



ANNEX 3

of the Commission Implementing Decision on the Neighbourhood East Regional Action Programme 2018 Part 2 (including one action on the 2019 budget)

Action Document for the Support to Rule of Law and Justice in the Eastern Partnership

MULTIANNUAL PROGRAMME

This document constitutes the multiannual work programme in the sense of Article 110(2) of the Financial Regulation and action programme in the sense of Articles 2 and 3 of Regulation N° 236/2014.

1. Title/basic act/ CRIS number	Support to the Rule of Law and Justice in the Eastern Partnership CRIS numbers: ENI/2018/041-175 and ENI/2019/041-176 financed under the European Neighbourhood Instrument
2. Zone benefiting from the action/location	Eastern Partnership countries: Armenia, Azerbaijan, Belarus, Georgia, Republic of Moldova and Ukraine The action shall be carried out at the following location: the six Eastern Partnership countries.
3. Programming document	European Neighbourhood Instrument (ENI) Multiannual Indicative Programme 2017-2020 (MIP)
4. SDGs	Goal 16: Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels: <ul style="list-style-type: none"> • 16.3 Promote the rule of law at the national and international levels and ensure equal access to justice for all • 16.4 Significantly reduce illicit financial and arms flows, strengthen the recover and return of stolen assets and combat all forms of organized crime • 16.5 Substantially reduce corruption and bribery in all their forms • 16.6 Develop effective, accountable and transparent institutions at all levels • 16.7 Ensure responsive, inclusive, participatory and representative decision-making at all levels • 16.10 Ensure public access to information and protect fundamental freedoms, in accordance with national

	<p>legislation and international agreements</p> <ul style="list-style-type: none"> • 16.A Strengthen relevant national institutions, including through international cooperation, for building capacity at all levels, in particular in developing countries, to prevent violence and combat terrorism and crime • 16.B Promote and enforce non-discriminatory laws and policies for sustainable development <p>Goal 5: Achieve gender equality and empower all women and girls 5.2 Eliminate all forms of violence against all women and girls in the public and private spheres including trafficking and sexual and other types of exploitation.</p>			
5. Sector of intervention / thematic area	Strengthening Institutions and Good Governance	DEV. Aid: YES ¹		
6. Amounts concerned	<p>Total estimated cost: EUR 18 500 000</p> <p>Total amount of EU contribution EUR 15 000 000</p> <p>The contribution is for an amount of EUR 5 000 000 from the general budget of the European Union for 2018 and for an amount of EUR 10 000 000 from the general budget of the Union for 2019, subject to the availability of appropriations for the respective financial years following the adoption of the relevant annual budget or as provided for in the system of provisional twelfths.</p> <p>This action is co-financed in joint co-financing by the Council of Europe for an amount of EUR 3 500 000.</p>			
7. Aid modality(ies) and implementation modality(ies)	<p>Project Modality</p> <p>Indirect management with the Council of Europe (with regards to components 1-3)</p> <p>Direct management: grant – direct award (with regards to component 4)</p>			
8. a) DAC code(s)	<p>15130 (Sector: Legal and judicial development)</p> <p>15113 (Sector: Anti-corruption organisations and institutions)</p>			
b) Main Delivery Channel	<p>Council of Europe - 47138</p> <p>World Bank - 44001</p>			
9. Markers (from CRIS DAC form)	General policy objective	Not targeted	Significant objective	Main objective
	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"/>

¹ Official Development Aid is administered with the promotion of the economic development and welfare of developing countries as its main objective.

	Reproductive, Maternal, New born and child health	x	<input type="checkbox"/>	<input type="checkbox"/>
	RIO Convention markers	Not targeted	Significant objective	Main objective
	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"/>
10. Global Public Goods and Challenges (GPGC) thematic flagships				

SUMMARY

The overall objective of the 'Support to Rule of Law and Justice in the Eastern Partnership' Programme is to provide assistance to Armenia, Azerbaijan, Belarus, Georgia, the Republic of Moldova and Ukraine to prevent and combat threats to the rule of law and to support justice sector reform, in line with deliverables 9 and 10 of the '2020 deliverables for the Eastern Partnership'².

The proposed actions will focus on measures to prevent and combat economic crime and in particular corruption and money-laundering in all its forms to strengthen the rule of law (component 1). Further, the programme will strengthen the independence, quality and efficiency of the judiciary in the partner countries through fostering the implementation of key judicial reforms (component 2). In addition, the set-up of a Commission-steered Quick Response Mechanism under this programme will allow for the provision of ad-hoc expert advice/ opinion on matters that are covered by the Venice Commission (component 3), while justice surveys combined with an evidence-based analysis of the collected data will allow for an assessment and overview of the performance of the judiciary in the Eastern Partnership countries (component 4). Components 1-3 constitute the second phase of the Partnership for Good Governance (PGG).

The proposed actions will be implemented, when appropriate, at the regional level but also at the countries' level to address specific needs of the individual Eastern Partnership (EaP) countries according to the differentiated approach of the revised European Neighbourhood Policy³ and to the specific situation in the countries.

² https://eeas.europa.eu/sites/eeas/files/swd_2017_300_f1_joint_staff_working_paper_en_v5_p1_940530.pdf

³ http://eeas.europa.eu/archives/docs/enp/documents/2015/151118_joint-communication_review-of-the-enp_en.pdf

1 CONTEXT

1.1 Context Description

The EU's Eastern neighbours are facing **similar challenges** when it comes to improving the domestic governance systems. While progress may differ from partner country to partner country, the consolidation of deep and sustainable democracy and respect for the rule of law is still to be achieved across the region. Poor governance and in particular corruption are closely interlinked, while the administration of justice does not always meet European standards (such as merit-based recruitment of judges and prosecutors or the efficiency of legal aid).

Several common themes emerge in most efforts to reform for example the judicial systems, ranging from efficiency and fairness also to the quality of justice delivered. In this context, effective, accessible justice systems should provide justice and fairness to litigants with reasonable cost and speed, in a transparent and responsive manner and with as much legal certainty as possible. In many cases the quality of judicial services provided by the courts to their citizens fall however short of this. As the EU joins forces with the Council of Europe to support legal and judicial reform programmes launched by their members or beneficiary countries, they all recognise that there are many challenges and opportunities still ahead in the Eastern Neighbourhood. With the World Bank, the EU aims at assessing the impact of these judicial reforms for the citizens through regional justice surveys.

At the Eastern Partnership Summit on 24 November 2017 participants re-committed themselves to strengthening democracy, rule of law, human rights and fundamental freedoms. Promoting democratic consolidation and governance through justice reform and reinforcement of the rule of law on the basis of the EaP deliverables 9 and 10 of the 20 Deliverables for 2020 agenda endorsed at that Summit is thus at the centre of the EU's cooperation with its Eastern partners. This programme under component 1-3, including regional and bilateral actions, is designed to assist the six ENP East countries – Armenia, Azerbaijan, Belarus, Georgia, Republic of Moldova⁴ and Ukraine – in continuing their efforts to strengthen their national institutions and local good governance systems. It is based on the experience gained from the Council of Europe Facility (2011-2014) and other *ad-hoc* projects, as well as the experience gained during the first implementation phase of the Programmatic Cooperation Framework with the Council of Europe in the Eastern Partnership (2014-2018).

1.2 Policy Framework (Global, EU)

Through the **revised European Neighbourhood Policy** (ENP) the European Union seeks to enhance its cooperation with the neighbouring countries, especially with the Eastern neighbours in key areas of social and political life. Strengthening democratic processes in the ENP countries, good governance, economic growth and integration, energy security, involving civil society, are among the priorities.

1.3 Public Policy Analysis of the partner country/region

The revised European Neighbourhood Policy introduced **differentiation** among the countries, in accordance with their ambitions in the relationship with the European Union. It also calls for

⁴ Thereafter referred to as Moldova

prioritisation and for a more focused approach in order to deliver tangible and noticeable results to the citizens, as reflected in the Joint Staff Working document "Eastern Partnership – Focusing on key priorities and deliverables" identifying a list of 20 deliverables for 2020.

Until 2020, seven specific targets under deliverable 9 are set to **strengthen the rule of law** and anti-corruption mechanisms in the EaP region, including on enhancing the integrity of legislatures, politicians and high-ranking officials through e-asset declarations and robust political party financing rules; in the area of fighting money-laundering the measures include amongst others the introduction of public beneficial ownership registries, centralised bank account registries, and fully-fledged asset recovery offices that are supported by improved asset recovery and confiscation frameworks; and lastly, on preventing and combating corruption through fully operational independent, specialised anti-corruption institutions. The recommendations of and compliance with Council of Europe's pertinent monitoring bodies, namely the Group of States against Corruption (GRECO) and the [Committee of Experts on the Evaluation of Anti-Money Laundering Measures and the Financing of Terrorism \(MONEYVAL\)](#), will be used in certain cases to guide the direction of technical and legal advice and support in specific sectors and as basis for setting particular objectively verifiable indicators to measure progress towards set targets and as advisory tools informing the project actions. The focus of the **implementation of key judicial reforms** in 2019-2021, and thus of deliverable 10, will be on enhancing the independence of the judiciary (through track records of transparent, merit-based recruitment systems, and of judges' and prosecutors' performance, through strengthening domestic training institutions, including on ethics; and through strengthened independence of Supreme Councils); on improving the quality of justice (through improved access to justice and legal aid for both women and men); and on the efficiency of the judiciary (through improved enforcement of judgements and recovery rates, reduction of case backlogs). Furthermore, the EaP Rule of Law Panel of October 2017 agreed on a set of indicators, and the added value of justice surveys.

By assisting beneficiary countries in focusing on common challenges, a **regional approach** has the potential to increase confidence among partner countries, and thus to promote increased security, stability and prosperity in the region, while **allowing for bilateral actions** to address country-specific needs.

Strengthened institutions and good governance are essential to support the implementation of these policies and democratic processes, while building up democratic societies in the Eastern partner countries. Promoting justice and the rule of law is at the basis of all other policies and a **precondition for economic growth and citizens' trust** in the state.

All the proposed areas of cooperation are central to the new European Consensus on Development adopted in May 2017, and partly to the EU agenda 'New Start for Europe: Agenda for jobs, growth, fairness and democratic change'.

1.4 Stakeholder analysis

The main beneficiaries of the project will be **governmental bodies at all levels**, notably ministries of justice, interior, ministries responsible for public administration; parliaments; public structures with specific responsibilities in the relevant areas, such as anti-corruption and anti-money laundering bodies; the judiciary, judicial professions and judiciary supervisory bodies. All actions under this programme are however geared to be beneficial for **citizens in the**

Eastern partner countries as well as EU citizens as the ultimate beneficiary and stakeholders. Whenever **civil society** will be involved in specific activities as a target group, they will also be part of the cooperation programmes implementation process.

1.5 Problem analysis/priority areas for support

A. Rule of law challenges in the EaP

Corruption remains a challenge for the rule of law in the Eastern Neighbourhood, posing a threat to the political stability and economic development in the region, while simultaneously fuelling citizens' mistrust in their government and state institutions. Levels of corruption are comparatively high in most EaP countries, with Moldova being at the top end with 67% of its citizens considering corruption to be among the main problems for their country, followed closely by Ukraine (52%)⁵. In the Transparency International's 2017 Corruption Perception Index (CPI), only Georgia has received a score (56) above midpoint on a scale from 0 (highly corrupt) to 100 (very clean). While the average score of the 2017 CPI for the Eastern Partnership countries (37,8) has remained much below the EU average of 64,6, the region's CPI trend over the last five years has overall been positive with Armenia and the Republic of Moldova being the exception with a negative score.

Some progress has been made in anti-corruption reform in the EaP countries over the past decade, notably in the framework of visa liberalisation processes in case of the associated countries, with most countries now having broadly sound anti-corruption legal frameworks in place.

For instance, **Armenia** has fully complied with all GRECO recommendations on political party financing. Legislative measures taken need to be further scrutinised, and possibly adjusted by the authorities, in respect of their effectiveness as applied in practice. Although a number of reforms were introduced over the past decade, corruption remains an obstacle in some public sector areas, such as health, education, the judiciary and also law enforcement. Independent specialised anti-corruption enforcement/investigative bodies with clear mandates do not yet exist.

Armenia has a fairly sound legal and institutional framework in place to fight money laundering and since December 2016, all legal entities in Armenia are obliged to disclose information on their beneficial owners in public registries. Additionally, Armenia is considering setting up an **asset recovery office** (ARO). Nevertheless a few more steps along the way are missing such as the introduction of e-declarations for the officials' assets and income.

Azerbaijan has initiated anti-corruption reforms, including the introduction of a comprehensive legal framework to fight corruption; yet implementation of the anti-corruption provisions can be improved, including with regard to Azerbaijan's law on asset declarations.

The government has also taken steps to criminalise money laundering but deficiencies remain, which have resulted in low conviction rates and no stand-alone and autonomous money

⁵ Cf. Transparency International, Global Corruption Barometer (November 2016), p. 7.

laundering cases. Azerbaijan has shown interest in cooperating on centralised bank account registries a step towards advancing the fight against money laundering in the future.

In **Belarus**, the government has intensified actions in the fight against corruption, and official anticorruption processes and their coverage in the media have become a standard of political life. In this regard, a new anticorruption law entered into force in January 2016. According to the law, persons dismissed for discrediting reasons cannot be appointed to high civil posts but the impact of this law remains to be seen. In September 2016, the Council of Europe's Group of States against Corruption (GRECO) published a summary of its report on Belarus. It noted that Belarus has partly implemented only one out of the 20 pending recommendations on addressing corruption. The area where progress has been recorded concerns the introduction of administrative liability of legal persons for money-laundering offenses. Also in the case of Belarus an e-declaration for the officials' assets and income has still to be introduced.

Georgia has overall a good track record in implementing anti-**corruption** reforms, sticking out also on Transparency International Corruption Perception Index over many consecutive years with above the average score. The **electronic asset declarations** verification mechanism has been introduced alongside the necessary amendments to the 'Law on Conflict of Interest and Corruption in the Public Institutions' in January 2017. The 2017 exercise reportedly led to almost 95% of administrative sanctions and several cases referred to law-enforcement agencies. The Code of Ethics in the public sector has been adopted in April 2017, applicable to all public officials. **Georgia** also has a publicly accessible online disclosure system.

However, some slower pace has been noted in the implementation of anticorruption priorities in the recent years, in particular when it comes to addressing high-level/complex forms of corruption. The conclusions of the international monitoring rounds conducted in 2016 by GRECO (on political parties) and by the OECD-Anti Corruption (ACN) network are globally positive.

Georgia has designated an asset recovery office (ARO) that is comparable to those in EU Member States and plans to adopt a new draft anti-money laundering law (currently in draft). This law is to be submitted to the government in 2018 with the aim to bring Georgian legislation in line with the 5th Anti-Money laundering Directive and to introduce a public beneficial ownership registry. Increased capacity and cooperation at national level and across borders in combating organised crime, money laundering and financing of terrorism, including effective cooperation with Europol, is key both at national and international level to develop and implement these policies.

Moldova has also adopted legislation to reinforce the institutional framework for the fight against money-laundering and corruption, in particular high-level corruption. By adopting new anti-money laundering legislation in December 2017, it wishes to align to the 4th EU Anti-Money Laundering Directive. Yet, implementation of a robust anti-money laundering and anti-corruption system needs to be improved. Moreover the further operationalisation of the Office for Prevention and Fight against Money Laundering (OPFML) needs to be ensured. There is only halting progress in the investigation of the use of Moldovan banks in money laundering schemes and bank bailouts that continue to contribute to a fragile banking sector. In addition, Moldova established an asset recovery office (ARO) in 2017 and widened the scope to proceeds of all types of organised crime in December 2017. The asset recovery office has a very low number of staff available but steps have been taken to allocate an adequate budget to the office for staffing and budgetary needs. While the electronic submission of asset declarations has become mandatory as of January 2018, not all subjects of declaration have been equipped with

an e-signature to submit the disclosures. The integrity inspectors of the National Integrity Authority also have a serious backlog in checking the declarations. The capacities of this body need to be strengthened. Progress is expected with regard to the adoption of new anti-money laundering legislation in line with the 4th EU Anti-Money Laundering Directive.

Similarly, **Ukraine** has made progress in the implementation of anti-corruption reforms, in particular with the view to the newly created anti-corruption institutions, such as the National Anti-Corruption Bureau and the Specialised Anti-Corruption Prosecution. Ukraine has made a significant achievement by establishing a new legislative framework which, to a large extent, improves the legal system in respect of transparency of party funding and has introduced public funding for political parties, however further measures are required, including to ensure the efficiency of the monitoring of election campaign financing and more generally, effective implementation of amended legislation. Ensuring the independence and functioning of Ukraine's anti-corruption institutions - including also the National Agency for the Prevention of Corruption – are essential for the fight against corruption and thus remain key for the years to come.

Ukraine's electronic asset declaration system that was launched by the National Agency for the Prevention of Corruption in September 2016 contained by August 2017 already almost 1.5 million declarations. The MONEYVAL evaluation from 2017, found that although the Unified State Register records all basic information and makes this available to the public online, the Register does not ensure that the basic or beneficial ownership information provided to it by legal persons is accurate or current.

In the years to come, all Eastern partner countries thus share to varying degrees common concerns with regard to good governance and the rule of law (EaP deliverable 9), including in particular implementation and enforcement of already existing frameworks. Overall, the capture of state institutions by influential private interests poses however a serious obstacle for the effective implementation and enforcement of the laws across the board. Control over the political system by the political and business elite coupled with a shrinking civil society space and the failure to bring those to justice who abuse the system for their own private gain indicate that legal reforms alone are not sufficient to effectively strengthen the rule of law and democracy in the East. Key challenges in the EaP region to address in the period of 2019-2021 will therefore not only be the alignment of legislation with European standards but notably also the effective implementation and enforcement of existing legislation. The topics will also be reflected and discussed in the framework of the EU-Eastern Partnership architecture, in particular in the meetings of Platform 1 (good governance and strengthening institutions) and of the Rule of Law Panel.

B. Justice challenges in the EaP

Challenges also remain with a view to the implementation of key judicial reforms in the Eastern Partnership countries. **Armenia** has advanced on the right to free legal aid, yet limited progress can be seen with regard to the independence of the judiciary, and in particular of judges. The recruitment procedure to appoint judges was made more transparent, but the public appears to continue to distrust the judiciary system, as the rate of prosecuted corruption cases that are brought to justice continues to be relatively low. Armenia is currently in the process of post-constitutional reforms. These amendments relate to the appointment and tenure of judges, as well as to the functions and composition of the former Council of Justice, renamed the High Judicial Council, with wider powers and competencies. Changes have also been made to the appointment of presidents of courts and the limitation of their terms of office, in line with CoE

standards and recommendations. This can be considered as an improvement contributing to the strengthening of the independence and impartiality of the judiciary. The main direction of this reform is defined by the draft Government Strategy and Action Plan for Legal and Judicial Reforms for 2018-2023.

In **Azerbaijan**, there is still room to enhance the independence, effectiveness and accountability, especially with a view to interference from the executive. While transparent procedures for merit-based recruitment of judges have been set up, there is space for improved implementation. Trainings of the judiciary on court management have been facilitated and the day-to-day management of courts is improving, while investments into new courts and IT solutions to indicate clearance rates and disposition time took place. The government aimed at establishing a system of random case assignment in 60% of courts in Azerbaijan by the end of 2017. The Ministry of Justice of Azerbaijan actively pursues policies to increase the efficiency and quality of courts and to alleviate the pressure on them by launching of a new mediation system and the introduction of summary proceedings for small claims, on the basis of the recommendations formulated by CEPEJ in 2017. Another matter should be the quality of legal representation, including the limitation of representation in courts by other actors than qualified lawyers and the development of the independent Bar. Capacities of judicial training institutions have increased, but require further development.

The independence of **Belarusian** courts is formally guaranteed by the constitution and the law. However, courts are dependent on the executive bodies in practice. Judges enjoy some autonomy in considering the majority of cases, but if a particular case affects essential interests of the authorities, this can lead to the final judicial decision being revised. Citizens have limited avenues for a constitutional review of laws or executive actions in Belarus. The bodies eligible to appeal to the Constitutional Court are limited to the president, the parliament, the Supreme Court, and the government.

Judicial reforms have reportedly yielded positive results in **Georgia**, especially as concerns the reduced influence of the prosecutorial authorities and the increased transparency in the work of the High Council of Justice. It is noteworthy that Georgia is already moving towards greater independence having implemented ethical standards and a transparent, merit-based recruitment system for judges and prosecutors and a system of legal aid. Concerns pertaining in some instances to court case allocation, particularly in high profile trials, to judges perceived to be loyal to the executive, calling to ensure the random allocation of cases among judges. Specialised training institutions for justice-sector actors have significant capacity to train on European standards, but further work is needed to include specific issues in the relevant curricula and to set-up sustainable pools of trainers. Developments in the area of establishing independent institutions to effectively investigate human rights abuses are under way.

On the basis of its 2011-2016 (extended by one year till the end of 2017) Justice Sector Reform Strategy, **Moldova** has made some limited progress on implementing legislation on judicial reforms, including a new system for appointing, promoting and periodically assessing the performance of judges based on a transparent procedure, creating conditions for a transparent and merit-based promotion system for judges. The Strategy was the first comprehensive policy document for the Moldovan justice sector. The Moldovan authorities have prepared a one-year concept paper to address the challenges in the justice sector, to be implemented in 2018. The Moldovan Authorities are preparing the new Justice Sector Reform policy document for 2019-2022. Authorities have also introduced a random case allocation system and audio recording of court proceedings. However, corruption in the Moldovan judiciary and thus its lack of independence still constitute major concerns. Comprehensive track records of convictions,

including disciplinary proceedings against judges and high profile corruption cases as well as effective complaint mechanisms accessible to the public, are among those tools that are essential in addressing these concerns.

Judicial reforms addressing the lack of independence of the judiciary in **Ukraine** effectively commenced along with the constitutional reform adopted in June 2016, including a merit-based recruitment system and lifetime appointment of judges, limitations of the executive to decide on judges' career paths, and the introduction of a new High Council of Justice. The long-term impact of the newly composed Supreme Court and the qualification evaluation of judges as well as the functionality and reliability of the newly introduced **e-courts** are still to be seen. Ukraine also continues to reform its prosecution service, while the Law 'On Judiciary and Status of Judges' provided for the creation of the first instance High Anti-Corruption Court, which is not yet operational but could help address the continuing high perception levels of Ukrainian citizens who believe the judiciary to be corrupt. The newly established State Bureau of Investigations still has to become a fully-functioning and effective institution.

C. Responding to the rule of law and justice sector challenges in the EaP

As of 2015, the **Programmatic Cooperation Framework (PCF)** provided the new framework for cooperation between the EU and the Council of Europe to replace the ad-hoc project-based financing and to continue the financing of operations with the Council of Europe for the period of 2015-2020 focusing on a limited number of priorities, objectives and results. In the first phase of the PCF implementation, the Council of Europe has provided expert assistance, capacity-building and support to the six Neighbourhood East countries in the areas of protection and promotion of human rights, ensuring justice, combating threats to the rule of law, addressing challenges of the information society and promoting democratic governance. Yet, challenges remain for the future. Apart from their alignment with European standards, the key issue for the future will primarily lie in the proper implementation and enforcement of the existing legislation.

In order to build on the results achieved, the Programmatic Cooperation Framework that was rebranded in 2017 to carry the new title "**Partnership for Good Governance**" (PGG) and extended to continue activities in 2018, will therefore be prolonged to allow for continuity focusing on the areas of justice and the rule of law where the Council of Europe is best placed to foster change from 2019 onwards for a three year period. The aim is to focus on the areas of rule of law and justice, as highlighted in the EaP 2020 Deliverables.

In addition and since the implementation of key reforms in line with European standards on independence, quality and efficiency of the judiciary is of key importance to the European Union, the Programme will also provide support as of 2018 to implement **regional justice surveys** (baseline and follow-up surveys) by the World Bank to establish a track record of assessments and analyses of court performance across the EaP countries, as measured against an agreed set of justice indicators.

In detail, the programme aims at addressing the shortcomings through the following four components of key issues:

- 1) Strengthening the rule of law and anti-corruption mechanisms;
- 2) Fostering implementation of key justice sector reforms;
- 3) To provide *ad hoc* legal expertise/policy advice on areas covered by the Venice Commission *via* a Quick Response Mechanism;

4) Assessing the performance of the judiciary in the EaP.

While many activities will and have to be common for all countries because of the similarity of the challenges faced, the individual situation of each country and the specific goals to be achieved in the context of the Association Agreements/ Deep and Comprehensive Free Trade Agreements (DCFTA) and other partnership and cooperation agreements, has to be taken into account. The exact share of assistance between regional activities – for all six countries – and country-specific activities, cannot be precisely defined at this point in time. Regional activities will be designed to increase harmonisation with European standards. Link and complementarity with country-specific activities will be ensured.

2 RISKS AND ASSUMPTIONS

Risks	Risk level (H/M/L)	Mitigating measures
Political instability in the region , including changes in government, disengagement with the Council of Europe, military and other conflicts presenting an obstacle to project implementation and planned reform efforts.	M	Risks resulting from political and economic instability in any of the six Eastern partner countries will be addressed through multi-lateral, political dialogue and by the PGG Steering Committee that is co-chaired by the Commission and the Council of Europe. The Steering Committee monitors the implementation of the PGG on the basis of the progress reports linked to the results foreseen and presented by the Council of Europe. It agrees on the actions for the subsequent year by approving the Annual Plan of Action prepared jointly by the Council of Europe and the Commission. In case of political and/or economic instability, the Steering Committee is entitled to adjust the planned actions to be implemented and the results to be achieved. This shall be done in line with the Commission's policy on the modifications of decisions. Additionally civil society will be involved in order to mitigate a possible lack of political will.
Economic instability in the region hindering the provision of sufficient, local resources to implement the activities and follow-up actions.	M	
Limited political will in the region to engage in sensitive areas	M	
Duplication and overlap of activities between regional and bilateral activities.	L	The Council of Europe will ensure that for the preparation of the Annual Plans of Action (APA) and throughout the definition and implementation of its actions its country offices closely coordinate with the Delegations of the European Union in the partner countries. In particular, the concerned Delegations shall be formally consulted on the country actions foreseen in the draft APA that are

		being submitted to the Steering Committee. In addition, focusing the thematic scope of the action on the areas of justice and rule of law under the PGG will facilitate the overall coordination between bilateral and regional projects.
Assumptions applicable to all components of the action		
<ul style="list-style-type: none"> • Political commitment of the EaP governments to reform initiatives • Effective cooperation of national authorities in the beneficiary countries • Availability of experts and good cooperation between all stakeholders, including the provision of the necessary human and technical resources by the national authorities. 		

3 LESSONS LEARNT AND COMPLEMENTARITY

3.1 Lessons learnt

To support reform processes in the areas of justice and rule of law the European Commission and the Council of Europe have been closely cooperating in the Eastern Partnership region both through regional and bilateral projects for many years.

The **2017 Mid-term evaluation** report of the Commission's most recent cooperation with the Council of Europe under the 2015-2017 Programmatic Cooperation Framework (PCF, as already mentioned, recently re-branded to Partnership for Good Governance, PGG) generally assessed the relevance of the cooperation in the three years of Phase I as being of "considerable importance". With the Council of Europe being the key international organisation providing a response at this critical juncture, this will also remain to be valid for phase II of the Partnership for Good Governance (2019-2021).

The projects implemented under the PCF/PGG addressed a range of key challenges faced by the countries of the Eastern Partnership region, while providing a united response by the European Union and the Council of Europe promoting European values and adherence to European standards.

The main recommendations of the evaluation were related to the need (i) to take measures to strengthen the application of a **Result-Based Approach to project management**; (ii) to take into account the **absorption capacity** when allocating the budget; (iii) to develop **procedures regarding the decision-making** on the formulation and implementation; (iv) to provide increased **opportunities for EU as a partner** organisation to participate in project identification and formulation; (v) to strengthen the approach to gender-mainstreaming; (vi) to increase the **involvement of civil society** in the initiative; and (vii) to reinforce the **visibility** of the thematic programmes.

Progress has been made in 2017 and 2018 to address the recommendations and implement solutions. Notably, measures to enhance visibility, coordination and communication in the EU and Council of Europe partnership have already been agreed upon during the 2018 programme extension phase, including, for instance, the **establishment of PGG contact points** in EU Delegations and Council of Europe field offices as well as in both headquarters in Brussels and Strasbourg. Similarly, with the possibility of **direct contracting between EU delegations and the Council of Europe** in the Phase II on all issues that will not be covered by the regional PGG

programme, new opportunities for cooperation will also be created that aim at increasing participation and ownership.

3.2 Complementarity, synergy and donor coordination

Reinforcing the rule of law and promoting justice reform have been identified as the main areas where cooperation with the Council of Europe, and with regards to justice surveys the cooperation with the World Bank, will be needed. However complementarity with currently ongoing and future EU funded projects at the bilateral and regional level is crucial in the field of anti-corruption and anti-money laundering amongst others, as a number of Delegations are active in the same fields, for example in Ukraine with PRAVO-Justice and the EU Anti-Corruption Initiative.

In the framework of this project the Council of Europe and the World Bank together with the EU will seek **synergies** with bilateral actions and avoid overlaps and double-financing with the ongoing as well as planned initiatives from the EU and the Council of Europe, the World Bank and bilateral ENI assistance in the partner countries in the specific areas in question (justice, rule of law and justice surveys). Results achieved towards division of labour and concrete synergies will also be reflected in the annual progress reports that will be structured on the basis of the results (outputs, outcomes and possibly contribution to impact) that have been achieved, but also on the proposed Annual Plans of Action.

The Steering Committee approving the Annual Plans of Action is also responsible for taking into account in its evaluation process complementarity with existing or planned actions and for prioritising those projects where the Council of Europe and the World Bank have particular expertise.

When agreeing on the policy priorities and actions, the Council of Europe, the World Bank and the European Commission have taken into account other donor's interventions. Further **donors' coordination** will be ensured in the field through the respective EU Delegations supported by both the Council of Europe field offices and from headquarters. The Council of Europe and the World Bank will ensure complementarity and avoid any overlaps in the financing of PGG's activities be it from other donors or the partner governments.

The Council of Europe has **field offices** in the five Eastern Partner countries that are Council of Europe Member States as well as an information office in Belarus. One of their main tasks is to ensure overall coordination with other international organisations and Council of Europe Member States present and active in the field in the same areas of competence as the Council of Europe. For international organisations and Council of Europe Member States which do not have a presence in Eastern Partnership countries, coordination is ensured via the respective headquarters through regular meetings organised for mutual exchange of information and cooperation. The Committee of Ministers of the Council of Europe, and in particular its group on democracy, allows for exchanges and coordination with other Member States, as well as on coordination issues.

4 DESCRIPTION OF THE ACTION

4.1 Overall objectives, specific objective(s), expected outputs and indicative activities

The **overall objective** of the programme is to contribute to the overall goal of the EU's relations with the Eastern Partner countries to increase the stabilisation and resilience of its neighbours and, more specifically to achieve the 2020 targets set in the EaP deliverables 9 (strengthening the rule of law and anti-corruption mechanisms) and deliverable 10 (implementing key judicial reforms). Strengthening institutions and good governance is one of the four key policy priority areas that the EU will focus on until 2020 and beyond. These actions will be complemented by justice surveys in order to allow for the assessment of the situation and the monitoring of progress in the field.

This programme is relevant for the Agenda 2030. It contributes primarily to the progressive achievement of SDG Goal 16 'Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels'. Additionally Goal 5 'Achieve gender equality and empower all women and girls' will be worked on.

For the associated countries, which benefit from visa-free regime with the EU and Schengen-associated countries, this action can support the countries in the continuous fulfilment of the visa liberalisation benchmarks.

For the cooperation with the Council of Europe and the World Bank for the period 2019-2021 and building upon the common strategic objectives and comparative advantages, this can be translated into the following more **specific objectives**: (i) strengthening the rule of law and anti-corruption mechanisms; (ii) fostering the implementation of key judicial reforms; (iii) providing for a Quick Response Mechanism for ad-hoc support of the Venice Commission on a needs basis; and (iv) assessing the performance of the judiciary.

Expected results include:

COMPONENT 1: TO STRENGTHEN THE RULE OF LAW AND ANTI-CORRUPTION MECHANISMS

1. Introduced measures on prevention and combating corruption (AC)

- 1.1 Fully operational systems for the declaration and verification of declarations on assets and interests made by at least members of parliament, politicians and high-ranking public officials, encompassing:
 - An electronic way for making the declarations
 - Enhanced capacities for the effective verification of the declarations
 - The online publication of the declarations
- 1.2 Reinforced transparency of political party financing systems (PPF) and mechanisms to monitor and report as a follow-up to the 3rd round of GRECO recommendations;

- 1.3 Introduced integrity measures and monitoring systems with respect to members of parliament, judges and prosecutors (IM) as a follow-up to the 4th round of GRECO recommendations; and
 - 1.4 Strengthened/operational specialised anti-corruption institutions (ACIs) with a sufficient level of independence, aimed at the effective tackling of corruption, in particular high-level corruption.
- 2. Introduced measures on prevention and combating money-laundering/terrorist financing (AML/CTF)**
- 2.1 Introduced legislation and frameworks for establishing beneficial ownership registries for legal entities (BO) as well as centralised bank account registries;
 - 2.2 Increased institutional capacities of Asset Recovery Offices (AROs); and
 - 2.3 Enhanced/introduced legal frameworks allowing for seizure, confiscation, recovery and management of crime proceeds (nationally and internationally).

COMPONENT 2: TO FOSTER THE IMPLEMENTATION OF KEY JUDICIAL REFORMS WITH A VIEW TO STRENGTHENING THE INDEPENDENCE, QUALITY AND EFFICIENCY OF THE JUDICIARY

- **independent training institutions** delivering initial and continuous training to the justice sector actors in line with EU standards and best practices
- **track records of transparent and merit-based recruitment** and promotion systems with disaggregated data by sex
- track record of all disciplinary proceedings undertaken meeting due process standards of independence, equality of arms, a reasoned decision and the right to appeal the decision made to a court.
- improved **access to justice** in particular for women, children and the most vulnerable groups
- strengthened **independence and institutional capacities of High Councils for the judiciary** and increasing the transparency of their activity
- improved **enforcement of judgments in civil and administrative cases** as well as the execution of court decisions according to enforcement timeframes, cost and recovery rates indicators
- **reduction, where it exists, of the backlog of cases.** Analysis of clearance rates, case disposition times and number of pending cases as well as of other efficiency and quality indicators and setting timeframes in view of steering courts' performance
- comprehensive and effective **training of the justice sector actors on their competences and ethics**

- drafting/revising and adoption of **legislative amendments** related to the judicial reform and improve the regulatory framework for the institutional and procedural set-up of the judiciary
- an effective **system of judicial accountability** based on European standards and recommendations
- strengthened **institutional capacity and the review of responsibilities of the highest judicial instances**

COMPONENT 3: TO PROVIDE A QUICK RESPONSE MECHANISM FOR AD-HOC SUPPORT OF THE VENICE COMMISSION ON A NEEDS BASIS

In addition to the actions covered under components 1 and 2, the PGG will include a European Commission-steered Quick Response Mechanism (QRM), by which the Venice Commission will be able to provide *ad hoc* expertise at the request of the European Commission, in close cooperation and agreement with the beneficiary country.

This component is expected to result in better informed decisions based on expert advice in the areas covered by the Venice Commission: (i) democratic institutions and fundamental rights; (ii) elections, referendums and political parties, (iii) constitutional justice and ordinary justice, provided that the requested expertise cannot be provided within the format of the actions agreed under components 1 and 2.

This component might be fine-tuned after its first year to see if it lives up to the expectations.

COMPONENT 4: TO ASSESS THE PERFORMANCE OF THE JUDICIARY

- Determination of the impact of justice reforms in the Eastern Partnership countries in line with European standards on independence, quality, and efficiency of the judiciary;
- Measurement of reform progress over time (with a baseline already being established in 2018);
- Evidence based reforms of the judiciary.

Main activities

The proposed activities will vary according to the level of implementation of standards and capacities in the partner countries concerned. Account will be taken of the existing and planned bilateral programmes addressing the identified issues in selected partner countries. The main activities of this programme will build upon the achievements of those activities. Within the cooperation with the Council of Europe and the World Bank, the present action will fill critical national gaps complementary to bilateral assistance.

The main activities implemented by the Council of Europe and the World Bank will be in line with the relevant Working Programme of the EaP Platform 1 (Strengthening institutions and good governance) and include, *inter alia*, the provision of sectoral assessments, capacity-building through the organisation of meetings, seminars, workshops and trainings (including strengthening domestic training institutions), the production of publications, and the implementation of justice surveys, including an analysis of the collected survey response data, in the areas of rule of law and anti-corruption as well as justice sector reform:

Under components 1-3:

Sectoral assessments will be provided in priority areas (e.g. compliance of national legislations and regulations with European standards and Council of Europe recommendations/opinions, etc.) focusing on measures in support of transparency, integrity and ethics, as well as of effectiveness and accountability.

Capacity-building through the organisation of meetings, seminars, workshops and trainings will contribute to improving knowledge of civil servants and staff from the countries on European values and European standards in the areas of rule of law, anti-corruption and the justice.

Institution building will be ensured through tailored support to processes of institutional change and reinforcement of operations and independence of state bodies to adhere to Council of Europe and international standards and practices.

Policy guidance and advisory tools geared towards strengthening and bringing appropriate policies, strategies and legislative frameworks in the EaP countries closer to pertinent standards.

Publications (reports, brochures, leaflets, etc.) will provide regional, comparative data and information on the results, achievements and impact of the programme activities. The CoE will draw on its experience in the EaP countries to develop a summary of best practices and guidance documents in the following areas such as merit-based recruitment, integrity checks, enforcement, ICT systems including random case allocation, ADR/mediation, how to prepare a justice reform strategy, reasoning and publication of judgments and judicial council decisions (including online access and data protection aspects), performance evaluation of judges and prosecutors (quantitative and qualitative criteria) and access to justice.

Under component 4:

Conduct of regional justice surveys enabling the assessment of the establishment of a track record regarding court performance and independence across the EaP countries by the beneficiaries. This track record will be assessed and analysed against justice indicators developed in the Rule of Law Panels of Platform 1. The surveys will help authorities and partners to decide on where further work needs to be done. Therefore they do not aim to be disseminated to the public at large.

Preparatory work for the surveys will be conducted in the framework of TAIEX and existing EaP platform and panel meetings.

4.2 Intervention Logic

Under phase II of the Partnership for Good Governance, the Council of Europe will contribute to achieving the EaP deliverable 9 and 10 through the main activities described above in section 4.2 , in order to strengthen the rule of law and to support justice sector reforms in all Eastern partner countries.

The **multiplier effects** would be manifold: trainings, instruments and tools developed by the projects but also by independent domestic training institutions, for the public and justice sector (guidelines, surveys, reports, codes of conduct, etc.) could also inspire and be applied to other sectors and services in the mid-term. In the longer term, functioning justice systems and public

institutions that are characterised by the respect for human rights and the rule of law are essential for a shift in attitudes towards corruption and for an increase in citizens' trust in institutions.

Moreover, regional programmes under the Partnership for Good Governance and the justice surveys conducted in the Eastern partner countries offer an opportunity for all the countries in the region **to share and learn from best practice**, as well as to apply the same standards and approaches at the same time. This contributes to achieving comparability across the region and the EU which can have a catalyst effect to steering reforms.

4.3 Mainstreaming

The activities will have a direct positive influence on **gender equality**, which will be taken into consideration in the design of activities. Gender based violence is one of the most common ways in which women's rights are violated in the Eastern Partnership countries. The WHO has estimated that 26 per cent of women in Eastern Europe (covering Belarus, Moldova and Ukraine) and 23 per cent of women in Central Asia (covering the Caucasus countries) have experienced either physical and/or sexual violence by an intimate partner or sexual violence by a non-partner. Therefore continued actions to combat all forms of violence against women is critical to strengthen the implementation of the fulfilment of the obligations of the Council of Europe Convention on Violence against Women and Domestic Violence (the Istanbul Convention) in all EaP countries. Whenever relevant, reports on results and impact achieved should have data disaggregated by sex. Achieving gender equality is not only a goal in itself – as confirmed by the Council of Europe's 2014-2017 Gender Equality Strategy, the EU Gender Action Plan II and the 2020 Deliverables - but essential for sustainable democracy, economic development and the respect for the rule of law, which the Partnership is working towards also in the years to come (2019-2021).

This action will be implemented following a **rights-based approach**, encompassing all human rights, with a focus on women and groups and minorities including women and children who are in vulnerable situation, people in disadvantaged situations and those living in rural areas. The five working principles below will be applied at all stages of implementation: Legality, universality and indivisibility of human rights; Participation and access to the decision-making process; Non-discrimination and equal access; Accountability and access to the rule of law; Transparency and access to information. The Steering Committee co-chaired by the European Commission and the Council of Europe will ensure that this approach is taken across all projects implemented throughout the different policy areas identified.

Consultation with **civil society** as well as close cooperation with civil society organisations is critical to ensuring sustainable results on the ground in the areas of rule of law and justice reform. As a watchdog for citizens, civil society organisations, including women's organisations can offer expertise and experience on the real needs on the ground, in particular at the local level where support most directly targets citizenry. Structural cooperation with civil society organisations will be sought across and throughout the activities of the programme, as appropriate.

The cooperation with the Council of Europe is expected to be neutral on the **environment**. The strengthening of the rule of law and the independence, quality and efficiency of the justice system in the Eastern Partnership countries is even expected to positively contribute to the

implementation of the Aarhus Convention, notably its third pillar 'access to justice on environmental matters.'

4.4 Contribution to SDGs

This intervention is relevant for the 2030 Agenda. It contributes primarily to the progressive achievement of SDG 16 (Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels) and SDG 5 (Achieve gender equality and empower all women and girls).

5 IMPLEMENTATION

5.1 Financing agreement

In order to implement this action, it is not foreseen to conclude a financing agreement with the partner countries.

5.2 Indicative implementation period

The indicative operational implementation period of this action, during which the activities described in section 4 will be carried out and the corresponding contracts and agreements implemented, is **60 months** from the date of the adoption by the Commission of this Financing Decision.

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.

5.3 Implementation modalities

The Commission will ensure that the EU appropriate rules and procedures for providing financing to third parties are respected, including review procedures, where appropriate, and compliance of the action with EU restrictive measures⁶.

5.3.1 Indirect management with an international organisation

A part of this action may be implemented in indirect management with the Council of Europe. This implementation entails the implementation of phase II of the Partnership for Good Governance in the Eastern Partnership, in particular components 1-3 of this action. This implementation is justified because of the Council of Europe's expertise in standard-setting and monitoring tools.

The **Council of Europe** is a longstanding strategic partner to the European Commission, both at the policy level and as an implementing partner in field of rule of law, human rights and democracy. As a key organisation based on legally-binding instruments and convention-based

⁶ www.sanctionsmap.eu Please note that the sanctions map is an IT tool for identifying the sanctions regimes. The source of the sanctions stems from legal acts published in the Official Journal (OJ). In case of discrepancy between the published legal acts and the updates on the website it is the OJ version that prevails.

monitoring mechanisms at a pan-European scale, the Council of Europe has been for decades a key partner for the EU in providing support to the Eastern partner countries. The EU-Council of Europe Memorandum of Understanding signed in 2007 has further strengthened the relationship by clearly defining the purposes and principles of cooperation and setting out shared priorities between the two organisations. In addition, in the Statement of Intent signed in 2014, the Council of Europe and the European Commission committed to mobilise their capacities and resources to further coordinate the implementation of their policy goals in the neighbourhood and enlargement regions in an effort to make the cooperation more strategic and result oriented. The "triangle" of standard-setting, monitoring and cooperation represent the Council of Europe's strongest comparative advantage as it offers its expertise in a unique way by directly assisting partner countries with the implementation of the recommendation using the expertise of the monitoring and expert bodies.

The entrusted entity would carry out the following budget-implementation tasks: running the public procurement, grant award procedures, concluding and managing the resulting contracts, including making of the related payments.

5.3.2 Grant: direct award "Justice Surveys" (direct management)

(a) Objectives of the grant, fields of intervention, priorities of the year and expected results

The objective of the grant is to assess the performance of the judiciary through justice surveys as described under 4.1 to determine the impact of the justice sector reforms achieved in the Eastern Partnership countries in line with European standards on independence, quality and efficiency.

In order to assess the beneficiaries' establishment of a "track record" that will allow to measure progress over time, a baseline justice survey will be designed and launched in 2018 and a follow-up survey in 2020 that are expected to result in an evidence-based analysis of the justice sector performance, a publication and visibility events with beneficiary countries in support of increasing the effectiveness of court management tools.

(b) Justification of a direct grant

Article 190(1) (f) of Commission Delegated Regulation (EU) No 1268/2012 authorises to award grants without a call for proposals for actions with specific characteristics that require a particular type of body on account of its technical competence, its high degree of specialisation, on condition that the actions concerned do not fall within the scope of a call for proposals. On this basis and under the responsibility of the Commission's authorising officer responsible, the grant may be awarded without a call for proposals to the World Bank.

Under the responsibility of the Commission's authorising officer responsible, the recourse to an award of a grant without a call for proposals is justified because the World Bank has long-standing expertise and experience in the design and implementation of justice surveys to assess the independence, quality and effectiveness of the judiciary in many regions around the world, thus providing the technical competence and specialisation, while having access to governments that other organisations would not have. The conditions of specific characteristics that require a particular type of body on account of its technical competence, its high degree of specialisation or its administrative power are therefore given in this case.

The EU and the **World Bank** have developed a strong and wide-ranging partnership. The 28 EU Member States are major shareholders and partners in the work of the World Bank Group

(WBG). They account for nearly one-third of shares in the International Bank for Reconstruction and Development and half of contributions to the International Development Association. This partnership is implemented through the Trust Funds framework. Contributions are governed by the EU-WBG Framework Agreement, which was signed in March 2009 by the EC and WBG Presidents, and updated in 2010 to reflect changes resulting from the Lisbon Treaty. On this basis the action intends to access the World Bank's long-standing and valuable expertise in assessing court performance around the world through the EU2020 Trust fund, a modality that will allow us to save fees. This action will be a single donor action.

(c) Maximum rate of co-financing

The maximum possible rate of co-financing for this grant is 100 % of the eligible costs of the action

(d) Essential selection and award criteria

The essential selection criteria are the 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

(e) Indicative trimester to conclude the grant agreement:
fourth trimester of 2018.

(f) Exception to the non-retroactivity of costs

The Commission authorises that the costs incurred may be recognised as eligible as of 01 July 2018 because of the need to launch a justice survey.

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 subject to the following provisions.

The Commission's authorising officer responsible may extend the geographical eligibility in accordance with Budget 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 realization of this action impossible or exceedingly difficult.

5.5 Indicative budget

	EU contribution (amount in EUR million)	Indicative third party contribution (amount in EUR million)
Objective 1 – Partnership for Good Governance (Phase II), composed of:	14 000 000	3 500 000

Indirect management with the Council of Europe (Components 1-3) – cf. – section 5.3.1	2018: 4 000 000 2019: 10 000 000	2 800 000
Objective 2 – EaP Justice Surveys	1 000 000	N/A
Direct grant to World Bank (direct management for Component 4) – cf. – section 5.3.2	2018: 1 000 000	N/A
Total	15 000 000	18 500 000

5.6 Organisational set-up and responsibilities

Components 1-3 of the programme will be indirectly managed by the Council of Europe in close cooperation with the European Commission and the six ENP-East countries.

The **European Commission will ensure**, with the support of the Council of Europe, **the coordination and communication** with the interested stakeholders, including relevant Commission Services and EU Delegations. Programme-specific contact points shall be nominated at headquarters, in EU Delegations and in field offices to ensure coordinated internal and external communication. The Council of Europe and the World Bank will identify synergies with other relevant programmes, projects and initiatives related to or having impact on strengthening institutions and good governance.

For components 1-3 there shall be a dual governance structure. The Council of Europe shall organise prior to each Steering Committee, pre-Steering Committees in all countries at bilateral level, including key stakeholders and donors. **These local Steering Committees shall be co-chaired by the respective EU Delegation and the Council of Europe** to avoid overlap and ensure local steer for actions carried out at national level. Subsequently, the main **Steering Committee**, which will be co-chaired by the Commission and the Council of and include representatives of Council of Europe operational entities, of the European External Action Service and of any other concerned Directorate-General of the Commission, will take place. The Steering Committee is responsible for monitoring the implementation of the Partnership for Good Governance on the basis of activity reports presented by the Council of Europe and for agreeing on the activities for the following year, following the formal consultation with EU Delegations. The Steering Committee shall meet at least **twice a year** to decide on the annual activities at the outset of the year (meeting 1) and, at the end of the year, for the monitoring of the implementation (meeting 2). **The Secretariat of the Steering Committee is ensured by the Council of Europe.**

Component 4 will be managed by the World Bank in close cooperation with the European Commission. The World Bank shall ensure coordination and synergies with other projects currently being implemented and planned at the bilateral level to make sure that there are no duplications. The project will be a part of the already existing annual consultations between the European Commission and the World Bank that take place in spring every year. Ideally, the PGG Steering Committee will be organised back to back to the consultations with the World Bank.

5.7 Performance and Results monitoring and reporting

Performance measurement will be based on the intervention logic and the log frame matrix, including its indicators.

- Performance measurement will aim at informing the list of indicators that are part of the log frame matrix.
- In certain cases, mainly depending on when the monitoring exercise is launched, contribution to the outcomes will also be part of monitoring and for this to happen indicators defined during planning/programming at the outcome level will be the ones for which a value of measurement will need to be provided.
- In evaluation, the intervention logic will be the basis for the definition of the evaluation questions. Evaluations do mainly focus on the spheres of direct (outcomes) and indirect (impacts) influence. As such, indicators defined for these levels of the intervention logic will be used in evaluation. Depending on the specific purpose and scope of the evaluation exercise, additional indicators will be defined.

Monitoring is a management tool at the disposal of the action. It is expected to give regular and systemic information on where the Action is at any given time (and over time) relative to the different targets. Monitoring activities will aim to identify successes, problems and/or potential risks so that corrective measures are adopted in a timely fashion. Even though it is expected to focus mainly on the actions' inputs, activities and outputs, it is also expected to look at how the outputs can effectively induce, and actually induce, the outcomes that are aimed at.

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 and that of the EU operational manager. The different responsibilities for this dual internal monitoring are the following:

- i. The implementing partner's monitoring will aim at collecting and analysing data to inform on progress towards planned results' achievement to feed decision-making processes at the action's management level and to report on the use of resources. To this aim, the implementing partner shall establish a permanent internal, technical and financial monitoring system for the action and elaborate regular progress reports (at least twice a year) 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 agreed indicators (and related targets), included in 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. Reporting should not focus on activities and inputs' use, unless it allows reporting on actual (and progress towards) results. The final report, narrative and financial, will cover the entire period of the action implementation.
- ii. EU operational manager monitoring will aim at complementing implementing partners' monitoring, especially in key moments of the action cycle. It will also aim at ensuring a sound follow-up on external monitoring recommendations and at informing EU management. This monitoring could take different forms (meetings with the Council of Europe, action steering committees, on the spot checks), to be decided based on specific needs and resources at hand. Reporting will be done on the basis of checklists and synthesised in a monitoring note/report.

Both types of internal monitoring are meant to inform and provide support to external monitoring.

Further, implementation of the projects and their contribution to EaP deliverables shall be closely monitored by the Steering Committee, as referred to above in section 5.5.

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).

Beside the Results Oriented Monitoring (ROM) review, the Commission may undertake action results reporting through independent consultants recruited directly by the Commission (or recruited by the responsible agent contracted by the Commission for implementing such reviews). Their aim would be to identify and check the most relevant results on the action.

5.8 Evaluation

Having regard to the importance of the action, a final evaluation(s) will be carried out for this action or its components via independent consultants 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 tangible results of the action and the impact achieved for citizens, the visibility of the action, internal and external communication, and the lessons learnt of the enhanced cooperation between the Commission and the Council of Europe leading to visible and quantifiable improvements in the scope, width and depth of joint Commission and Council of Europe activities and impacts on reforms in the partner countries.

The Commission shall inform the Council of Europe in advance of the dates foreseen for the evaluation missions. The Council of Europe 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 countries 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.

The Commission shall form a Reference Group (RG) composed by representatives from the main stakeholders at both EU and Council of Europe levels. The RG will especially have the following responsibilities:

- **Steering the evaluation exercise in all key phases** to comply with quality standards: preparation and/or provision of comments to the Terms of reference; selection of the evaluation team; consultation; inception/desk, field, synthesis and reporting phases.
The EU programme manager steers the RG and is supported in its function by RG members

- **Providing input and information** to the evaluation team. Mobilise the institutional, thematic, and methodological knowledge available in the various stakeholders that are interested in the evaluation
- **Providing quality control** on the different draft deliverables. The EU programme manager, as lead of the RG, consolidates the comments to be sent to the evaluation team and endorses the deliverables.
- **Ensuring a proper follow-up** after completion of the evaluation

The financing of the evaluation shall be covered by another measure constituting a financing decision.

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.

The financing of the audit shall be covered by another measure constituting a financing decision.

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 Requirements for EU External Actions (or any succeeding document) shall be used to establish the Communication and Visibility Plan of the Action and the appropriate contractual obligations. Additional Visibility Guidelines developed by the Commission (European Neighbourhood Policy and Enlargement Negotiations) will be strictly adhered to.

In particular, the Council of Europe will ensure adequate visibility of EU financing and of the results achieved. The Council of Europe will draft a communication and visibility plan containing communication objectives, target groups, communication tools to be used and an allocated communication budget.

To enhance internal communication, the European Commission and the Council of Europe have agreed to nominate contact points for the Partnership for Good Governance at headquarter and field office/ Delegation level.

Furthermore, key results will be communicated to all governmental, non-governmental and other stakeholders. All reports and publications produced will be widely disseminated. All activities will adhere to the European Union requirements for visibility on EU-funded activities.

This shall include, but not be limited to, press releases and briefings, reports, seminars, workshops, events, publications.

Visibility and communication actions shall demonstrate how the interventions contribute to the agreed programme objectives. Actions shall be aimed at strengthening general public awareness of interventions financed by the EU and the objectives pursued. The actions shall aim at highlighting to the relevant target audiences the added value and impact of the EU's interventions. Visibility actions should also promote transparency and accountability on the use of funds.

The implementing organisations – Council of Europe and World Bank – 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, where relevant, and the Eastern Partnership region in order to enhance the effectiveness of communication activities and to reduce fragmentation in the area of EU communication.

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.

INDICATIVE LOG FRAME MATRIX

PGG PHASE II (2019-2021)

The activities, the expected outputs and all the indicators, targets and baselines included in the log frame matrix are indicative and may be updated during the implementation of the action, by mutual agreement and no amendment will be required for the financing decision. The indicative log frame matrix will evolve during the lifetime of the action: new lines will be added to include the activities as well as new columns for intermediary targets (milestones) for the output and outcome indicators whenever it is relevant for monitoring and reporting purposes. Note also that indicators should be disaggregated by sex whenever relevant.

	Results chain	Indicators	Baselines (incl. reference year)	Targets (incl. reference year)	Sources and means of verification	Assumptions
Overall objective: Impact	Increased stabilisation and resilience of the region	<p>Degree of synergy between the EaP countries in implementation of reforms</p> <p>Level of trust in Rule of Law among population of the EaP countries</p> <p>Level of protection of fundamental rights</p>	Baseline as outlined in the reporting on the achievement of the 20 deliverables for 2020	Advancements in the achievement of the 20 deliverables 2020, namely targets 9 and 10.	<ul style="list-style-type: none"> - Mission and meetings report of the CoE Secretariat. - Monitoring reports by project (international) experts. - CoE and European Commission reports on the scope of recommendations taken into consideration in the drafting of legal acts, adoption of legal acts. - Available international, European and national statistics - Survey on perception of level of respect of RoL (anti-corruption, effective judiciary) conducted within component 4 - National stakeholders' (including civil society) reports and national statistical Parliamentary monitoring reports related to judiciary reform and anti-corruption matters - Decisions / resolutions of Committee of Ministers, Media coverage 	

	Results chain	Indicators	Baselines (incl. reference year)	Targets (incl. reference year)	Sources and means of verification	Assumptions
<p>Specific objectives: COMPONENT 1 TO STRENGTHEN MEASURES TO PREVENT AND COMBAT ECONOMIC CRIME Outcome(s) – Component 1</p>	<p>1) preventing and fighting corruption while fostering good governance</p> <p>2) preventing and fighting money laundering/terrorist financing</p>	<p>Level of trust in prevention and fight against corruption among population of the EaP countries</p> <p>Level of resilience of the public authorities against influence of private interests – degree to which public officials withstand corruption attempts.</p> <p>Number of countries in which the resilience improves</p> <p>Extent to which national legislative and institutional frameworks to fight corruption, money laundering in the EaP countries are in line with the European and international standards.</p> <p>Extent to which efficient (the framework created will be put to use and the mechanisms</p>	<p>Corruption and money laundering remain to be endemic and thus a real challenge for the rule of law in the Eastern Neighbourhood, posing an additional threat to the political stability and economic development in the region, while simultaneously fuelling citizens' prevailing mistrust in their government and state institutions.</p> <p>Number of countries in which prior to the project start date the level of resilience in the field of anti-corruption and money laundering has been deemed acceptable.</p> <p>Number of countries in which prior to the project start date European and international standards to fight corruption and money laundering are adhered to.</p> <p>Number of EaP countries with established - prior to the project start date - models of</p>	<p>A public administration with a substantially decreased level of corruption is in place in at least 3 countries</p> <p>Improved resilience in the public sector leading to resilient public authorities against influence of private interests.</p> <p>At least 3 countries in which the level of resilience has improved.</p> <p>Improved national legislative and institutional frameworks to fight corruption and money laundering. Legal framework is revised and in line with European and international standards allowing for effective fighting against corruption and money laundering in at least 3 countries</p> <p>Anti-corruption and anti-money laundering bodies are in place in</p>	<p>- Mission and meetings report of the CoE Secretariat.</p> <p>- Monitoring reports by project (international) experts.</p> <p>- CoE and European Commission reports on the scope of recommendations taken into consideration in the drafting of legal acts, adoption of legal acts.</p> <p>- Available international, European and national statistics</p> <p>- Survey on perception of level of respect of RoL (anti-corruption, effective judiciary) conducted within component 4</p> <p>- National stakeholders' (including civil society) reports and national statistical Parliamentary monitoring reports related to judiciary reform and anti-corruption matters</p> <p>- Decisions / resolutions of Committee of Ministers, Media coverage</p>	<p>Political commitment of the ENP-East governments to reform initiatives in the project areas</p> <p>Cooperation of national authorities in the beneficiary countries</p>

		<p>introduced are applied) anti-corruption and anti-money laundering mechanisms are in place.</p> <p>Extent to which the independence of anti-corruption and money laundering special bodies has increased.</p> <p>Level of accountability of public officials, through legal and reporting framework, organisational structure, strategy, procedures and actions.</p> <p>Extent to which civil society is involved in the consultations on the national strategy and actions.</p>	<p>special bodies for a range of anti-corruption functions from policy making to prosecution and investigation pursuant to the requirements of the United Nations and the Council of Europe anti-corruption conventions. However, the countries face challenges in making these bodies fully effective and operational and concerns remain about their independence in line with the main specialisation benchmarks set out in the international standards.</p> <p>All EaP countries have legislative frameworks in place requiring asset disclosure for their public officials, with varying levels of comprehensiveness and effectiveness of institutional arrangements.</p> <p>In all EaP countries civil society involvement and consultations are foreseen. However in all of them civil society faces challenges in effectively being involved.</p>	<p>additional 2 more countries and are effectively used.</p> <p>Anti-corruption and anti-money laundering bodies are fully operational in additional 2 more countries</p> <p>Anti-corruption and anti-money laundering bodies are considered more independent in additional 2 countries.</p> <p>Public officials' accountability of public official and institutions is reinforced in additional 2 countries A behavioural change in the public officials' attitude can be observed.</p> <p>Increased involvement of civil society in the consultations on the national strategy and actions. An increased number of their recommendations are being taken up by the government.</p>		
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<p style="text-align: center;">Specific objective(s): Outcome(s) Component 2 TO FOSTER THE IMPLEMENTATION OF KEY JUDICIAL REFORMS</p>	<p>Strengthening the independence, effectiveness and efficiency of the judiciary</p>	<p>Level of trust in judiciary in the EaP countries</p> <p>Extent to which national legislation in the field of judiciary is in place and/or amended in line with relevant European standards in the 6 EaP countries.</p> <p>Degree of effectiveness of the justice system and enforcement of judgments (notably in civil and administrative cases) in the 6 EaP countries to guarantee the respect of fundamental rights.</p> <p>Extent to which the independence of the judiciary has increased.</p> <p>Degree of court case backlog</p> <p>Degree of compliance with the judgements of the ECtHR</p> <p>Extent to which the relevant</p>	<p>In all EaP countries citizens struggle to trust the judiciary to a varying degree.</p> <p>Challenges also remain with a view to the implementation of key judicial reforms in the Eastern Partnership countries.</p> <p>Number of countries in which prior to the project start date is in line with relevant European standards.</p> <p>In spite of some progress on implementing legislation on judicial reforms, there is a need to support the creation of conditions for a transparent and merit-based promotion system for judges.</p> <p>Currently in all 6 EaP countries the amount of pending court cases is high.</p> <p>Number of countries in which prior to the project start date the capacity to comply with the ECtHR judgements is high.</p> <p>The capacity for general and</p>	<p>Increased level of trust</p> <p>National legislation in the field of judiciary is improved.</p> <p>Legal framework for judicial sector is revised in at least 2 additional countries</p> <p>Effectiveness and efficiency of the justice system and enforcement of judgements is improved.</p> <p>Functioning justice system is in place in 2 additional countries</p> <p>Increased independence, professionalism and accountability in 2 additional countries</p> <p>Court case backlogs have decreased.</p> <p>Judicial institutions' capacity to effectively execute ECtHR judgments is reinforced</p> <p>General and individual</p>	<p>Same as component 1</p>	<p>Political commitment of the ENP-East governments to reform initiatives in the project areas</p> <p>Cooperation of national authorities in the beneficiary countries</p>
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		<p>framework for general and individual measures is established</p> <p>Extent to which civil society is involved in the consultations on the national strategy and actions. Number of civil society recommendations actually considered in strategy definition.</p>	<p>individual measures to be taken in the relevant framework still needs to be improved.</p> <p>In all EaP countries civil society involvement and consultations are foreseen. However in all of them civil society faces challenges in effectively being involved.</p>	<p>measures within the judiciary are improved.</p> <p>Increased involvement of civil society involved in the consultations on the national strategy and actions – number of recommendations considered</p>		
<p>Specific objective(s): Outcome(s) Component 3</p>	<p>Provide <i>ad hoc</i> legal expertise/policy advice on areas covered by the Venice Commission via a Quick Response Mechanism</p>	<p>Extent to which the opinions/recommendations are taken on board in policy processes.</p> <p>Number of requests for opinions/recommendations provided in the framework of the project</p>	<p>Baseline: 0</p> <p>0</p>	<p>Better informed decisions on the basis of expert advice provided.</p> <p>At least 3 recommendations/opinions provided</p>	<p>Same as component 1</p>	

<p>Specific objective(s): Outcome(s) Component 4 To carry out justice surveys</p>	<p>Raise awareness of the level and the trend of public trust and court users' satisfaction. Ensure effective consideration and effective uptake of survey recommendations regarding justice reforms in the Eastern Partnership countries</p>	<p>Extent to which the public trusts the justice system and court users in the EaP countries are satisfied with the treatment of the cases in the justice system over the course of the project.</p> <p>Extent to which the findings of the court user satisfaction surveys are taken on board in the policy processes.</p>	<p>No data yet</p> <p>No data yet</p>	<p>Improved public trust and court user satisfaction</p> <p>Findings of the surveys inform justice reforms</p>	<p>The surveys to be conducted which outline experiences and perceptions of</p> <ul style="list-style-type: none"> a. General public, with and without experience with a justice system, b. Judges, Prosecutors and employees in courts and prosecutors' offices, c. Lawyers, d. Business representatives, Notaries and Bailiffs <p>other verification means (CoE reports, etc.)</p>	<p>Cooperation of national authorities in the beneficiary countries.</p> <p>The court users are interested to participate in the survey.</p>
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