

ANSWERS FROM THE REPUBLIC OF ARMENIA

Information in relation to strengthening the role of Supreme Audit Institutions in the prevention and fight against corruption (resolution 9/3 of the Conference of the States Parties to the United Nations Convention against Corruption)

The United Nations Convention against Corruption provides in its Article 9, paragraph 2:

“Each State Party shall, in accordance with the fundamental principles of its legal system, take appropriate measures to promote transparency and accountability in the management of public finances. Such measures shall encompass, inter alia:

[...]

(c) A system of accounting and auditing standards and related oversight;

(d) Effective and efficient systems of risk management and internal control; and

(e) Where appropriate, corrective action in the case of failure to comply with the requirements established in this paragraph”.

- **Please describe (cite and summarize) the measures/steps that your country has taken, if any, (or is planning to take, together with the related time frame) to implement the Convention and to promote the implementation of resolution 9/3.**

Answers from Armenia

➤ The fact of the Audit Chamber of Armenia (AC) being an independent state body is stipulated by the Constitution of the RA /Article 198, part 1/. According to the constitutional amendments which took place in 2015, the AC started to develop, approve and implement its activity plan independently (previously the activity plan of AC was approved by the National Assembly of the RA), which gives the AC a high level of operational independence. However, the organizational and financial components of AC independence have several deviations from International Standards of Supreme Audit Institutions (ISSAIs). Currently, draft amendments of AC Law are being prepared, which address the AC independence issues as one of the conceptual pillars of legal improvements.

➤ AC has developed financial, compliance and performance audit methodologies, which are in line with ISSAI standards. AC conducts audits in compliance with the above-mentioned methodologies, which gives a good basis for fostering proper management of public finances and public property and public procurement.

➤ AC submits an annual report on its activities to the National Assembly. AC also publishes its interim conclusions and its report on the state budget execution. The annual report and budget execution report of AC, which are presented in the sessions of Parliament are two key tools, which allow to hold PSEs accountable to Parliament and Public. These documents sum up the key audit findings and recommendations throughout the year and contain additional analytical information about the performance of the PSEs.

➤ AC regularly conducts financial audits, which include the examination of the external and internal environment of the audited entity, including its internal control system.

➤ According to the Law on the Audit Chamber, if during the audit the AC comes to a conclusion that a committed act contains features of an apparent crime, the relevant materials are sent to the RA Prosecutor General's Office immediately, but not later than within three days. The Prosecutor General's Office of the Republic of Armenia periodically informs the Audit Chamber about the decisions made on the basis of the provided materials. In its annual report, the Audit Chamber communicates on the above-mentioned processes. According to the Law on AC, within 30 days after receiving the Audit reports, the auditees shall submit a response to the Audit Chamber regarding the elimination of identified incompliances and misstatements, implementation of recommendations and other information on those findings. The follow-up procedures are going to be developed according to the ongoing draft amendments in the AC Law.

➤ One of the priorities in the context of draft amendments of the AC Law is the reform of the governance system of AC in line with widely-accepted good governance (Corporate governance) principles, which include the development of intra-institutional checks and balances to ensure the provision of high quality audit outcomes and the achievement of AC objectives in an economical, efficient and effective way.

➤ AC has adopted its Code of Ethics for auditors and AC members. The Code of Ethics has been developed in compliance with ISSAI 130. AC also adopted the monitoring procedure for implementation of Code of Ethics. It contains criteria that address auditors' independence, objectivity, competence, professional conduct, confidentiality, and transparency. It's required for all auditors to sign a declaration on the absence of the conflicts of interest before the beginning of an audit. The Code of Ethics of AC is published in the official website of the AC.

➤ To increase trust on the results of its activities, the AC is continuously working on the development of institutional arrangements for fostering ethical and quality policies, for increasing the transparency and accountability.

➤ All AC audit reports (except for those containing classified information) are sent to the Parliament within 3 working days after adoption. Well established communication channels exist between AC and the Parliament (in particular, with the PAC). Frequent discussions organized by NA PAC on key audit matters raised by AC, which receive big media coverage, are also fostering the accountability and transparency.

➤ Continuous professional development is one of the key directions of Human resource management in AC. In particular, regular trainings are conducted for the staff to allow them to gain auditor's qualification, which is in line with international educational standards for audit/ accounting profession.

- **Measures taken to promote transparency and accountability in the management of public finances, relevant performance reports relating to specific budget related measures**

Answer from Armenia

1. Regarding the paragraph "Transparency and accountability of the state budget" on the 3rd page of the Questionnaire, we inform you that representatives of the majority political parties (blocs) are involved in the discussion of the Draft program of medium-term public expenditures of the Government of the Republic of Armenia, which is the basis of the draft law "On the State Budget" for the coming year, and the program adopted by the Government of the Republic of Armenia is published in the publication "Official Gazette of the Republic of Armenia", as well as on the website of Armenia's Legal Informative System www.arlis.am, on the official website of the Ministry of Finance of the Republic of Armenia www.minfin.am, in accordance with the current legislation of the Republic of Armenia, and also submitted to the National Assembly (the requirement of paragraph 2¹⁰ of Article 21 of the RA Law "On the Budget System of the Republic of Armenia").

After submitting to the National Assembly the draft law on the State Budget for the coming year in accordance with the requirements of Article 26 of the RA Law "On the Budget System of the Republic of Armenia", the RA Government publishes it in the press and on the official website of the RA public notifications within three days <http://www.azdarar.am>, except for issues containing state secrets. The discussion in the National Assembly of the draft state budget for the coming year is covered in the State media, with the exception of information containing state and official secrets.

The Draft state budget for the coming year (the Draft law and the budget message of the Government of the Republic of Armenia) is published on the official websites of the Ministry of Finance of the Republic of Armenia www.minfin.am and the National Assembly of the Republic of Armenia www.parliament.am.

The Law on the State Budget for the coming year, adopted by the National Assembly, is also published in the publication "Official Gazette of the Republic of Armenia", on the website of the Legal Information System of the Republic of Armenia www.arlis.am, as well as on the official websites of the Ministry of Finance of the Republic of Armenia www.minfin.am and the National Assembly of the Republic of Armenia www.parliament.am, according to the current legislation.

After the entry into force of the Law on the State Budget, the Government of the Republic of Armenia establishes the quarterly proportions of the execution of the state budget and approves a document representing the budget expenditures provided for by the Law of the Republic of Armenia On the State Budget for this year in a program format, which is published in the publication "Official Gazette of the Republic of Armenia", according to the current legislation, on the website of the Legal Information System of Armenia www.arlis.am, as well as on the official website of the Ministry of Finance of the Republic of Armenia www.minfin.am (the requirement of paragraph "c" of Article 26 of the RA Law "On the Budget System of the Republic of Armenia").

In accordance with the requirements of Article 25 of the RA Law "On the Budget System of the Republic of Armenia", the RA Government submits to the National Assembly an annual report on the execution of the state budget for each year until May 1 of the following year. The draft annual report on the execution of the state budget is published on the official website of the Ministry of Finance of the Republic of Armenia www.minfin.am and on the official website of the National Assembly www.parliament.am.

The discussion of the annual report on the execution of the State budget in the National Assembly is covered in the State media, with the exception of issues containing state secrets.

At the session of the National Assembly, the annual report on the execution of the state budget is discussed and approved in accordance with the procedure established by the Constitutional Law of the Republic of Armenia " Rules of procedure of the National Assembly", until the second Wednesday of June of this year, which is published in the press (the requirement of subparagraph "a" of paragraph 8 of Article 8 "On the Budget System of the Republic of Armenia"), on the official website of the Ministry of Finance www.minfin.am, on the official website of the National Assembly of the Republic of Armenia www.parliament.am , on the website of the legal information system of Armenia www.arlis.am, in the publication "Official Gazette of the Republic of Armenia."

At the same time , in accordance with the requirement of paragraph "d" of Article 26 "On the Budget System of the Republic of Armenia" , the Government publishes information on the quarterly execution of the state budget within 45 days after each quarter of the budget year on the official website of the Ministry of Finance of the Republic of Armenia www.minfin.am, on the website of the legal information system of Armenia www.arlis.am. Discussion in the National Assembly of quarterly information on the execution of the state budget is covered in the mass media, with the exception of information containing state and official secrets.

At the same time, monthly information on the execution of the State budget of the Republic of Armenia, quarterly reports on the execution of budgets of communities and extra-budgetary funds of state bodies of the Republic of Armenia is published on the official website of the Ministry of Finance www.minfin.am, providing the National Statistical Service of the Republic of Armenia with monthly information on the execution of the

State budget of the Republic of Armenia, as well as quarterly information on the execution of consolidated and community budgets, which is published on the Service's website.

In addition, the citizens of the Republic of Armenia have the opportunity to get acquainted with the structure of the State budget of the Republic of Armenia, planned and actual amounts of expenditures according to the functional classification through the online interactive electronic budget posted on the websites of the Government of the Republic of Armenia and the Ministry of Finance of the Republic of Armenia. The electronic system ensures the availability of information on the State budget of the Republic of Armenia, transparency of information on the actual expenditures of the State budget of the Republic of Armenia.

At the same time, in order to ensure transparency of budget information, the Draft decision of the Prime Minister of the Republic of Armenia "On the beginning of the budget process of the Republic of Armenia for 2024" provides that in July of this year, at the initiative of the Ministry of Finance of the Republic of Armenia, discussions of budget programs of the preliminary version of the Draft state budget of the Republic of Armenia for 2024 will be held in the head commissions of the National Assembly of the Republic of Armenia.

2. Regarding the paragraph "Control over the execution of the State budget", it is worth stating that according to part 1 of Article 24 of the RA Law "On the Budget System", control over the execution of the state budget is carried out by the Government of the Republic of Armenia, which by Decision No. 1112 of 11.07.2002 reserved this function to the Ministry of Finance of the RA. The specified control is carried out by the Ministry of Finance of the Republic of Armenia on the basis of the RA Law "On the Organization and Conduct of Inspections in the Republic of Armenia", approved by the Decision of the Government of the Republic of Armenia No. 207-N dated 23.02.2012 and the Decision of the Minister of Finance of the Republic of Armenia No. 1043-A dated 11.11.2012, in accordance with the methodology of risk-oriented checks and the general characteristics of the criteria that determine the risk, as well as the methodology for calculating and evaluating correction coefficients. The aforementioned control over the execution of the State Budget of the Republic of Armenia, according to its charter, within the powers granted to it by legislation, is carried out by the Financial and Budgetary Control Department of the Ministry of Finance of the Republic of Armenia by conducting inspections in accordance with the procedures established by the RA Law "On the Organization and Conduct of Inspections in the Republic of Armenia", on the basis of annual control programs, which, upon submission the Minister of Finance of the Republic of Armenia until December 1 of the year preceding the inspections, approved by the Prime Minister of the Republic of Armenia and published on the websites of the Government of the Republic of Armenia and the Ministry of Finance of the Republic of Armenia.

At the same time, according to the Decision of the Government of the Republic of Armenia No. 1112-N dated 11.07.2002, together with the budget execution report for each year, the Minister of Finance of the Republic of Armenia submits to the Government of the Republic of Armenia a report on the results of the control carried out by the Ministry of Finance of the Republic of Armenia during the previous year and on the measures taken by the Ministry of Finance of the Republic of Armenia and other state bodies in this regard (hereinafter referred to as the Report). The Report contains information on inspections carried out in the reporting year, identified as a result of these inconsistencies, deficiencies and violations, measures taken in connection with them, the actual amount of losses caused to the state during the control, measures taken to restore them, as well as proposals for further prevention of inconsistencies, deficiencies and violations. The Report is approved by the Decision of the Government of the Republic of Armenia and published on the website of the Government of the Republic of Armenia.

- **Measures taken to ensure that the audited entities respond to the findings of the audit reports, implement the recommendations of the supreme audit institutions and take appropriate corrective action, including criminal prosecution, to ensure the proper management of public affairs and public property;**

Answer from Armenia

The results of the monitoring carried out by the RA State Supervision Service, the bodies authorized to conduct audits within the scope of their competence, in particular, the internal audit, the act of inspection of the Financial and Budgetary Supervision Department of the RA Ministry of Finance, the audit conclusion of the RA Audit Chamber, the results of inspections and audits of other state bodies performing the functions of inspection and supervision (hereinafter referred to as Audit) shall be obligatorily submitted to the objects of inspection, according to established procedures, as well as to superior authorities (for instance, as for the public administration bodies, the results shall also be submitted to the Government of the Republic of Armenia).

In case of discovering features of an apparent crime, the bodies carrying out audit shall file a crime report to the law enforcement agencies, including the RA Prosecutor General's Office, which shall be processed in the prescribed manner. Most of the reports submitted to the Prosecutor General's Office are of a public nature, in particular, they are related to the management of public property, the possession, use, and management of state and community property, as well as the acquisition of goods, works, and services through the procurement process.

Cooperation between the RA Prosecutor General's Office and the RA Audit Chamber is regulated by the Law of the Republic of Armenia "On the Audit Chamber", particularly pursuant to Part 5 of Article 5 of the mentioned law, "If the Public Audit Chamber arrives at a conclusion during a public audit that a committed act contains prima facie elements of crime, the relevant materials shall, upon decision of the Public Audit Chamber, be sent to the Prosecutor General's Office of the Republic of Armenia immediately but not later than within three days. The Public Audit Chamber may terminate the public audit to that extent. The Public Audit Chamber shall be informed in writing of decisions rendered on the basis of the materials provided to the Prosecutor General's Office of the Republic of Armenia".

Within the framework of the mentioned cooperation, below are presented some examples of initiating criminal proceedings as a result of the consideration of the crime reports filed by the RA Audit Chamber to the RA Prosecutor General's Office. Particularly:

✓ In order to resolve the issue of initiating criminal proceedings in a manner prescribed in accordance with Part 1 of Article 178 of the current RA Criminal Procedure Code, on January 26, 2023, the RA Anti-Corruption Committee received the crime report filed on January 23, 2023 in a proper manner by the senior prosecutor of the State Interest Protection Department of the RA Prosecutor General's Office, which documented the violations discovered by the RA Audit Chamber in the process of signing and executing the contracts on the development of projects and providing authorial supervision services with credit and grant programs for increasing the seismic safety level of schools implemented by the Territorial Development Fund of Armenia on the basis of the loan agreement signed on 19.10.2015 with the Asian Development Bank (2017-2019), particularly cases of allegedly committed crimes under Clause 1 of Part 3 of Article 179, Part 2 of Article 308, Parts 1 and 2 of Article 214, Part 1 of Article 325, Parts 1 and 2 of Article 315 of the former Criminal Code of the Republic of Armenia in force at the time of the alleged act.

As a result of the consideration of the aforementioned report, the Anti-Corruption Committee of the

Republic of Armenia initiated criminal proceedings under Clause 1 of Part 3 of Article 179, Part 2 of Article 308, Parts 1 and 2 of Article 214, Part 1 of Article 325, Parts 1 and 2 of Article 315 of the former Criminal Code of the Republic of Armenia in force at the time of the alleged act.

Currently, there is an ongoing investigation in the frames of the criminal proceedings.

At the same time it is worth adding that Audit reports of the Audit Chamber can be accessed via the following links:

- Current reports - <https://armsai.am/hy/current-conclusions>
- Recent annual activity report - http://armsai.am/files/annual2021_eng.docx

• **Policies, mechanisms and/or standard operating procedures through which bodies with mandates to prevent corruption (UNCAC article 6) and also conduct law enforcement operations related to corruption share intelligence, evidence or information internally within the designated body related to corruption prevention and/or detection; and Other measures or approaches taken to ensure that successes in and lessons learned from either the preventive or the law enforcement approach to corruption inform efforts in the other**

Answers from Armenia

According to Article 31 of the RA Law "On the Corruption Prevention Commission" :

(...)

5. *Where during the proceedings the Corruption Prevention Commission (hereinafter also as CPC) comes to the conclusion that the committed act contains prima facie elements of crime, the materials of the proceedings shall immediately, but not later than within a three-day period, be forwarded to the Prosecutor General's Office of the Republic of Armenia, adopting a decision on suspending the proceedings. The copy of the decision shall, within a three-day period following the adoption, be forwarded to the relevant official holding a position, and where the proceedings have been instituted based on an application — to the applicant.*

6. *The Prosecutor General's Office shall inform the CPC about the results of the examination of the materials by attaching the copy of the relevant decision.*

7. *The CPC shall, within a five-day period from the moment of receipt of the decision on rejecting institution of a criminal case, on dismissing case proceedings, on terminating criminal prosecution or on not conducting criminal prosecution, resume the suspended proceedings, and in case of receiving the judgement of conviction having entered into force, it shall terminate the proceedings within the same period.*

It can be seen from the abovementioned that when, as a result of checking the declaration of the Corruption Prevention Commission is not provided with explanations or additional materials within the prescribed period, or the explanations or additional materials provided are insufficient to dispel the existing doubts, the CPC sends the decision and the attached materials to the Prosecutor General's Office of the Republic of Armenia no later than within five working days after the adoption of the relevant decision on this, as well as if, during the proceedings, the CPC concludes that the committed act contains signs of an obvious crime, then the materials of the proceedings, but not later than within three days sends them to the Prosecutor General's Office.

Most of the information provided by the Corruption Prevention Commission related to cases of alleged submission of false data in declarations.

Article 444 of the new Criminal Code of the Republic of Armenia establishes responsibility for the submission of false data in declarations or concealment of data subject to declaration. This corpus delicti reflects

the corpus delicti found in Articles 314.2 and 314.3 of the previous Criminal Code / these corpus delicti were supplemented in the RA Criminal Code by Law ZR-102-n of June 30, 2017/.

During 2022, the investigators of the RA Anti-Corruption Committee investigated 31 criminal cases (proceedings) under Articles 314.2 (Intentional failure to submit a declaration) and 314.3 (Submission of false data in declarations or concealment of data subject to declaration) of the RA Criminal Code (2021-14), of which 7 criminal cases with an indictment were sent to the court against 10 persons.

At the same time, the grounds for initiating the 7 proceedings were the statements received from the Corruption Prevention Commission of the Republic of Armenia.

During 2022, with the participation of prosecutors of the Department for Monitoring the legality of pre-trial proceedings in the Anti-Corruption Committee of the Prosecutor General's Office of the Republic of Armenia, convictions in two criminal cases were completed and handed down in the courts. In particular:

1) The former investigator of the investigative Division of the Arabkir administrative district of Yerevan of the Investigative Department of the Investigative Committee of the Republic of Armenia for the City of Yerevan, V. G. - during his work in this position, was considered to be a person obliged to submit a declaration in accordance with Article 34 of the RA Law "On Public Service", however, on July 29, 2020, being dismissed from office, within the prescribed period- within 30 days, he did not submit a declaration on termination of official duties for 2020 to the Corruption prevention commission, for which an administrative fine was applied against him.

V.G., having been duly notified of the application of an administrative penalty, within 30 days after that he intentionally did not submit a declaration of property and income on the day of termination of official duties in 2020.

For committing the described act, V.G. was brought as an accused by an investigator of the RA Anti-Corruption Committee and charged under part 1 of Article 314.2 (which corresponds to part 1 of Article 444 of the current RA Criminal Code) of the RA Criminal Code (adopted on April 18, 2003 and lost its force on July 1, 2022).

On September 5, 2022, the materials of the proceedings with the indictment were transferred to the RA Anti-Corruption Court for consideration of the merits.

By the judgment of the Anti-Corruption Court of the Republic of Armenia dated December 29, 2022, V.G. was found guilty under Part 1 of Article 314.2 (adopted on April 18, 2003 and lost its force on July 1, 2022), the Criminal Code of the Republic of Armenia (which corresponds to part 1 of Article 444 of the current Criminal Code of the Republic of Armenia) for committing a socially dangerous act, and a fine in the amount of fifteen times the minimum wage at the time committing a crime, i.e. AMD 1,020,000 was imposed on him as punishment.

2) After the application of an administrative penalty against the former deputy head of the Mrgavan community of the Ararat region A.M. in accordance with part 1 of article 169.28 of the RA Code "On Administrative Offenses", the latter deliberately failed to submit to the Corruption Prevention Commission declaration of assets, income and interests as of the date of taking office in 2020, as well as an annual declaration of assets, income and interests for the same year.

For the commission of the described act A. M. was held as an accused by the investigator of the Anti-Corruption Committee of the Republic of Armenia and was charged under Part 1 of Article 314.2 (corresponds to Article 444 of the current Criminal Code of the Republic of Armenia Part 1 of Article) of the Criminal Code of the Republic of Armenia (adopted on April 18, 2003 and lost its force on July 1, 2022).

On March 25, 2022, the materials of the criminal case were submitted to the court with an indictment for consideration of the merits.

According to the judgment of the Court of General Jurisdiction of Yerevan dated June 21, 2022, A.M. was found guilty under Part 1 of Article 314.2 (which corresponds to Part 1 of Article 444 of the RA Criminal Code)

of the RA Criminal Code (adopted on April 18, 2003 and expired on July 1, 2022) of committing a socially dangerous act and was sentenced to imprisonment for a period of 1 (one) one year with deprivation of the right to hold senior positions in state bodies and local self-government bodies for a period of one year. By the same judgment, in accordance with Article 70 of the Criminal Code of the Republic of Armenia, A.M. was sentenced to imprisonment for a period of 1 (one) a year was not applied conditionally, setting a probationary period of 2 (two) years.

In addition, for 2022, in criminal cases sent to court with an indictment, there is 1 criminal case against one person on charges of deliberate failure to submit a declaration and 4 criminal cases against 7 persons on charges of concealing data eligible for declaration.

In particular, in the criminal case being considered in the Anti-Corruption Court of the Republic of Armenia, the head of the Gyulagarak community of the Lori region, M.G., was charged for the act that, being a declarant official, according to Law N HO-212-N "On Amendments to the RA Law "On Public Service" and having the obligation to submit a declaration, in the annual declaration of an official for 2020 submitted to the Corruption Prevention Commission, he concealed data on the property to be declared in especially large amounts -12 property with a cadastral value of 2,464,123. 32 AMD, as well as movable property, a share in the company and income in in the amount of 2.822.648 AMD.

In the same criminal case, T.B. was charged for the act that he, being a family member of the head of the Gulagarak community of the Lori region of the Republic of Armenia, M. M., that is, a family member of an official, having the obligation to submit a declaration in accordance with the RA Law N HO-212-N "On Amendments to the Law "On Public Service" In the annual declaration of a family member of an official for 2020, submitted to the Corruption Prevention Commission of the Republic of Armenia, concealed data on assets in especially large amounts eligible for declaration: 11 immovable properties with a cadastral value of 9,514,256 drams of the Republic of Armenia and income in the amount of 20,898,491 AMD.

In the same criminal case, R.V. was charged for being the deputy head of the Gulagarak community of the Lori region of the Republic of Armenia, accordingly, a declarant official and having the obligation to submit a declaration in accordance with the Law N HO-212-N "On Amendments to the Law of the Republic of Armenia "On Public Service" in the annual declaration of an official in 2020 submitted to the Corruption Prevention Commission of the Republic of Armenia, concealed the declared property in especially large amounts-3 immovable properties with a cadastral value of 56.665 AMD., as well as income data in the amount of 4.237.134 AMD

The trial in the criminal case continues.

In another criminal case being investigated by the RA Anti-Corruption Court, the former Governor of the Tavush region of the RA H.A. was charged for the act, that he, within the meaning of Part 1 of Article 5, Parts 1 and 4 of Article 34 of the RA Law "On Public Services", having the obligation to submit a declaration of property, income and interests in the event of termination of official responsibilities, after being dismissed from the post of governor of Tavush on June 26, 2018, he deliberately did not include in the declaration submitted to the Ethics Commission of High-ranking Officials, concealed the data eligible for declaration in especially large amounts, out of 13 specified immovable properties, about 7 immovable properties with a cadastral value of 3.035.946 AMD.

In the meantime, it is worth stating the following:

According to Article 25 (Inspection and analysis of declarations) the RA Law "On corruption prevention Commission":

(...)

2. *While analyzing the declarations, the CPC shall be entitled to request and receive (including by e-request) from state and local self-government bodies and other persons information, documents regarding persons having an obligation to submit a declaration, including information containing bank secret, official*

information on securities transactions made by the Central Depository prescribed by the Law of the Republic of Armenia “On securities market”, information containing insurance secrecy, as well as credit information or credit history from the credit bureau. During analysis of the declarations, for the purpose of inspecting actual possession of property, as well as acquisition of the property belonging to a third party by the right of ownership on behalf of, in favour of or at the expense of a declarant or actual benefit of that property or disposal of that property by the declarant, the Commission shall be entitled to apply to the bodies carrying out operational-investigative activities and obtain necessary information.

2.1. During the analysis of the declarations, the CPC shall be competent to request and receive, through a request to the Central Bank, information on the safe deposit boxes, accounts, account balances of a person having an obligation to submit a declaration, information on the transactions subject to declaration, as well as summary information on the gross input and gross output of the accounts during the required period, indicating in the request the data on the person, the relevant period or date. The procedure for transferring information constituting bank secret shall be prescribed by a joint legal act of the Central Bank and the CPC. The CPC shall be authorized to receive information constituting bank secret with regard to persons having an obligation to submit a declaration also from foreign banks, as well as from branches or representative offices of foreign banks operating in the territory of the Republic of Armenia.

2.2. The CPC shall following the receipt of information constituting bank secret — be competent to request from the declarant to submit additional materials, and, where there are grounds provided for by part 9 of this Article, forward the materials to the General Prosecutor’s Office.

3. Information and documents shall be provided to the CPC free of charge as soon as possible, but not later than within ten days after receiving the request, unless another time limit is specified in the request, or unless the addressee of the request proposes another reasonable time limit for complying with the request, which may not exceed 30 days. The Central Depository and other persons entitled to maintain a register of security holders (nominal holders), as well as credit bureaus shall provide information and documents free of charge if the CPC submits requests in the equal number of declarations submitted by each person having an obligation to submit a declaration.

4. In the process of analyzing declarations, interoperability of the database of the CPC with the databases developed as prescribed by the legislation of the Republic of Armenia — of state and local self-government bodies, organizations referred to in part 2 of this Article and on-line access of the CPC to the data subject to be declared, shall be ensured.

5. The CPC shall be competent to demand from a state or local self-government body, state or community institution, state organization or the officials thereof to conduct free of charge studies, perform free of charge expert examinations in relation to the circumstances subject to disclosure by it and submit the results thereon.

5.1 The CPC shall, within two years following discontinuation of the official duties of a declarant official, be entitled to request that the declarant official submit a situational declaration of property and incomes in case of doubt of a significant alteration in assets (increase in assets, reduction of liabilities or expenditures).

(...)

It is also worth mentioning that CPC has right to get the following information during integrity check (security check) of the candidates for judges, prosecutors and anti-corruption investigators (Article 26.1, part 7, RA Law “On Corruption Prevention Commission”):

CPC shall be competent to request and receive (including by e-request) from state and local self-government bodies, state organizations or officials thereof information and documents on persons related to the issue considered by the Commission, including information containing bank secret, official information on securities transactions made by the Central Depository prescribed by the Law of the Republic of Armenia “On securities market”, information containing insurance secrecy, as well as credit information or credit history from the Credit Bureau. For the purpose of studying the possibility of a person cohering with criminal subculture during the

process of study of integrity, the Commission shall be entitled to apply to the bodies implementing operational-investigative activities and to obtain information.

At the same time, it is worth adding that Article 11 of RA Law “On confiscation of property of illicit origin” states as follows:

For the purpose of carrying out examination and bringing an action, Department for confiscation of property of illicit origin shall have the right to:

(1) *request and receive legal acts, documents and other information, including information deemed to be a tax or customs secret, data of pre-trial investigation necessary for carrying out examination and bringing an action, from state or local self-government bodies, state or community organizations, as well as organizations with state or community participation;*

(2) *request and receive from the natural and legal persons information and documents in possession thereof, interrogate persons having information with regard to the case in order to obtain necessary information, by drawing up a protocol thereon;*

(3) *use, free of charge, the information database (including electronic) used for official purposes;*

(4) *engage, where necessary, a relevant specialist or expert (specialized expert institution) at the expense of funds provided for by the State Budget;*

(5) *assign, in case of necessity to establish or refute certain facts, to carry out operational intelligence measures provided for by the Law "On operational intelligence activity" in order to determine the scope of actual beneficiaries, affiliated persons and volume of assets. Operational intelligence measures prescribed by points 8, 11, 12, 13 and 16 of part 1 of Article 14 of the Law "On operational intelligence activity" may not be carried out on the basis of the motion prescribed by this point.*

(6) *with the view to receive information on the assets located outside the territory of the Republic of Armenia, use the online data bases containing necessary data and send request for provision of information to the competent authorities of a foreign state in the manner provided for by the international treaties ratified by the Republic of Armenia or the legislation of the state concerned.*

2. *Department for confiscation of property of illicit origin may apply to the Corruption Prevention Commission in order to conduct analysis of the declaration issued in the manner provided for by this Law, and receive the results of the analysis.*

(...)

- **Measures to increase trust in supreme audit institutions, anti-corruption bodies and governmental and public institutions as a whole**

➤ Generally to ensure trust in anti-corruption institutions and among high positions (comparably sensitive towards corruption risks), integrity check (similar to security check conducted in European countries) system is introduced for the candidates of prosecutors, judges and anti-corruption investigators, as well as during promotions for those ones who possess the mentioned positions. The integrity check/study is being conducted by Corruption Prevention Commission. Integrity check of the candidates for the position of member of Corruption Prevention Commission is also checked. The framework of integrity check includes the following:

Data to be filled in the questionnaire on integrity shall be the following:

(1) summary information on the property status assets and income of the candidate and the family members of the latter within the meaning of the Law “On public service”;

(2) information on the education, working practice of the candidate, including the name (names) of the

educational institution and of the workplace (former and current), the position (positions) held;

- (3) information on criminal, administrative or disciplinary liability;
- (4) information on being related to persons holding public positions within the meaning of the Law “On public service” through close kinship or in-law relationship within the meaning of the Law “On public service”;
- (5) information about cohering with the criminal subculture.

The study of integrity shall include the following:

- (1) verification of credibility of the data submitted in the questionnaire on integrity;
- (2) consideration of the circumstance of previously having been subjected to criminal, administrative or disciplinary liability, including involvement of the person in corruption-related transactions, non-observance of rules of conduct thereby, conflict of interests, violations of the incompatibility requirements and other restrictions;
- (3) consideration of information on a person in the mass media, as well as of the information published on social networks.
- (4) consideration of the compliance of the property status of a person with the actual income received, as well as consideration of previously submitted declarations;
- (5) study of the information on working practice of a person;
- (6) consideration of the possibility of involvement of a person in criminal subculture.

The checking of the possibility of cohering with criminal subculture shall include the study of existence of relationship of a relative or friend between a candidate or his or her family member with a person bearing the criminal subculture (i.e. thief in law, criminal authority), fulfilment of the request of a group or person bearing criminal subculture, applying to the group or person bearing criminal subculture with a request or for any other issue, having received any other benefit from a group or person bearing criminal subculture, having an individual meeting or distance communication with a group or person bearing criminal subculture, as well as information about having other personal relationship with a group or person bearing criminal subculture.

Currently legislative amendments are being developed to introduce integrity check requirements for the candidates for the members of independent autonomous bodies having large scope of discretionary powers (Competition Protection Commission, Central Bank, Central Electoral Commission, Public Services Regulatory Commission, Commission on Television and Radio, Audit Chamber), as well as for introducing integrity check requirement for sitting judges, prosecutors and investigators.

➤ All officials holding sensitive positions in executive, legislative branches and judicial power, in local self-governance bodies and their family members are required annually to declare their assets, income, interests and expenses. The declarations are publicly available in the website of CPC (<http://cpcarmenia.am/en/declarations-registry/>).

➤ According to the RA Law on the Anti-Corruption Committee (investigative body that organizes and carries out pre-trial criminal proceedings on alleged corruption crimes, carries out operative-intelligence activities in this regards) transparency of the activity of the ACC is ensured through its annual activity reports, as well as more detailed information on the investigated proceedings and international cooperation are presented on the Committee's official website: <https://anticorruption.am/hy/>, <https://anticorruption.am/hy/pages/show/report>).

In this regards Article 7 (Publicity and accountability of the activities of the Anti-Corruption Committee) of RA Law “On Anti-corruption Committee) states as follows:

1. *The Anti-Corruption Committee shall notify the public about the activities thereof, ensuring the confidentiality of the pre-trial investigation, as well as the protection of state secrets and other secrets protected by law.*

2. *Each year by 31 January, the Chairperson of the Anti-Corruption Committee shall submit to the Government and the National Assembly a written report on the activities of the preceding year.*

3. *Within a period of one month following the end of each semester, the Anti-Corruption Committee shall publish summary information on activities thereof on its official website. The structure of information and the scope of issues covered thereby shall be defined by the Chairperson of the Anti-Corruption Committee. The annual report of the Anti-Corruption Committee shall be published on the official website thereof each year by 31 January.*

Attaching importance to transparency of the Committee's works and to the strengthening of the public trust in its activities, thus increasing the effectiveness of the detection of corruption crimes, pending activities of the agency and its main functions envisaged by law were largely covered since the start of the Committee's activities. During 2022, 75 releases in three languages (Armenian, Russian, English) were published on the official website of the Committee.

➤ Article 6 of RA Law on "Corruption Prevention Commission" envisages as follows:

1. *The Commission shall, within a ten-day period following the end of each semester, post the report on the activities carried out within the reporting period on the official website of the Commission.*

2. *The CPC shall post on its official website the decisions and opinions adopted thereby, as well as recommendations submitted thereby and information on the outcome of the consideration thereof.*

3. *The CPC shall, within the first quarter of each year, submit a report on its activities of the previous year to the National Assembly.*

4. *Within two months following the end of the first quarter of each year, the CPC shall post on its official website the status report on the integrity system for the previous year.*

The reports are available in the official website of CPC (<http://cpcarmenia.am/hy/report/>). At the same time CPC ensures transparency of its activity through its social media page and official website (<https://www.facebook.com/people/CPC-Armenia-%D4%BF%D5%B8%D5%BC%D5%B8%D6%82%D5%BA%D6%81%D5%AB%D5%A1%D5%B5%D5%AB%D5%AF%D5%A1%D5%B6%D5%AD%D5%A1%D6%80%D5%A3%D5%A5%D5%AC%D5%B4%D5%A1%D5%B6-%D5%B0%D5%A1%D5%B6%D5%B1%D5%B6%D5%A1%D5%AA%D5%B8%D5%B2%D5%B8%D5%BE/100068554087037/>).

• Prosecutor General’s Office of Armenia annually publishes its annual communication on its activity, annual report on investigation of crimes, separate report on investigation of corruption crimes and confiscation of the property of illicit origin. In this regards, Article 5 (Publicity of the activities of the Prosecutor’s Office) RA Law “On Prosecutor’s office” states as follows:

1. *The Prosecutor’s Office shall inform the public of its activities carried out, insofar as it is without prejudice to the rights, freedoms and legitimate interests of the human being and the citizen, as well as to the protection of state secrets and other secrets protected by law.*

2. *Prior to 1 April of each year, the Prosecutor General shall submit to the National Assembly of the Republic of Armenia (hereinafter referred to as “the National Assembly”) a communication on the activities of the Prosecutor’s Office for the previous year. The communication shall, in respect of each of the powers prescribed by Article 4 of this Law, include information, statistical data, comparative analysis and conclusions regarding the activities carried out by the Prosecutor’s Office during the previous year. The communication shall be considered at the sitting of the National Assembly as prescribed by part 3 of Article 126 of the “Rules of procedure of the National Assembly” Constitutional Law of the Republic of Armenia upon submission of the Prosecutor General.*

3. *The communication prescribed by part 2 of this Article shall be posted on the website of the Prosecutor’s Office within five working days following the submission thereof to the National Assembly.*

4. *Prior to 1 April of each year, the General Prosecutor’s Office of the Republic of Armenia shall publish a communication on investigation of crimes on the website of the General Prosecutor’s Office of the Republic of Armenia. In accordance with investigative jurisdiction, the communication must contain information on the results of investigation of crimes committed during the previous year, statistical data, comparative analysis and conclusions thereon. Information, statistical data, comparative analysis and conclusions on the results of investigation of corruption crimes shall be submitted separately.*

5. *For the purpose of drawing up the communication provided for by part 4 of this Article, preliminary investigation bodies shall, in accordance with investigative jurisdiction, prior to 1 February of each year, submit information and statistical data on the results of investigation of crimes committed during the previous year to the General Prosecutor’s Office of the Republic of Armenia. The methodical guide on submitting information and statistical data on the results of investigation of corruption crimes shall be approved by the Prosecutor General.*

The reports are available in the official website of Prosecutor General’s Office (<https://www.prosecutor.am/am/%D5%8F%D5%A5%D5%B2%D5%A5%D5%AF%D5%A1%D5%B6%D6%84-%D5%AF%D5%B8%D5%BC%D5%B8%D6%82%D5%BA%D6%81%D5%AB%D5%B8%D5%B6-%D5%B0%D5%A1%D5%B6%D6%81%D5%A1%D5%A3%D5%B8%D6%80%D5%AE%D5%B8%D6%82%D5%A9%D5%B5%D5%B8%D6%82%D5%B6%D5%B6%D5%A5%D6%80%D5%AB-%D6%84%D5%B6%D5%B6%D5%B8%D6%82%D5%A9%D5%B5%D5%A1%D5%B6-%D5%BE%D5%A5%D6%80%D5%A1%D5%A2%D5%A5%D6%80%D5%B5%D5%A1%D5%AC/>), <https://www.prosecutor.am/am/%D5%80%D5%A1%D5%B2%D5%B8%D6%80%D5%A4%D5%B8%D6%82%D5%B4-%D5%B0%D5%A1%D5%B6%D6%81%D5%A1%D5%A3%D5%B8%D6%80%D5%AE%D5%B8%D6%82%D5%A9%D5%B5%D5%B8%D6%82%D5%B6%D5%B6%D5%A5%D6%80%D5%AB-%D6%84%D5%B6%D5%B6%D5%B8%D6%82%D5%A9%D5%B5%D5%A1%D5%B6-%D5%BE%D5%A5%D6%80%D5%A1%D5%A2%D5%A5%D6%80%D5%B5%D5%A1%D5%AC/>,

[%D5%B4-%D5%80%D5%80-%D4%B1%D5%A6%D5%A3%D5%A1%D5%B5%D5%AB%D5%B6-%D4%BA%D5%B8%D5%B2%D5%B8%D5%BE%D5%AB%D5%B6/\)](#) . At the same time Prosecutor General's Office ensures the transparency of its activity through social media and its official website (<https://www.prosecutor.am/am/news/> , <https://www.facebook.com/GenProcArmenia>, etc.).

- To increase trust on the results of its activities, the Audit Chamber of Armenia is continuously working on the development of institutional arrangements for fostering ethical and quality policies, for increasing the transparency and accountability. All audit reports (except for those containing classified information) are sent to the Parliament within 3 working days after adoption. Well established communication channels exist between AC and the Parliament (in particular, with the PAC). Frequent discussions organized by NA PAC on key audit matters raised by AC, which receive big media coverage, are also fostering the accountability and transparency. At the same time Audit Chamber of Armenia ensures the transparency of its activity through social media and its official website (<http://armsai.am/hy/news>, <http://armsai.am/hy/annual-report>, etc.).

- Similar requirements are established for all state and local governance bodies, for Government activities, too.

- Communication action plan on fight against corruption was adopted back in July, 2022 by the decision of the Prime Minister, which entailed several directions towards public awareness campaign and anti-corruption education. The text of the Communication action plan and its implementation report are available in Armenian by the following links: <https://www.arlis.am/DocumentView.aspx?DocID=166032>, https://anti-corruption.gov.am/am/news_page?content.cid=138

- **Measures taken to improve the exchange of information between anti-corruption bodies, supreme audit institutions and other governmental bodies operating in the field of combating corruption, including for consultative purposes; Measures taken to promote transparency including by publishing findings of both the anti-corruption bodies and the supreme audit institutions.**

Answers from Armenia

➤ **Department for confiscation of property of illicit origin and Department of Supervision over legality of Pre-trial proceedings in the Anti-corruption Committee of the RA Prosecutor General's Office** carry out information exchange with the authorities carrying out functions of audit, inspection and supervision, and other state authorities operating in the field of anti-corruption through working consultations and discussions, in particular, working sessions and official correspondence. Information exchange is also carried out by providing access to information databases. The cooperation of the RA Prosecutor General's Office with the Financial Monitoring Center of the RA Central Bank is of utmost importance in the view of the fight against corruption.

As for the publication of the findings of the examinations conducted, most of the audit results are published on the official websites of the authorities in charge of conducting them. The Prosecutor General of the Republic of Armenia submits an annual report to the National Assembly about the previous year's activities of the Prosecutor General's Office, which includes information, statistical data, comparative analysis and conclusions regarding the activities of the Prosecutor General's Office during the previous year. The afore-mentioned report is published on the official website of the RA Prosecutor General's Office.

The RA Prosecutor General's Office issues press releases regarding the cases of particular importance and

public resonance.

In addition, the RA Prosecutor General's Office initiates a lawsuit or files a report as a result of the implementation of its function of protection of state interests, and the relevant information on the results thereof is published through the public information system.

➤ **The CPC is authorized to receive data from state and non-state bodies:**

1. Civil Status Acts Registration Agency of the Ministry of Justice of the Republic of Armenia,
2. Cadaster Committee,
3. "Traffic Police" service of the RA Police,
4. the Agency of the State Register of Legal Entities of the Ministry of Justice,
5. From JSC "Central Depository of Armenia",
6. Central Bank,
7. State Revenue Committee,
8. Insurance organizations,
9. Police

to demand and receive information concerning persons obliged to submit a declaration:

At the same time according to Article 25 (Inspection and analysis of declarations) the RA Law “On corruption prevention Commission”:

(...)

2. While analyzing the declarations, the CPC shall be entitled to request and receive (including by e-request) from state and local self-government bodies and other persons information, documents regarding persons having an obligation to submit a declaration, including information containing bank secret, official information on securities transactions made by the Central Depository prescribed by the Law of the Republic of Armenia “On securities market”, information containing insurance secrecy, as well as credit information or credit history from the credit bureau. During analysis of the declarations, for the purpose of inspecting actual possession of property, as well as acquisition of the property belonging to a third party by the right of ownership on behalf of, in favor of or at the expense of a declarant or actual benefit of that property or disposal of that property by the declarant, the Commission shall be entitled to apply to the bodies carrying out operational-investigative activities and obtain necessary information.

2.1. During the analysis of the declarations, the CPC shall be competent to request and receive, through a request to the Central Bank, information on the safe deposit boxes, accounts, account balances of a person having an obligation to submit a declaration, information on the transactions subject to declaration, as well as summary information on the gross input and gross output of the accounts during the required period, indicating in the request the data on the person, the relevant period or date. The procedure for transferring information constituting bank secret shall be prescribed by a joint legal act of the Central Bank and the CPC. The CPC shall be authorised to receive information constituting bank secret with regard to persons having an obligation to submit a declaration also from foreign banks, as well as from branches or representative offices of foreign banks operating in the territory of the Republic of Armenia.

2.2. The CPC shall following the receipt of information constituting bank secret —be competent to request from the declarant to submit additional materials, and, where there are grounds provided for by part 9 of this Article, forward the materials to the General Prosecutor’s Office.

3. Information and documents shall be provided to the CPC free of charge as soon as possible, but not later than within ten days after receiving the request, unless another time limit is specified in the request, or unless the addressee of the request proposes another reasonable time limit for complying with the request, which may not exceed 30 days. The Central Depository and other persons entitled to maintain a register of security holders

(nominal holders), as well as credit bureaus shall provide information and documents free of charge if the CPC submits requests in the equal number of declarations submitted by each person having an obligation to submit a declaration.

4. In the process of analyzing declarations, interoperability of the database of the CPC with the databases developed as prescribed by the legislation of the Republic of Armenia — of state and local self-government bodies, organizations referred to in part 2 of this Article and on-line access of the CPC to the data subject to be declared, shall be ensured.

5. The CPC shall be competent to demand from a state or local self-government body, state or community institution, state organization or the officials thereof to conduct free of charge studies, perform free of charge expert examinations in relation to the circumstances subject to disclosure by it and submit the results thereon.

5.1 The CPC shall, within two years following discontinuation of the official duties of a declarant official, be entitled to request that the declarant official submit a situational declaration of property and incomes in case of doubt of a significant alteration in assets (increase in assets, reduction of liabilities or expenditures).

(...)

It is also worth mentioning that CPC has right to get the following information during integrity check (security check) of the candidates for judges, prosecutors and anti-corruption investigators (Article 26.1, part 7, RA Law “On Corruption Prevention Commission”): CPC shall be competent to request and receive (including by e-request) from state and local self-government bodies, state organizations or officials thereof information and documents on persons related to the issue considered by the Commission, including information containing bank secret, official information on securities transactions made by the Central Depository prescribed by the Law of the Republic of Armenia “On securities market”, information containing insurance secrecy, as well as credit information or credit history from the Credit Bureau. For the purpose of studying the possibility of a person cohering with criminal subculture during the process of study of integrity, the Commission shall be entitled to apply to the bodies implementing operational-investigative activities and to obtain information.

At the same time, it is worth adding that Article 11 of RA Law “On confiscation of property of illicit origin” states as follows:

For the purpose of carrying out examination and bringing an action, Department for confiscation of property of illicit origin shall have the right to:

(1) request and receive legal acts, documents and other information, including information deemed to be a tax or customs secret, data of pre-trial investigation necessary for carrying out examination and bringing an action, from state or local self-government bodies, state or community organizations, as well as organizations with state or community participation;

(2) request and receive from the natural and legal persons information and documents in possession thereof, interrogate persons having information with regard to the case in order to obtain necessary information, by drawing up a protocol thereon;

(3) use, free of charge, the information database (including electronic) used for official purposes;

(4) engage, where necessary, a relevant specialist or expert (specialized expert institution) at the expense of funds provided for by the State Budget;

(5) assign, in case of necessity to establish or refute certain facts, to carry out operational intelligence measures provided for by the Law "On operational intelligence activity" in order to determine the scope of actual beneficiaries, affiliated persons and volume of assets. Operational intelligence measures prescribed by points 8, 11, 12, 13 and 16 of part 1 of Article 14 of the Law "On operational intelligence activity" may not be carried out on the basis of the motion prescribed by this point.

(6) with the view to receive information on the assets located outside the territory of the Republic of Armenia, use the online data bases containing necessary data and send request for provision of information to

the competent authorities of a foreign state in the manner provided for by the international treaties ratified by the Republic of Armenia or the legislation of the state concerned.

2. Department for confiscation of property of illicit origin may apply to the Corruption Prevention Corruption in order to conduct analysis of the declaration issued in the manner provided for by this Law, and receive the results of the analysis.

(...)

➤ As for the Anti-Corruption Committee, it should be noted that it has access to information databases of the Passport and Visa Department of the Police, Information Centre, Road Police, Financial Monitoring Centre-unified information platform, Register of Legal Entities, Register of Real Estate Cadaster, as well as official information on the list of security accounts of a client opened by the Central Depository and other persons entitled to keep a register of the security holders (nominal holders), on the type and status of each account, as well as obtaining of official information on stocks and stock owners (nominal holders), including obtaining of information on the stock owners (nominal holders), nominal value, quantity, type and class, issuer, stock transactions, restrictions on the right of ownership over the stocks, information on the owners of stocks of the issuer available to the Armenian nominal holders and Foreign nominal holders within the meaning of Article 197 of RA Law "On securities market".

➤ All other law enforcement bodies also have access to the mentioned databases as Anti-corruption committee.

➤ Other laws stipulate similar regulations for communication and cooperation between different state bodies.