 out of 138 countries in judicial independence Global Competitiveness Report 2016-2017 and dropped from 46 in 2013 to 43<sup>1</sup> in 2015 percentile rank in Worldwide Governance Indicator on Rule of Law.

Armenia has a three-level court system, consisting of the courts of first instance, courts of Appeal and Court of Cassation. In addition to the courts of general jurisdiction, specialized court system with authority to oversee the administration has been established. The latter consists of the administrative court and administrative court of appeals. Constitutional justice in Armenia is exercised by the Constitutional Court. Technical support and administration of justice is done by the judicial department, which is a specialized body within the judiciary and falling under the overall control of the latter.

In 2015 Armenia voted in referendum for the constitutional change. The new Constitution will modify the current presidential model of government into a parliamentary one, with the changes planned to take place during the 2017-18 electoral cycle. It has also been a step forward in ensuring independent judiciary, and it eliminated some of the obstacles for full independence of judiciary present in previous version of Constitution. Currently large number of legislation is being revised, including the ones regulating judiciary, to meet the requirements of the amended Constitution. These changes fit into a long process of changes in the Constitution which started in 2005, and include an objective to ensure an independence of justice and to restore the trust of the population towards judges and courts.

The Armenian authorities have already taken some steps to amend national legislation, such as drafting a new Criminal Procedure Code, introducing amendments to the Criminal Code, and developing programmes and policies for judicial reform. The 2012-2016 Strategic Programme for Legal and Judicial Reforms (JRS), prepared with the support of EU-funded technical assistance, and approved by the President in June 2012, was aimed at further promoting independent, efficient, transparent, accessible and accountable justice sector,

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<sup>1</sup> Indicates rank of country among all countries in the world. 0 corresponds to the lowest rank and 100 to the highest rank.

involving all relevant stakeholders. Some of the activities envisioned under the JRS Action Plan have already been reflected in the approved constitutional amendments, some of those, along with recommendations of respective international organisations (such as GRECO), TAIEX Peer Review, and foreign and national institutes remain undressed. Notwithstanding the said progress and developments, there is still high level of corruption perception, and lack of confidence towards the judiciary in wider public. Courts continue to show prosecutorial bias, violating the principles of presumption of innocence, equality of arms and the adversarial nature of proceedings.

According to the Corruption Perception Index 2016 of Transparency International, Armenia received 33 points and held 113<sup>th</sup> place among 176 countries.<sup>2</sup> According to the Global Corruption Barometer 2016 (GCB2016), 37% of Armenian respondents agreed that corruption is among the three most important problems facing Armenia. Despite a number of reforms implemented in recent years, corruption in the judiciary has not decreased. According to the 2015 Caucasus Barometer only 15% of people said that they trust the courts, whereas 48% said they distrust the judiciary.

### ***1.1.1 Public Policy Assessment and EU Policy Framework***

This programme is fully in line with the **Single Support Framework** for 2017-2020. Strengthening institutions and good governance through reforms to ensure independent, efficient, and predictable judiciary is identified as the third of the four priority sectors for EU's cooperation with Armenia.

The review of the **European Neighbourhood Policy**, published in November 2015 confirmed that the EU will continue to seek more effective ways to promote democratic, accountable and good governance, as well as to promote justice reform where there is a shared commitment to the rule of law and fundamental rights. Ensuring independent and effective justice systems will remain priority for the EU. Independent, transparent and impartial judicial system free from political influence, which guarantees equal access to justice, protection of human rights, gender equality and non-discrimination, and full application of the law continues to be the goal of the EU.

The **Joint Declaration of the Eastern Partnership Summit** of May 2015 in Riga stresses that strengthening the independence of the judiciary is essential for good governance and building the trust of the citizens. Furthermore, legal certainty is important as it enables partners to provide better public services, attract investment and in turn improve the lives of citizens. Thus, the EU will continue to cooperate in these fields, underpinned by EU support.

The **Joint Staff Working Document on Eastern Partnership – Focusing on Key Priorities and Deliverables** of 2016 developed to support the implementation of the priorities agreed in Riga recognises the necessity to enhance the implementation of judiciary reforms. In particular independence, impartiality, efficiency, and accountability of the judiciary are the core of the reform.

The **2012-2016 Strategic Programme for Legal and Judicial Reforms** and the corresponding action plan which has been prolonged until the end of 2017<sup>3</sup> are the main

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<sup>2</sup> Countries that score in between 30-40 points are considered to have elements of systematic corruption.

<sup>3</sup> Decree NK-242-A of the President of the Republic of Armenia from 30.11.2016

guiding documents of Judicial Reform. The main objective of the ongoing program is to ensure a legal system and judiciary power in Armenia in line with the modern standards of a state with rule of law. It emphasises the following areas:

- Independent, transparent and accountable justice sector;
- Efficient and accessible justice;
- Revision of criminal code and alternative punishment systems;
- Quality of services to the public;
- Penitentiary reform.

The next reform plan aimed at further improvement in justice area for 2018-2022 is being currently considered.

### ***1.1.2 Stakeholder analysis***

The **main direct beneficiaries** of the program are the Armenian citizens and the Armenian and foreign businesses. They will benefit from the increased quality of judicial and ancillary services provided by judiciary, which will bring to faster, reliable, and honoured court decisions, more efficient and effective justice administration and better implementation of court decisions. This in return will decrease the cost of justice in general, and will increase the access to justice in Armenia.

**The main stakeholders** of the project are as follows:

The Ministry of Justice of Armenia is the main body responsible for the policy development and implementation in justice sector. The Ministry is responsible for the development of the relevant strategy in the sector, for development of the drafts of pieces of legislation and sub-legislation in the justice sector, as well as administers the penitentiary system, the probation system, and the Service on Compulsory Execution of Judicial Acts.

The Judicial department is responsible for the administration of the justice in Armenia, including implementation and day-to-day running of the relevant e-justice solutions implemented in the judiciary, management of courthouses, the judicial department employs the assistants and other staff members of the judges (secretaries, assistants, etc.) and courts, as well as the court bailiffs service. Judicial department is also responsible for collecting and analysing data (where available) on the situation in justice.

Judiciary is responsible for solving relevant disputes between the citizens and businesses, as well as overseeing over the administration (via administrative courts). Judiciary is represented via several self-governing bodies, including Justice Council, General meeting of judges, High Justice Council.

The General Prosecutor's office is a unified system exercising powers in accordance with the legislation of RA vested therein by the Constitution of RA. The Prosecutor's office is headed by the Prosecutor General, which is elected by the National Assembly. The prosecutors instigate criminal prosecution, exercise oversight over the lawfulness of pre-trial criminal proceedings, defend a charge in court, appeal against the civil judgements, criminal judgements and decisions of courts, exercise oversight over the lawfulness of applying punishments and other coercive measures.

The Chamber of Advocates of the Republic of Armenia is an independent, self-governed, non-commercial organisation. The status of advocates is determined under the Constitution of

RA (Amendments to the Constitution dated 06.12.2015). Particularly, advocacy is based on independence, self-governance and legal equality of advocates. The Chamber of Advocates organises the licensing process and continuous training of the advocates (for this purpose the School of Advocates has been founded by the Chamber), protects the rights and interests of its members (advocates), ensures the compliance of advocates with the legislation of RA and in cases stipulated by law and internal acts of the Chamber exercises disciplinary measures towards the advocates.

Relevant Civil Society Organizations (CSOs) with the goal of ensuring the rule of law, protection of human rights, as well as good governance in general and the National Platform of the Eastern Partnership which is active in justice related issues will play a key role in monitoring the implementation of the programme at the Steering Committee.

### *1.1.3 Priority areas for support/problem analysis*

The EU has been supporting the judicial and legal reforms in Armenia since 2009, contributing towards more independent, publically accountable, transparent and accessible justice system, reducing corruption risks, as well as improving legislation and strategy of the judicial system. However, whilst acknowledging the progress of the conducted reforms, there is still room for improvement as numerous problems still remain unsolved.

**The new reform plan** which aims to outline the steps for further improvement of the justice area for 2018-2022 is envisioned to be developed in the course of 2017/2018. In light of this, it is relevant to ensure the capacity of those involved as well as tackle one of the major shortcomings in the Justice sector which is **lack of hard evidence and evidence-based reforms**. Currently, most of the reforms happening in Armenia tend to be “principle based” rather than “evidence based”. Reforms based on general principles tend to be effective at the early stage of sector reform however, after passing initial phase of development the problem of internal contradictions arise. Without strong support of evidence and political will, further reform efforts are bound to less outcome and impact.

There is also a continuous **need to improve the overall governance of justice system**. More focus should be put on better budgeting, management practices, institutional set up, and human resources. Currently, the budget for judicial activities and legal aid tends to be rather a sum of requests than an exercise of analysis, planning and forecasting. The overall management practices and institutional set up do not favour full independence of justice, and human resources are often not recruited and trained according to their needs.

The **efficiency of justice** is still a problematic issue. The **workload of Armenian judges** persists as an overarching problem affecting the quality of judicial decisions and often leading to prorated trials. Armenia has currently 226 judges in total, i.e. around 6.7 judges per 100,000 inhabitants compared to the European average 21. According to limited data provided by the Judicial department, the number of new cases received in courts has increased dramatically (in 2014 169.650 new civil and administrative cases were received, in 2015 – 207.868, in 2016 – 209.150 and the number continues to increase). The growing court case backlog increases the length of judicial processes.

Some of the standard solutions (e.g. default decision, when the respondent is not appearing and is not sending written reply), although partially envisaged in Armenian legislation, are practically not used. **Change of policy and more effective use of available solutions**, could save much time in the courts. Besides in some cases it could be necessary to foresee written

procedures (e.g. when neither the claimant, nor the respondent are present in the court, the Judge still conducts formal hearing not to breach due process rules, although formal conducting of court hearing without parties is not anyhow supporting due process).

The **quality of judgements** is not always up to standards, as majority of judges are not trained on how to write highly qualified decisions which show why or how they have reached a particular opinion in the case. In most criminal and civil, and some administrative cases the judges just mention the evidence in the case, insert the provisions from the law and declare their decision without proper justification/substantiation on why that particular law was applied in that particular way to those particular facts. In terms of predictability, this is a problem especially in criminal and civil, and less in administrative cases, as the same judges tend to vary drastically in their interpretations of the law with regards to the same facts.

There is a clear **need to intensively invest in technology** in the area of Justice and judicial activities to increase effectiveness, transparency and accountability and to build a culture of independence and exemption.<sup>4</sup> Substantial number of information requests are being sent to the Judicial department by different administrative bodies, which consumes substantial resources. Particularly, as all those **requests are processed on paper**, the replies are prepared on paper and sent via mail. This could be easily automatized, while still managing the personal data protection concerns.

There is **no constant monitoring and evaluation** within the judiciary, and despite the existence of sophisticated e-justice software, statistical data is not collected and analysed on comprehensive and continuous bases. This in return further increases the corruption risks and prevents Civil Society Organisations (CSOs) from conducting their monitoring activities.

**2 RISKS AND ASSUMPTIONS**

<b>Risks</b>	<b>Risk level (H/M/L)</b>	<b>Mitigating measures</b>
Lack of political will	M	The reform measures aimed at solution of the above-mentioned problems should be included in the envisioned judicial reform strategy 2018-2022.
Lack of cooperation between the judiciary, government and civil society	M	More cooperation and actions with the judiciary (Judicial department, judicial self-governing bodies) should be undertaken. Participation of civil society and Ministry of Justice in these processes is also important to ensure public awareness, proper dissemination of results and political backing of reforms.
<b>Assumptions</b>		

<sup>4</sup> Peer Review on Reforms in Judiciary, Penitentiary and Prevention of Torture and Ill-Treatment in Armenia carried out in March 2017

- The Government has necessary political will to undertake the reforms;
- The Judiciary, the Ministry of Justice and civil society will be cooperative, and will have aligned goals of reaching higher degree of independence and accountability of the judiciary, increasing the efficiency and implementing e-justice solutions;
- Judiciary will be willing to implement the necessary e-justice solutions, aimed at decreasing the workload of judges and enacting standardized procedures for standard claims. The implementation will not in any way impair the ECHR and CoE standards on human rights on fair trial and due process rights and it will not breach the privacy and personal data protection right.

### **3 LESSONS LEARNT, COMPLEMENTARITY AND CROSS-CUTTING ISSUES**

#### **3.1 Lessons learnt**

As a result of the EU-funded support programs the following lessons learnt have been identified:

- The adoption of necessary legislation is not followed by effective implementation; there is a lack of commitment to reforms. Thus, more focus and efforts should be dedicated to implementation, analysis/review, and monitoring of implementation of reforms and legislations;
- The necessary solutions tend to be adopted without proper policy and financial analysis and evidence, thus some reforms and solutions are not sustainable in the long run;
- There is no broader agreement over the necessary steps for deeper reform, which raises concerns over lack of political will. Thus, it is important to develop necessary tools for identifying reform needs based on hard evidence. For a more evidence-based policy development and making, it is important to focus on technical issues, increase efficiency, and improve necessary statistical and perception analysis.

#### **3.2 Complementarity, synergy and donor coordination**

The ongoing reforms in justice sector are supported by the EU, World Bank, USAID, individual EU and non-EU countries (the Netherlands, Germany, Sweden, Switzerland, Japan, etc.) via direct instruments or by supporting the efforts through CoE or UNDP.

The main and long-standing objective of the EU support in Armenia has been to ensure a judicial system, which is fair, efficient, accountable to the public and protects the civil, economic and social rights of the people and their safety.

The EU has implemented two Budget Support programmes and technical assistance projects which have resulted in the construction of court buildings, development of legal framework, installation of over 26 electronic information terminals that allow sending complaints via e-mail and provide information on the timetable of cases, introduction of court document management system, facilitation of access to justice for socially vulnerable groups of population, establishment of e-Population registry system that is fully deployed in all 54 branches of Civil Status register, etc. In the framework of a joint project with the Council of Europe, efforts were made to strengthen the independence and professionalism of the Armenian justice system and to facilitate institutional and legislative reforms related to the Armenian judiciary in line with European standards.

The proposed program builds on these achievements and takes into account the ongoing projects such as Strategy and Court Monitoring program, Council of Europe program (Programmatic Cooperation Framework (PCF) as well as other projects undertaken by CoE)



and projects funded by the State Department of the USA in penitentiary, criminal justice areas, and establishment of the probation service.

The proposed programme also seeks harmonisation with other cross-cutting EU-funded projects. In particular, the planned actions will benefit from the development of e-Identity services and the integration of different governmental services into the e-government infrastructure (interoperability system). The e-justice systems shall be updated where necessary, in line with overall e-government development strategy, to make the information and document exchange between different courts and court sites, as well as between the courts and other stakeholders more efficient.

Most importantly, the programme will work in close collaboration and contribute to the technical assistance programme, which will be launched in the end of 2017 and is aimed to prepare the EU support planned through AAP2019 for the upcoming new stage of justice reform.

### **3.3 Cross-cutting issues**

The programme will contribute to enhancing good governance, democracy and human rights as well as gender equality. Further strengthening of the predictability, efficiency and effectiveness of judiciary as well as further automation of processes and services (courts, prosecution, registries and notaries) will greatly contribute to good governance. The justice reforms supported by the programme will also have an impact on fundamental human rights, through contributing to the Right to Fair Trial. Through enhancing the independence of justice, the proposed programme will also contribute to improving the overall business environment.

Gender Equality will be an important factor throughout the proposed programme. Mechanisms to collect statistical data will be designed in a manner that sex-disaggregated data will be available.

The Government's plans to further enhance e-Governance in Armenia, through creating an interoperability system and supporting the creation of new e-services, will further contribute to the successful implementation of the proposed actions, in particular the e-Justice tools, as well as overall public administration reform.

## **4 DESCRIPTION OF THE ACTION**

### **4.1 Objectives/results**

The action is aimed at increasing independence, transparency, efficiency and effectiveness of justice, through capacity building and exchange of experience between EU and Armenian institutions, as well as through development of e-Justice.

The **overall objective** is to support Armenia justice reform process and strengthening the independence, transparency, predictability, accountability and efficiency in the Armenian justice system in line with EU's best practices.

The **specific objectives** and results of the program are:

#### **Objective 1 – To support Armenia's justice reform process**

*Result 1.1 Developed justice reform program in line with EU best practices and agreed by all stakeholders;*

*Result 1.2 Reinforced evidence-based policy making including through improved statistical data analysis and monitoring system.*

**Objective 2 – To increase the independence, accountability, predictability and efficiency of justice in line with the EU Peer Review recommendations**

*Result 2.1 Increased level of independence of justice system and further implementation of anti-corruption measures;*

*Result 2.2 Increased quality of judgements and efficiency of court proceedings;*

*Result 2.3 Improved governance of judiciary through better budgeting, management practices, and institutional set up;*

*Result 2.4 Enhanced transparency and efficiency of justice system, including judicial proceedings via provision of better quality public services and further development of e-Government and e-Justice tools.*

## **4.2 Main activities**

The planned activities include technical assistance to the Ministry of Justice, the judiciary, the penitentiary, the Prosecutor's office, the Judicial department and the law enforcement agencies and other stakeholders provided through EU Member States' institution(s) supporting the reform of Armenia justice system. Support will also be provided to develop e-Justice software solutions.

### **Component 1. Support Armenia's justice reform process**

The planned TA will assist with the preparation of a new, **deeper justice reform programme**, which is in line with EU's best practices and is based on screening of judges and court procedures, more in depth information and court data analysis, as well as includes institutions such as prosecutors' office, bailiffs, CES and attorneys.

In light of the preparation of deeper reform, the action will focus on development of technical solutions and relevant capacity in **collecting and analysing data** necessary for evidence-based policy making. With the EU's support, the mechanism for regular statistical data collection, necessary for situation analysis and evidence-based policy making is established. The quality of statistics for Justice sector will be revised and systematised through various e-tools such as e-classification with statistical deviation recognition capacity.

The preparation, discussion and adoption of deeper reform programme will in addition provide valuable insights to planning further potential EU support to the justice sector.

### **Component 2. The independence, accountability, predictability and efficiency of justice**

The envisioned activities under this component will build on the results of EU Budget Support activities and findings of the EU Peer Review as well as complement past technical assistance programmes (Council of Europe, Twinning, TAIEX, and service contracts).

Strengthening and increasing **independence of judiciary** remains a top EU priority in Armenia. The envisioned activities will include the implementation of EU Peer Review recommendations such as ensuring the full independence of courts through adopting necessary legal amendments, regulations, standard operation procedures and relevant training in line with the requirements of the reformed Constitution. Furthermore, the planned activities will include implementation of **anti-corruption measures** (e.g. promotion of e-justice with paperless courts).

The programme will promote and enhance knowledge exchange with the EU Member States' counterparts and provide advice/coaching to judges/penitentiary officials to enhance their capacity to write **quality judgements**. The **efficiency of court proceedings** will be increased through implementation of e-Justice solutions, as well as through promoting alternative dispute resolution as a mean to deflate litigation.

Through exchange of experience and know-how, the TA will also significantly contribute to improving the overall **governance of the judiciary**, in particular the organisational, procedural, administrative, technical and resource management capacities, and the case management capabilities.

In addition to support to the preparation of a reform package and capacity building activities, the programme, through a service contract, will further support the **efficiency, transparency and predictability of justice** through investing in technology and promoting the change to a full e-justice system by developing services such as e-filing for the submissions of claims and motions, e-platform to access decisions of Judicial self-governing bodies (including the ones of Court of Cassation), and other e-tools which aim at providing better services to the population, as well as support the implementation of anti-corruption measures.

### 4.3 Intervention logic

The EU is committed to supporting the development of Justice sector in Armenia. To further build on the extensive past support as well as the lessons learnt, the proposed programme will focus on building the capacity to **develop justice reform programme in line with EU standards**, as well as support designing of the technical solutions for collecting and analysing data necessary for **evidence-based policy making**. A credible justice reform plan in line with EU's best practices, taking into consideration the EU Peer Review recommendations<sup>5</sup>, and agreed by all the relevant stakeholders will be developed and will be the basis for increasing the independence, transparency, predictability, accountability and efficiency in Armenian justice system.

To **increase the independence, predictability and efficiency of justice**, this program will concentrate on implementation of **organizational and procedural improvements** within the judiciary as well as **designing and upgrading necessary e-justice solutions**. Those components will be supported through a grant with a public body of an EU Member State, as well as through service contract for developing e-justice solutions. A team of experts led by EU Member State body will work with local counterparts to improve their organisational, administrative, technical and resource management, as well as case management capacities. The proposed programme will support experience exchange between servants of Judicial department and judges on practical issues of organization of work, communication strategy on justice and justice reform issues, as well as on use of default decision and written proceedings. E-tools such as e-filing and e-classification systems will be designed and introduced to automatize standard cumbersome procedures.

To allow enhanced monitoring of the administration of justice, both as a measure for anti-corruption, as well as a tool to increase public awareness on judicial activities, the proposed programme will support the design and implementation of a **monitoring system** which will include developing an e-platform which allows access to all decisions of Judicial self-governing bodies, including the ones of Court of Cassation and provides access to statistical data and potential deviations.

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<sup>5</sup> *Peer Review on Reforms in Judiciary, Penitentiary and Prevention of Torture and Ill-Treatment in Armenia* carried out in March 2017

## **5 IMPLEMENTATION**

### **5.1 Financing agreement**

In order to implement this action, it is foreseen to conclude a financing agreement with the partner country, referred to in Article 184(2)(b) of Regulation (EU, Euratom) No 966/2012.

### **5.2 Indicative implementation period**

The indicative operational implementation period of this action, during which the activities described in section 4.1 will be carried out and the corresponding contracts and agreements implemented, is 48 months from the date of entry into force of the financing agreement.

Extensions of the implementation period may be agreed by the Commission's authorising officer responsible by amending this decision and the relevant contracts and agreements; such amendments to this decision constitute technical amendments in the sense of point (i) of Article 2(3)(c) of Regulation (EU) No 236/2014.

### **5.3 Implementation modalities**

#### **5.3.1.1 Grants: call for proposals “Consolidation of the Justice System in Armenia (direct management)”**

##### ***(a) Objectives of the grants, fields of intervention, priorities of the year and expected results***

Linked to the specific objectives of the proposed programme, this Call for Proposals aims at supporting the Armenian justice reform process and improving the overall governance of judiciary with the focus on better budgeting, management practices, institutional set up, and human resources. It will also support increasing the independence and efficiency of justice, including through facilitating the efficiency of court proceedings and improving the quality of judgements (inter alia through extensive coaching by senior advisors), as well as enhancing the monitoring system.

Furthermore, the expected results will also include Cross-cutting issues, related to: Adoption of the Programme and the Measures, and CPT recommendations; Separation of powers (executive, legislative and judicial); Cooperation with civil society organisations; Zero-tolerance against corruption; etc.

##### ***(b) Eligibility conditions***

In order to be eligible for a grant, the applicant must:

- Be a competent Government Department, Public body, or relevant mandated body of a Government
- Department or public body authority of a European Union Member State in the fields related to this action
- Be established in a Member State of the European Union
- Be directly responsible for the preparation and management of the action with the co-applicant(s) and affiliated entity (ies), not acting as an intermediary

Subject to information to be published in the call for proposals, the indicative amount of the EU contribution per grant is EUR 2,200,000 and the grants may be awarded to sole beneficiaries and to consortia of beneficiaries (coordinator and co-beneficiaries). The indicative duration of the grant (its implementation period) is 24 months.

##### ***(c) Essential selection and award criteria***

The essential selection criteria are financial and operational capacity of the applicant.

The essential award criteria are relevance of the proposed action to the objectives of the call; design, effectiveness, feasibility, sustainability and cost-effectiveness of the action.

***(d) Maximum rate of co-financing***

The maximum possible rate of co-financing for grants under this call is 80% of the eligible costs of the action.

In accordance with Articles 192 of Regulation (EU, Euratom) No 966/2012, if full funding is essential for the action to be carried out, the maximum possible rate of co-financing may be increased up to 100 %. The essentiality of full funding will be justified by the Commission’s authorising officer responsible in the award decision, in respect of the principles of equal treatment and sound financial management.

***(e) Indicative timing to launch the call***

Third quarter of 2018

**5.3.1.2 Procurement (direct management)**

Subject in generic terms, if possible	Type (works, supplies, services)	Indicative number of contracts	Indicative trimester of launch of the procedure
Support for development of e-justice software solutions	Service	2-3	Q3 2018 – Q4 2019
Assistance for launching the grant	Service	1	Q1 2018
Audit and evaluation	Service	1-2	Q2 2018, 2019
Communication and Visibility	Service	1	Q1 2018

**5.4 Scope of geographical eligibility for procurement and grants**

The geographical eligibility in terms of place of establishment for participating in procurement and grant award procedures and in terms of origin of supplies purchased as established in the basic act and set out in the relevant contractual documents shall apply.

The Commission’s authorising officer responsible may extend the geographical eligibility in accordance with Article 9(2)(b) of Regulation (EU) No 236/2014 on the basis of urgency or of unavailability of products and services in the markets of the countries concerned, or in other duly substantiated cases where the eligibility rules would make the realisation of this action impossible or exceedingly difficult.

## 5.5 Indicative budget

	<b>EU contribution (amount in EUR)</b>
5.3.1.1. Call for proposals “Consolidation of Justice system in Armenia” (direct management)	2,200,000
5.3.1.2. Procurement – total envelop under section 5.3	1,500,000
5.8 Evaluation, 5.9 Audit	150,000
5.10 Communication and visibility	100,000
Contingencies	50,000
<b>Totals</b>	<b>4,000,000</b>

## 5.6 Organisational set-up and responsibilities

Oversight of the overall programme will be entrusted to a Steering Committee co-chaired by the Ministry of Justice and Ministry of Economic Development and Investments. Among others, the Steering Committee will include the staff of the Government, Judicial department, representative of judiciary suggested by the Court of Cassation, the EU Delegation, the Chamber of Advocates, and representatives of other relevant governmental and non-governmental actors and International Organisations such as WB, UNDP, GIZ. This set up will ensure a structured policy and technical dialogue and close coordination among all stakeholders during implementation.

The Committee will meet at least twice a year to review the progress made and decide on any proposed modification to the programme.

This process should result in strengthening the coordination between Government, the donor community and non-state actors in this area.

## 5.7 Performance monitoring and reporting

The day-to-day technical and financial monitoring of the implementation of this action will be a continuous process and part of the implementing partner’s responsibilities. To this aim, the implementing partner shall establish a permanent internal, technical and financial monitoring system for the action and elaborate regular progress reports (not less than annual) and final reports. Every report shall provide an accurate account of implementation of the action, difficulties encountered, changes introduced, as well as the degree of achievement of its results (outputs and direct outcomes) as measured by corresponding indicators, using as reference the logframe matrix (for project modality) or the list of result indicators (for budget support). The report shall be laid out in such a way as to allow monitoring of the means envisaged and employed and of the budget details for the action. The final report, narrative and financial, will cover the entire period of the action implementation.

The Commission may undertake additional project monitoring visits both through its own staff and through independent consultants recruited directly by the Commission for independent monitoring reviews (or recruited by the responsible agent contracted by the Commission for implementing such reviews).

## **5.8 Evaluation**

Having regard to the importance of the action, a final or ex-post evaluation will be carried out for this action or its components contracted by the Commission.

It will be carried out for accountability and learning purposes at various levels (including for policy revision), taking into account in particular the fact that the good implementation of this project coupled with clear political will of the government to carry on deeper justice reform, explored during this project may lay foundation for a more extensive programme in justice sector.

The Commission shall inform the implementing partner at least 1 month in advance of the dates foreseen for the evaluation missions. The implementing partner shall collaborate efficiently and effectively with the evaluation experts, and inter alia provide them with all necessary information and documentation, as well as access to the project premises and activities.

The evaluation reports shall be shared with the partner country and other key stakeholders. The implementing partner and the Commission shall analyse the conclusions and recommendations of the evaluations and, where appropriate, in agreement with the partner country, jointly decide on the follow-up actions to be taken and any adjustments necessary, including, if indicated, the reorientation of the project.

Indicatively, one contract for evaluation services shall be concluded under a framework contract in the last quarter of implementation.

## **5.9 Audit**

Without prejudice to the obligations applicable to contracts concluded for the implementation of this action, the Commission may, on the basis of a risk assessment, contract independent audits or expenditure verification assignments for one or several contracts or agreements.

Indicatively, one contract for audit services shall be concluded under a framework contract in the last quarter of implementation.

## **5.10 Communication and visibility**

Communication and visibility of the EU is a legal obligation for all external actions funded by the EU.

This action shall contain communication and visibility measures which shall be based on a specific Communication and Visibility Plan of the Action, to be elaborated at the start of implementation and supported with the budget indicated in section 5.5 above.

In terms of legal obligations on communication and visibility, the measures shall be implemented by the Commission, the partner country, contractors, grant beneficiaries and/or entrusted entities. Appropriate contractual obligations shall be included in, respectively, the financing agreement, procurement and grant contracts, and delegation agreements.

The Communication and Visibility Manual for European Union External Action shall be used to establish the Communication and Visibility Plan of the Action and the appropriate contractual obligations shall be included in the financing agreements or delegation agreements.

With regards to the Neighbourhood East, all EU-supported actions shall be aimed at increasing the awareness level of the target audiences on the connections, the outcome, and the final practical benefits for citizens of EU assistance provided in the framework of this

action. Visibility actions should also promote transparency and accountability on the use of funds.

Outreaching/awareness raising activities will play a crucial part in the implementation of the action, in the case of budget support the national government shall ensure that the visibility of the EU contribution is given appropriate media coverage. The implementation of the communication activities shall be the responsibility of the implementing organisations, and shall be funded from the amounts allocated to the Action.

All necessary measures will be taken to publicise the fact that the action has received funding from the EU in line with the Communication and Visibility Manual for EU External Actions. Additional Visibility Guidelines developed by the Commission (European Neighbourhood Policy and Enlargement Negotiations) will be strictly adhered to.

Where relevant, the provisions of the Financial and Administrative Framework Agreement concluded between the European Union and the selected international organisations shall apply.

It is the responsibility of the implementing organisation to keep the EU Delegations and, where relevant, DG NEAR, fully informed of the planning and implementation of the appropriate milestones specific visibility and communication activities.

The implementing organisation shall report on its visibility and communication actions, as well as the results of the overall action to the relevant monitoring committees.

This action will be communicated externally as part of a wider context of EU support to the country, and where relevant to the Eastern Partnership region in order to enhance the effectiveness of communication activities and to reduce fragmentation in the area of EU communication.

The implementing organisation shall coordinate all communication activities with EU Delegations as well as regional communication initiatives funded by the European Commission to the extent possible. All communication strategies developed as part of this action shall ensure they are in line with the priorities and objectives of regional communication initiatives supported by the European Commission and in line with the relevant EU Delegation's communication strategy under the "EU4Armenia" umbrella initiative..



## APPENDIX - INDICATIVE LOGFRAME MATRIX (FOR PROJECT MODALITY)

The activities, the expected outputs and all the indicators, targets and baselines included in the logframe matrix are indicative and may be updated during the implementation of the action without an amendment to the financing decision. The indicative logframe matrix will evolve during the lifetime of the action: new lines will be added for listing the activities as well as new columns for intermediary targets (milestones) when it is relevant and for reporting purpose on the achievement of results as measured by indicators.

	Intervention logic	Indicators	Baselines (incl. reference year)	Targets (incl. reference year)	Sources and means of verification	Assumptions
<b>Overall objective: Impact</b>	To support Armenia justice reform process and strengthening the independence, transparency, predictability, accountability and efficiency in the Armenian justice system in line with EU's best practices.	1. World Economic Forum "Worldwide Governance Indicator on Rule of Law"*** 2. User satisfaction and legal needs surveys 3. CEPEJ report (relevant indicators to be selected) and 2017 Peer Review recommendation	1. 43 (2015) 2. 2017 user satisfaction survey - EU financed Justice Monitoring Project 3. 2016 CEPEJ report's indicators and 2017 Peer Review	1. Improved percentile rank by at least 3 points 2. Increased satisfaction 3. Improvement, To be defined during initial implementation stage of the action	1. Worldwide Governance Indicators; 2. Surveys by the Ministry of Justice based on the methodology and guidelines elaborated by the EU financed Justice Monitoring Project 3. CEPEJ report	Political willingness to implement proposed measures; Local ownership of the involved Armenian institutions
<b>Specific objective(s): Outcome(s)</b>	1. To support Armenia's justice reform process	1. Implementation rate of the Justice Reform Programme and/or its operational plans	1. Currently no approved new Justice Reform Programme and M&E system in place	1. New justice Reform Programme is in place, M&E system is functional.	1. Regular monitoring reports of the MoJ	Political willingness and consensus to agree on a set of reforms for the Armenian justice system; M&E system will be put in place
<b>Specific objective(s): Outcome(s)</b>	2. To increase the independence, accountability, predictability and efficiency of justice in line with the EU Peer Review recommendations	1. Rate of implementation of EU Peer Review <sup>6</sup> recommendations;	1.( 0)	1. Significant progress	Report of the evaluation mission;	Commitment by the judiciary to implement the recommendations

<sup>6</sup> Peer Review on Reforms in Judiciary, Penitentiary and Prevention of Torture and Ill-Treatment in Armenia carried out in March 2017

Outputs	1.1. Developed Justice Reform Programme in line with EU best practices and agreed by all stakeholders	Justice reform programme and action plan(s) containing specific measures, indicators and targets has been adopted	No programme and action plan(s)	Programme and action plan(s) adopted	Relevant government decision;	Political will to adopt the programme, stakeholders are consulted in time
Outputs	1.2. Reinforced evidence-based policy making through improvement of statistical data analysis and monitoring system	<ol style="list-style-type: none"> <li>1. Statistics for Justice sector is revised and systematised</li> <li>2. Regular and standardised Court monitoring reports and satisfaction surveys publicly available</li> </ol>	<ol style="list-style-type: none"> <li>1. Most of the data is fragmented and not automatized</li> <li>2. No standardised reports and/or surveys publicly available</li> </ol>	<ol style="list-style-type: none"> <li>1. 90% of data is generated via e-tools</li> <li>2. Reports and surveys published annually</li> </ol>	<p>Reports and surveys published by the Ministry of Justice;</p> <p>Report of the evaluation mission</p>	Commitment to implement new tools and methods
Outputs	2.1 Increased level of independence of justice system and further implementation of anti-corruption measures	1. Global Competitiveness Report Indicator on Judicial Independence	1. 101 (2016-2017)	1. Improved ranking	2. Global Competitiveness Report	Reforms are implemented
Outputs	2.2. Increased quality of judgements and efficiency of court proceedings	<ol style="list-style-type: none"> <li>1. Number of default judgements;</li> <li>2. Number of written procedures (and necessary legislation);</li> <li>3. Number of claims sent electronically;</li> <li>4. Clearance rate, case disposition time and number of pending cases;</li> </ol>	<ol style="list-style-type: none"> <li>1. (0)</li> <li>2. (0) and lack of legislation</li> <li>3. 0</li> <li>4. Statistic currently not available</li> </ol>	<ol style="list-style-type: none"> <li>1. Scope for application of default judgements is defined and for defined cases all judgments are based on default ones.</li> <li>2. Scope of cases for written procedure is defined and for defined cases written procedure is used.</li> <li>3. At least 33%</li> </ol>	<p>Report of the evaluation mission;</p> <p>Official statistics and reports by the MoJ and Judicial department on the performance of courts;</p> <p>Reports by the EU and other international donor organisations.</p>	Commitment by the judiciary to implement tools and methods to expedite court proceedings

				annually 4. Backlog has decreased by 20% compared to the baseline by the end of the project (last six months compared to initial six months)		
<b>Outputs</b>	2.3. Improved governance of judiciary through better budgeting, management practices, and institutional set up	1. Quality of the judicial processes Index;	1.11.5 (out of 18) in 2017	1. Improved score	1. The World Bank Doing Business Index	Political willingness
<b>Outputs</b>	2.4. Enhanced transparency and efficiency of justice system, including judicial proceedings via provision of better quality public services and further development of e-Government and e-Justice tools	1. Decisions of judicial self-governing bodies are fully published 2. E-classification system with statistical deviation recognition capacity is established	1. The acts are published only partially without search or classification opportunity; 2. The system currently does not exist.	1. All the acts are published with search possibility and classification; 2. The e-classification system is in place and its compulsory usage is ensured by legislation.	Report of the evaluation mission.	The Judiciary, the Ministry of Justice and civil society are cooperative