

ASSESSMENT OF THE ACTIVITIES OF THE CORRUPTION PREVENTION COMMISSION



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This report is prepared by Transparency International Anticorruption Center. The study is made possible by the support of the Swedish Government.

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ISBN 978-9939-1-1870-3

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www.transparency.am

Yerevan 2024

EXECUTIVE SUMMARY

This report aims to support the Government of Armenia and the Corruption Prevention Commission (CPC) in improving the work of the latter as an anti-corruption body. The objective of the report is to assess CPC's compliance with the requirements of the UN Convention against Corruption (UNCAC) and the Jakarta Statement on Principles for Anti-Corruption Agencies. The report proposes recommendations aimed at strengthening Armenia's corruption prevention institution and raising the effectiveness of its work.

The assessment covers CPC's work from its inception on November 19, 2019 until December 31, 2022.

The assessment was conducted with the tool¹ developed by Transparency International global coalition's Secretariat, designed for evaluation of the performance of anti-corruption agencies. The tool was developed on the basis of Jakarta principles and was further adapted and adjusted to Armenia's CPC in line with the Law on Public Service and the Law on Corruption Prevention Commission, as well as other regulations that set out CPC's mandates and functions.

The assessment was conducted on the basis of 6 measurement clusters encompassing 51 performance indicators for Armenia's anti-corruption agency, including its independence and status, financial and human resource capacity, accountability and internal integrity, oversight over the compliance with integrity requirements set for public officials and servants, anti-corruption education and public awareness-raising, cooperation and external relations. Following this, CPC's performance was evaluated in light of factors outside the control of the CPC, as well as internal factors within the scope of its control and other direct factors demonstrating CPC's performance. Compliance with the principles declared in the Jakarta statement was assessed based on 37 applicable indicators.

Assessment of each of performance indicators was conducted through desk-research, data cross-analysis and content analysis. Data were collected from the CPC, General Prosecutor's office, Civil Service Bureau of the Office of Armenia's Prime-Minister (CSB) and other state institutions through questionnaires sent as access to information requests, as well as through focus groups conducted with investigative journalists, interviews conducted with sectoral experts, various officials and representatives of donor organizations, anonymous queries sent to the current and former staff members of CPC. Data were also collected from select media articles, public speeches and media interviews related to the integrity of public servants.

The assessment conducted in accordance with the above-stated methodology, suggests the following performance rates of the CPC:

- independence and status – 77.8%, which attests to a comparatively high status of independence;
- cooperation and external relations – 41.7%, which was mainly secured due to high-level cooperation with international anti-corruption agencies, trust towards CPC, cooperation

¹ TI, The Anti-Corruption Agencies (ACAS) Strengthening Initiative. Assessment Tool, 2018, <https://knowledgehub.transparency.org/assets/uploads/kproducts/ACA-Assessment-Tool.pdf>

with other institutions dealing with integrity, civil society organizations (CSOs) and other non-governmental institutions, as well as international organizations;

- financial and human resource capacity – 38.9%, which speaks to inadequate capacity;
- internal integrity and accountability – 25%, which is due to availability of only medium-level internal mechanisms for CPC integrity and oversight and responsiveness to external requests for public information;
- oversight over compliance with integrity requirements set out for public officials and servants – 27.7%, which was accrued as a result of CPC's high responsiveness to complaints, letters and other information received on breaches of integrity requirements; as well as medium-level initiative-taking in detection and investigation of breaches of integrity and subsequent measures of holding persons accountable, integrity checks of figures with political influence and high-ranking officials;
- corruption prevention, anti-corruption education and public awareness-raising, CPC's performance rating – 22%, which was accrued mainly due to CPC's high indicators of recommendations on corruption prevention presented by CPC to various agencies and medium-level indicators for public outreach programs, use of communication channels/social media;
- in connection with factors outside CPC's control, its performance was rated 50%, in connection to internal factors which affect its performance, it was 46%, while CPC's actual performance indicates 19%;
- for the compliance with Jakarta principles for anti-corruption agencies, CPC's performance was rated at 44.5%.

The assessment of CPC's performance has uncovered issues around which we have compiled the following recommendations.

To the National Assembly and Government of Armenia,

1. to reserve the function of coordination over requirements of corruption prevention and integrity of commercial and non-commercial entities with state and local self-government participation to CPC;
2. to legally expand the scope of CPC responsibilities in enforcing codes of conduct, curtailing conflicts of interest and applying in a unified manner other restrictions over public officials in legislative, prosecutorial, investigative, local self-governing offices, as well as in coordinating integrity-related activities in ethics commissions of public services and the work of integrity officers of state and local self-government bodies;
3. to set out regulations on developing anti-corruption programs in state and local self-government bodies and mandate CPC with powers to approve the methodology of development of these anti-corruption programs based on corruption risk assessment, to prioritize actions and to coordinate those programs;
4. to legislate a mandate the CPC to conduct an anti-corruption assessment (review) of draft legal acts by applying corruption prevention instruments;
5. to legally mandate the CPC with the powers to commission studies and research as part of its corruption risk assessments and detection of corruption prevalence in the society and sectoral risks and to develop anti-corruption action plans and recommendations for amendments in the anti-corruption programs of state and local self-government bodies based on these studies;
6. to legislate that conclusions and recommendations made by CPC within its mandate to

various authorized bodies on breaches of integrity are binding for the heads of these bodies and servants in order to take measures to hold them accountable;

7. to legislate that in the event measures are not taken to hold public officials and servants accountable based on the conclusions of CPC on breaches of integrity requirements, the heads of respective authorized bodies shall themselves be held accountable;
8. in order to raise CPC's financial autonomy, to amend current regulations by which the Government has the power to revise and change the annual budget claims of CPC. The Government's remarks regarding CPC's annual budget should be included in the annual budget's draft and should be made subject of deliberations at the National Assembly. CPC's participation in budgetary discussions at the National Assembly should be guaranteed;
9. to legally empower the Standing Committee on State and Legal Affairs of the National Assembly with annual evaluation of CPC's performance, holding public discussions with participation of civil society and business representatives, submitting recommendations to the National Assembly on filling vacant posts at CPC and performance of CPC members, monitoring of CPC's strategic plans and performance outcomes, drafting CPC budget and issues related to its execution;
10. to discuss legal mechanisms by which issues related to breaches of CPC code of conduct by its members, incompatibility of certain persons with CPC posts, breaches of restrictions on accepting gifts and other restrictions can be investigated and resolved;
11. to plan CPC performance oversight by the Audit Chamber of Armenia as an external oversight over CPC;
12. to legally adopt a toolkit by which the civil servants of CPC will be subject to integrity checks, with all servants above the 5th professional subgroup of civil service obliged to declare property, income, expenditures and interests;
13. to legally ensure CPC's access to the electronic system of whistleblowers and to adopt procedures for receiving and responding to anonymous reports on breaches of integrity requirements.

To the Civil Service Bureau (CSB) of the Office of the Prime Minister of Armenia,

14. To analyze and review, together with the CPC, staff turnover at CPC, circumstances under which vacancies steadily remain unfilled, the job competitions result in no winners and offices remain unfilled; to develop recommendations based on these studies on ways to overcome the high turnover of CPC's civil servants and their low expertise, to change the current human resources management system and make respective legislative amendments;
15. to conduct assessment of the remuneration system of civil servants based on the example of the CPC staff in order to ensure correspondence of job descriptions and remuneration scales, as well as to reduce the compression ratios between the remuneration of CPC members and unit heads of its civil servants;
16. to revise the remuneration scales of civil servants in charge of major functions at CPC by approximating them to the scales of equivalent posts of other anti-corruption bodies; to legally set out instruments for remuneration bonuses and incentives for the CPC staff;
17. to directly link the bonus system of civil servants with performance assessment mechanisms and rule out payment of bonuses at the expense of unfilled vacancies;
18. to certify, together with the CPC, CSB and the Ministry of Education, Science, Culture and Sports, the curricula of anti-corruption schools (academies) offered by CSOs conducting

non-formal anti-corruption education, to acknowledge the given certificates as anti-corruption education training certificates and add participation in these trainings to the training credits of public servants;

19. to make legislative amendments in order to replace CSB's practice of approving or rejecting changes to the job descriptions of civil servants made by human resource units of certain state bodies with methodological instructions and requirements set for civil service; introduce a practice of monitoring compliance with these instructions.

To the Corruption Prevention Commission,

20. to conduct assessment of CPC staff's capacity development needs and based on it develop a mid-term CPC capacity development and training program to be secured by respective budget and relevant personnel;
21. to publish the annual reports on integrity, as set out by the Law on Corruption Prevention Commission, keeping in the focus the statistics and indicators set for corruption prevention and integrity assessment;
22. to the Chairperson of the CPC, to approve the CPC Strategic Action Plan and organize an internal audit of CPC performance, making sure that both of these documents are open to the public;
23. to operate a 24/7 hotline for anonymous reports to the CPC after legislative amendments permit it. To make electronic anonymous reports, whistleblowing, letters, complaints, information requests and hotline communication, as well as other interactions on electronic platforms, including on azdararir.am, e-requst.am websites, practically possible.
24. when legislative amendments are made and if CPC has access to the electronic whistleblowing system, to make sure that anonymous reports on integrity breaches are received and promptly addressed. To develop a methodology for the opening files over whistleblowing cases, including criteria for analyzing whistleblowing information and carrying out proceedings over anonymous whistleblowing and reports;
25. to complete drafting the CPC decree on "Approving the codes of conduct for officials holding state posts (with the exception of members of the parliament, judges, members of the Supreme Judicial Council, prosecutors, investigators), community heads and their deputies, heads of Yerevan administrative units and their deputies;"²
26. to practically enact the toolkits detecting the public officials' and servants' conflict of interests upon adoption of relevant regulations; and to create a registry of records on reports received on conflict of interests and measures (written or verbal) by which they were addressed;
27. to complete drafting the procedures on restrictions set for public officials and servants to receive gifts by ensuring that the gifts registry is operational and its data are available to public;³
28. to develop procedures aimed at enforcing the other restrictions set for public officials and servants and practically enact the procedures aimed at detecting and overseeing breaches

² On February 6, 2024, the CPC approved this Code of Conduct to be enacted on April 1, 2024 by its Decree 02-N, <http://cpcarmenia.am/files/legislation/1359.pdf>

³ On December 22, 2023, the CPC adopted a decree on gifts received by public officers and servants ex-officio, gift restrictions, registry of gifts and its management, procedure of disclosing information on gift-related breaches etc. The degree is available in Armenian at: <https://www.arlis.am/DocumentView.aspx?DocID=188181>. The digital Registry of records on the gifts is not yet launched, therefore this function is not properly carried out. The CPC has also developed an electronic form on gifts available at: <https://shorturl.at/fqmBR>.

of these restrictions;

29. to reduce the average duration of integrity checks with the help of ensuring interoperability of databases in various agencies, including the electronic system of CPC, the electronic databases of state and local self-government bodies and other agencies;
30. to set realistic goals in the CPC Strategic Activity Plan, as well as its mid-term expenditure program in relation integrity checks of public officials and servants by planning that within 5 years, the declarations of all public officials and servants will be probed at least once on average;
31. to develop a declaration analysis methodology and risk criteria; to set, within the declaration analysis methodology, the ways in which incompliances flagging alleged illegal enrichment may be detected and alleged corruption offenses may be recorded; and to define the criteria for what constitutes false and concealed data;
32. to set, within the declaration analysis methodology, the requirements for incompatibility with public posts, the criteria and ways with which the other breaches of restrictions may be detected. At the same time, regard the articles and reports of investigative journalists as risk criteria;
33. to design the structure of asset declaration registry's data, as well as the registry management procedures in such a way as to allow one-stop data access to users who wish to browse the declarations of a given official and their family members for all available years. At the same time, the asset declaration registry must ensure that public officials and their family members who have not declared their assets are flagged by the system, whereas the entries red-flagged by the system on the basis of risk criteria can be easily filtered;
34. to develop thematic programs of corruption prevention and make them public on CPC's website;
35. to make sure that methodological and consultative materials and guidelines are developed aiding the proper operations of the integrity officers of state and self-government bodies and the ethics committees of relevant public institutions;
36. to develop and implement training programs for integrity officers of state and self-government bodies and members of ethics committees of relevant public institutions;
37. to develop training programs for public officers and servants on the topic of "Integrity of Public Officers", as well as other thematic training programs and offer them to relevant bodies for implementation;
38. to develop teaching guidelines and materials for public officials and servants, as well as educational institutions implementing anti-corruption educational programs.
39. to develop and implement, as part of MoUs signed between the CPC and a number of universities, specific training courses of corruption prevention; aid the universities in developing curricula for master's and bachelor's programs on anti-corruption,
40. to engage in the ToTs organized within international technical capacity-building projects, besides the CPC staff, professors and teachers from universities with whom CPC has MoUs and from CSOs conducting anti-corruption trainings;
41. to set deadlines, through respective amendments in the Constitutional Law on Parties, for CPC to receive the financial reports of political parties and audit them by third parties, and to subsequently issue the conclusions on earmarked state funding for political parties;
42. to develop a mid-term public awareness-raising program which takes into account the findings of public opinion surveys on prevalence of corruption and risks in certain sectors and which targets both the servants of the public sector and the groups and layers of the society more exposed to corruption risks;

43. to include, in the ToRs of public opinion surveys, questions about exposure to corruption by vulnerable groups and respective preventive measures (programs) by ensuring that the statistical data received on the impact of corruption on marginalized (vulnerable) groups will be duly processed;
44. to conduct anti-corruption outreach programs both with the financing of donor organizations and public budget financing, which must be included in the state budget in order to enable achievement of public outreach targets and sectors;
45. to plan campaign activities as part of the public outreach mid-term program;
46. to restructure the CPC website, including its format, structure, navigation logics, layout of sections and subsections and contents. More specifically:
 - it is more expedient to group the legal acts – laws, decrees, orders; decisions on breaches of asset declaration and integrity; guidelines and methodological instructions; educational and awareness-raising programs into clusters and separate sections and to fill in the "Frequently Asked Questions" section with additional information related to the functions of the CPC;
 - to publish the contact information of CPC staff, its annual activity plan, the working plans of CPC units, performance evaluations, CPC's budget and annual budget execution reports, vacancy announcements, whistleblowing procedure and contact information for officers in charge of whistleblowing in separate sections;
 - to make the "Asset Declaration Register" user-friendly by making sure that it is possible to filter declarations based on certain risk factors, data can be fully exported, data are compatible with other data and systems, they are accessible for digitalized analysis, all the declarations of a certain public official and their family members are visible and accessible in one stop;
 - to publish the documents in the various sections of the website in open data format, making sure that they are accessible for copying, are machine-readable, there are tools for converting texts into audio for disability accessibility.
 - to optimize the website's search engine; to publish the procedure for information/consultation requests, the blank forms of information requests, necessary instructions for such requests and the annual statistical information on information access requests;
 - to publish the procedure for public office hours, including dates, hours and venues, mechanisms and procedures for public participation; to create public opinion or comment fields on the website;
47. to open a position of a public relations officer or press speaker within the structure of the CPC staff;
48. to open a unit or position dealing with international cooperation for the purpose of developing cooperation with the anti-corruption agencies of other countries and other international institutions.