

SUPPORTING JUDICIAL REFORMS IN ARMENIA: A FORWARD LOOK

Public Expenditure and Performance
Review of the Judiciary in Armenia

World Bank Group
Governance Global Practice – Public Sector and Institutions
Europe and Central Asia



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- “The Natives of Mush”, 1974, cover page
- “The Nativity of Thoros Roslin”, 1974, page 35
- “Meeting in the Village”, 1974, page 97

Design of the report: Albedo Graphics

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FREQUENTLY USED ABBREVIATIONS AND ACRONYMS

ADR	Alternative Dispute Resolution
CAST	Court Administration and Skill Transfer (Case Management System)
CCJE	Consultative Council of European Judges
CEPA	Comprehensive and Enhanced Partnership Agreement
CEPEJ	European Commission for the Efficiency of Justice
CIP	Capital Investment Plan
CPC	Corruption Prevention Commission
EA	Enterprise Architecture
EDC	Ethics and Disciplinary Commission of the General Assembly of Judges
EU	European Union
GDP	Gross Domestic Product
GIP	Government Interoperability Platform
HR	Human Resources
ICT	Information and Communications Technology
JD	Judicial Department
JRPIU	Justice Reform Project Implementation Unit
MoF	Ministry of Finance
MoJ	Ministry of Justice
MTEF	Medium-Term Expenditure Framework
NA	National Assembly of Armenia
NGO	Non-governmental organization
OfP	Orders for payment
PDO	Public Defenders Office
SJC	Supreme Judicial Council
UNDP	United Nations Development Programme
USAID	U.S. Agency for International Development

TERMS AND DEFINITIONS

Administrative Court: Decides cases of public nature (i.e., decisions passed by the central or the local government or officials therein), and responsible for trying administrative offences as minor offences that do not accrue criminal proceedings, and for applying administrative penalties. According to the Law on Administrative Sanctions, different state bodies may issue fines such as the police, Corruption Prevention Commission, and taxation bodies. These fines may then be appealed before the Administrative Court.

Alternative Dispute Resolution: Mechanisms that can be used to resolve disputes without resorting to full court cases, for example arbitration or mediation.

Backlog: Pending cases that have not been resolved within an established timeframe.

Bankruptcy Court: Established in August 2018. Operational since January 1, 2019, in accordance with the Judicial Code of Armenia. Previously, bankruptcy cases were handled by the first instance courts of general jurisdiction. All civil cases connected with the debtor in bankruptcy proceedings are now heard by the Bankruptcy Court, apart from the non-litigious bankruptcy procedure.

Calculated disposition time: Number of pending cases at the end of a year divided by the number of resolved cases within that year, multiplied by 365 (days in a year).

Case disposition per judge: Measured by dividing the number of disposed cases by the number of judges.

Case disposition: Number of resolved cases in a particular court.

Caseload: Number of incoming cases for a given year.

Clearance rate: Ratio obtained by dividing the number of resolved cases by the number of incoming cases in a given period, expressed as a percentage. A clearance rate equal to 100 percent indicates the ability of the court or of a judicial system to resolve all incoming cases within the given time period, while that below 100 percent indicates the opposite (and heralds an increase in pending cases). A clearance rate above 100 % indicates the ability of the system to resolve more cases than those received.

Comprehensive and Enhanced Partnership Agreement: A framework for the legal basis for strengthening relations between Armenia and the European Union, signed in 2017 and provisionally applied since June 2018, entered into force in March 2021. A “blueprint for reforms” in all vital areas and cooperation frameworks including the rule of law, promoting the

independence of the judiciary, access to justice, and the right to fair trial (Articles 4 and 12).

Congestion rates: This is calculated from the number of unresolved cases at the end of one year divided by the number of resolved cases during the same year. The congestion rate demonstrates that having a larger pending stock is not as clearcut a negative as might be assumed if the system is simultaneously disposing of a larger volume of cases. The congestion ratio well under 1.00 (preferably under 0.50) indicates that there were many more resolved cases than cases left unresolved at the end of the year.

Constitutional Court: A separate court entrusted with the power to exercise constitutional review and provide the final interpretation of the Constitution.

Council of Justice: An earlier council, now replaced by the Supreme Judicial Council.

Court of Cassation: The highest court of the Republic of Armenia. Its objective and set-up are to ensure the uniform application of law.

Courts of First Instance: Courts of first instance of general jurisdiction receive civil and criminal cases. There are other specialized courts that also receive first instance-level cases, i.e., the Bankruptcy Court, the Administrative Court and the newly established Anti-corruption Court. Where the text refers to courts of first instance, the first instance courts of general jurisdiction are referred to; other first instance courts are referred to by their respective titles. Where the text refers to first-tier courts, the first instance courts of general jurisdiction, the Bankruptcy Court and the Administrative Court are referred to. During the preparation of the *Forward Look* the Anti-corruption Court was yet to become operational and is hence not covered by this analysis.

General Assembly of Judges: The self-government body of the judiciary, competent for (a) discussion and presentation of recommendations to improve the functioning of the courts, (b) establishment of the Ethics and Disciplinary Commission, Evaluation Commission, and Educational Commission, (c) approval of its own and Commissions’ working methods, (d) selection and presentation of candidates for the Constitutional Court, (e) selection of judges to the Supreme Judicial Council, (f) adoption of judges’ ethics policies, and (g) discussion of the Judicial Department Annual Report.

Incoming case: Case filed in the court concerned within a defined time period.

Monitoring Council: Once created, will approve the guidelines for monitoring and evaluation of Strategy implementation.

Pending case: Case that remains to be resolved by the court at a given point in time (i.e., newly received cases and those transferred from the previous reporting period and accepted to proceedings).

Administrative Court: Decides cases filed against public decisions (i.e., decisions passed by the central or the local government), and responsible **Pending case by age:** Case that remains to be resolved at a given point in time (e.g., on December 31 of the reference year), grouped by reference to the length of time that has elapsed since its filing.

Production and productivity: These indicators (subsequently discussed) reveal whether the resources are distributed evenly, and whether courts deliver the same output level. These indicators allow objective comparison between courts of the same type or among court types. They are actionable as they can inform policy and reforms to improve results.

Public Defender's Office: A structural unit in the composition of the Chamber of Advocates which in cases prescribed by law provides free legal aid to people and

carries out public defense. The legal aid is given by the advocates working in the Public Defender's Office (Public Defenders).

Resolved case: Case that terminated in the court concerned either through a decision by the court, or through any other procedural step (e.g., a discontinuance of the case or a settlement) within a defined time period.

Simplified procedure: Shortened and expedited form of court proceedings in civil disputes.

Supreme Judicial Council: An independent state body and central authority on judicial appointments, established to guarantee the independence of courts and judges.

The Venice Commission: Officially the European Commission for Democracy through Law, an advisory body of the Council of Europe, composed of independent experts in the field of constitutional law. Its role is to provide legal advice to its member states and help states bring their legal and institutional structures into line with European standards and international experience in the fields of democracy, human rights, and the rule of law

Workloads: Totality of court activities (e.g., case management, management duties, any other activity that is part of the work of the court, judge, or public prosecution service).

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EXECUTIVE SUMMARY

(OVERALL CONCLUSIONS AND PRIORITIES)

Armenia's current political context is defined by ambitious goals. Strengthening democratic institutions and the rule of law, eliminating widespread corruption, and bolstering substantial and inclusive economic growth and equal business opportunities for all are top priority. Improving the justice system – i.e., addressing challenges in integrity, independence, and performance of the judiciary, in particular – is a critical element to achieve these goals.

Armenia wants to reach European standards in its justice system, recognizing that this will be a critical input to the economic, social, and political development of the nation. It has undertaken major reforms over the last decades and progress has been achieved, as recognized by all justice sector stakeholders. The adoption of the 2019-2023 Judicial and Legal Reform Strategy² was an additional recent step forward. However, whether its successor, the 2022-2026 Judicial and Legal Reform Strategy will bring the further tangible change on the ground and receive sufficient human and financial resources to be successfully implemented remains an open question.

ADDRESSING KEY GOVERNANCE ISSUES

Despite progress made in recent years to strengthen Armenia's justice sector, challenges in the areas of independence, efficiency, and quality remain. Today's legal framework requires enhancement to strengthen integrity of governing judicial institutions in alignment with European standards. Key institutions, such as the Supreme Judicial Council (SJC), have not fully assumed their roles of managing the judiciary. Compared to Council of Europe countries, Armenia's judiciary is under-resourced in terms of budget, human resources (HR), and information and communications technology (ICT), all while facing a relatively high demand for its services. The courts in particular are so starved for funds the judiciary cannot properly confront its exploding caseloads, much less these needs. Consequently, the courts are falling farther behind in case resolution, undermining the timeliness of justice, and any hope of

reaching internationally (or domestically) acceptable levels of case resolutions. Another significant challenge has been the lack of comprehensive and consolidated planning in budgeting, HR, as well as asset management.

Management of the sector is aware of the challenges; it remains to be seen if sufficient human and financial resources will be allocated to address them. The adoption of the 2022-2026 Judicial and Legal Reform Strategy³ aims to bring tangible change on the ground. In addition to allocating sufficient human and financial resources, one of the key risks with implementing the Strategy and achieving the goal of an independent and effective judiciary is the lack of robust evidence and analysis underpinning the design of reforms.

TOP THREE RECOMMENDED ACTIONS:

- Strengthen integrity and transparency of the selection process of the SJC's non-judicial members in line with the Venice Commission's opinion.
- Strengthen data collection and statistics to track and inform policy decisions and reform, and establish a monitoring system to identify court excellence and in-country good practice examples.
- Strengthen administrative and management structures in the SJC and JD to support implementation of reform efforts, including the 2022-2026 Strategy.

BALANCING HIGH DEMAND FOR JUDICIAL SERVICES VS. LOW SPENDING ON THE JUDICIARY

Authorities are facing an uphill battle: Armenia's courts have seen an increase of cases by 43 per cent from 2017 till end-2021. The bulk are taken on by courts of first instance, which are struggling to cope with the demand. Few courts have managed to reach favorable

²The 2019-2023 Strategy outlines a comprehensive plan of action tackling systemic reform areas to include: an e-justice system, court administration and case management, restructuring of self-regulatory agencies, establishment of new courts, legal and professional education, professional development, and other targeted areas.

³The 2022-2026 Strategy outlines a comprehensive plan of action tackling systemic reform areas to include: an e-justice system, court administration and case management, restructuring of self-regulatory agencies, establishment of new courts, legal and professional education, professional development, and other targeted areas.

clearance rates and the judiciary is at risk of significant backlogs in the foreseeable future. Weak data collection and a case management system that does not provide statistical reports put courts and the SJC in a position where any monitoring and managing of judicial workload is done manually.

Contrary to the trend in demand, budget allocations for the judiciary have decreased over time by 1.7 percent from 2019 till 2021. Further, the wage bill is crowding out all other functions leaving little to no room for innovation, investments, maintenance, and ICT upgrades. Today, Armenia ranks low both in justice spending per gross domestic product (GDP) as well as in its real per capita justice spending when compared to European Commission for the Efficiency of Justice (CEPEJ) member states. Even though the SJC approves its own and the courts' budget applications and medium-term expenditure plans, the SJC's de facto influence on the final budget decision taken by the National Assembly (NA) is limited. Low capacities at court and management levels hamper the budget preparation and adoption processes. The budget for judicial activities has shown tendencies to be a sum of requests rather than an exercise of analysis, planning, and evidence-based forecasting.

TOP THREE RECOMMENDED ACTIONS:

- Review and adjust the scope and applicability of the simplified procedure, the expedited procedure, and the orders for payment procedure.
- Adopt backlog reduction plans, both national and per court and agree on actions for backlog reduction such as scheduling hearings regularly and frequently for cases that are considered “old”.
- Strengthen coordination and planning mechanisms between the SJC and the Government and budgetary skills at the SJC, JD, and courts as well as the MoJ.

INVESTING IN AN ENABLING ENVIRONMENT

People, tools, and infrastructure need to come together to address current challenges to achieving efficient and quality service delivery. Despite high workloads, the judiciary continues to be an attractive employer as witnessed by number of job applications. To keep it this way and mitigate burdening workloads, the envisioned E-Justice System is a critical building block for more efficiency, quality, and transparency. However, a lack of management and skills have created a complex ICT environment where e-applications tend to either

duplicate efforts or leave gaps. Currently, there are seven different systems that underpin the main business processes in the judiciary, being supported by servers located in eighteen server rooms that do not meet the desirable standards of a data center. Even worse, no secondary location exists for disaster recovery (e.g., earthquake, fire, flood, or cyber-attack) and no security policies have been adopted or implemented. Similarly, Armenia's court facilities require attention to effectively contribute to the objective of a modern and independent judiciary. Lack of maintenance, both in terms of resource allocation and policy guidance, and a tendency to overload current courthouse capacities have led to dire working conditions in many previously renovated courthouses further hampering efficient judicial service provision.

TOP THREE RECOMMENDED ACTIONS:

- Strengthen the system for recruiting, evaluating, and disciplining judges while reducing the potential for political influence to address questions of integrity and attract quality staff.
- Enhance coordination between MoJ and JD, define clear responsibilities for judicial ICT management and strengthen existing system until the European Union (EU)-funded E-Justice System becomes functional, and promote integration of ICT mechanisms into court buildings and facilities.
- Improve strategic management of physical infrastructure through establishment of a single infrastructure database based on physical and functional assessments and space audits and introduction of design standards for the refurbishment and construction of courts.

Concluding, significant judicial reforms have been achieved in Armenia but fundamental problems in the areas of independence, efficiency, and quality remain. Addressing these problems requires a serious, prompt, and holistic program of technical and financial initiatives. The above listed recommended actions represent meaningful, yet budget-friendly priority interventions that feed into the demand for transparency and accountability while bringing tangible change on the ground in terms of efficiency and quality. They are built upon a technical assessment undertaken in 2022 – the *Forward Look* – which points to current performance bottlenecks and areas for improvement. The assessment is accompanied by a longer table of recommendations, including policy and technical actions, for stakeholders to consider as they advance in implementing justice sector reforms.

To continue supporting the implementation of the 2022-2026 Strategy and to strengthen judicial performance across Armenia, the *Forward Look* targets both policy- and decision-makers as well as technical staff at the MoJ and the judiciary. Across seven chapters it (a) reviews the legal and institutional structure of the sector, (b) analyzes questions of judicial performance, including drivers of systemic inefficiencies by case type, court type, and court location, (c) examines existing practices and procedures in budgeting and financial management and the evolution of and trends in judicial expenditure levels, (d) analyzes linkages between

HR and judicial performance and how HR management contributes to or impedes the delivery of judicial services by courts, (e) reviews to what extent current information and communication technology resources, systems, and tools satisfy needs, and (f) examines the judiciary's physical infrastructure and its needs for maintenance and investments.

This *Forward Look* presents practical and actionable recommendations, outlined in detail in subsequent chapters, and summarized at the very end of this report, for the consideration of Armenian authorities as they advance in implementing justice sector reforms.



I. INTRODUCTION

1. The Government of Armenia intends to accelerate its justice sector reform process. The Government has recently adopted the new Strategy for Judicial and Legal Reforms in the Republic of Armenia (2022-2026). The Strategy is built around the key principles of independence and impartiality, professionalism, effectiveness, accountability and absence of corruption, legal certainty and effective law enforcement, and quality of justice related legal services.

2. To support the finalization of the Strategy and its implementation, and to strengthen judicial performance across Armenia, this *Forward Look* assesses the sector's recent achievements, current performance, bottlenecks, and areas for improvement, and proposes a set of recommendations. The *Forward Look* also provides insights to inform European Commission programming, with the rule of law now at the heart for the EU 20 Deliverables.

3. The *Forward Look*'s assessment of judicial performance in Armenia is contained in the following seven chapters. Chapters II and III describe the legal and institutional structure of the sector, the implementation of and results from previous reform efforts, governance and institutional challenges impeding judicial performance and service delivery, and issues of access to justice. Chapter IV analyzes questions of performance, including drivers of systemic inefficiencies by case type, court type and court location. Chapter V reviews existing practices,

procedures and policies in budgeting, procurement, and financial management. It further examines the evolution of and trends in judicial expenditure levels and composition and develops a comparative analysis of budget allocations by court types and court locations. Chapter VI looks at the linkages between HR and judicial performance, in particular focusing on how HR management contributes to or impedes the delivery of judicial services by courts. This includes recruitment, initial and on-the-job training, performance management, career paths and promotions, staff retention, disciplinary actions and termination, geographic mobility, and planning. Chapter VII examines ICT resources, systems, and tools, including the extent the current set-up satisfies needs, and identifies areas for improvement. Chapter VIII reviews the judiciary's physical infrastructure, including the extent to which it satisfies needs, and identifies areas for improvement. Chapter IX draws conclusions and suggests areas for consideration for action going forward outlined in a Recommendations Table.

4. The *Forward Look* draws on a mix of quantitative and qualitative data, including statistical analysis of case management, finance, and HR data, focus group discussions, site visits, (virtual) workshops, and key informant interviews. For each assessment made, multiple sources were triangulated to present the most robust and reliable picture as possible. For further details concerning the methodology applied, see Annex 2.

II. GOVERNANCE AND MANAGEMENT

5. Governance over the justice sector in Armenia⁴ is shared between the Ministry of Justice (MoJ), the SJC, the SJC's Judicial Department (JD), the General Assembly of Judges, and other institutions.⁵ Although Armenia aspires to follow European standards and best practices on comprehensive justice sector reforms, and progress has been achieved on this agenda in recent years, fundamental problems remain in the areas of independence, efficiency, and quality.⁶ This chapter reviews (a) the institutional and governance framework of Armenia's judiciary; (b) the main justice sector reforms implemented today, (c) the capacity and responsibilities of the key governance institutions and key management strategies that have been implemented, and (d) key recommendations to improve governance of the judiciary.

6. Armenia has an ambitious reform agenda aimed at ensuring a strong and independent judiciary. Reforms in the justice sector began 25 years ago, and the first, somewhat limited, justice reform strategy was passed in 2006.⁷ A more comprehensive and ambitious judicial and legal reform agenda was then established in the 2012-2016 Legal and Judicial Reform Strategy. Subsequent strategy periods of 2019-2023 and 2022-2026 built on these earlier efforts. Armenia aspires to follow European standards and best practices on comprehensive justice sector reforms. It has signed the Comprehensive and Enhanced Partnership Agreement (CEPA) with the EU. The CEPA is recognized in the 2019 Armenian Government five-year Program as a factor facilitating key reforms, specifically in the rule of law and justice sector.⁸

7. Reform progress has been achieved, including changes in the legislative framework and the introduction of new institutions and judicial professions.⁹ In line with the Constitutional Amendments of 2015, the 2018 Constitutional Law on Judicial Code:¹⁰ (a) created the SJC as a new independent state body to guarantee the independence of courts and judges;¹¹ (b) eliminated the Council of Court Presidents;¹² (c) amended the status of court presidents assigning them mere administrative and ceremonial roles to promote better internal independence of judges; (d) provided for the SJC to decide on the transfer of judges to the different courts only with the consent of the judges concerned; (e) improved the procedures for judicial appointments, including the option to challenge certain decisions in the judicial recruitment process before a court; and (f) introduced performance evaluations.¹³

8. Fundamental problems remain, however, with respect to independence, efficiency, and quality.¹⁴ This includes an overall inefficient management and institutional setup that does not favor full independence and impartiality of the judiciary, and an excessive workload of judges that impacts justice efficiency, affecting the quality of judicial decisions and often leading to protracted trials. Other shortcomings include lack of uniform interpretation of laws, lack of proper justification of judicial decisions, as well as insufficient use of simplified or accelerated proceedings and e-justice tools to improve justice efficiency. The absence of evidence-based justice reforms, insufficient monitoring and evaluation within

⁴Armenia is an upper middle-income level country, with a GDP per capita of US\$4,670 and a gross national income per capita of US\$14,220.

⁵Other institutions that form part of the justice sector include the Constitutional Court, the Prosecutor General, investigative bodies, notaries, and the public defender's office. These institutions are not part of this analysis and are referred to only to the extent required to add to the analysis of judicial performance.

⁶Annex 2 of the Commission Implementing Decision on the Annual Action Programme 2017 of the Republic of Armenia Action Document for "Consolidation of the Justice System in Armenia" (Annual Action Programme 2017) https://ec.europa.eu/neighbourhoodenlargement/sites/default/files/eni_2017_040664_consolidation_of_the_justice_system.pdf.

⁷These reforms were guided by justice reform strategies covering the period 2006-2009 period and 2009-2011, respectively, which were less comprehensive in scope, see also <https://www.artlis.am/DocumentView.aspx?docid=66236>.

⁸Progress Report on Activities of the Action Plan Envisaged to be Implemented in the 1st Quarter of 2020 <https://www.moj.am/legal/view/article/1376/>. Progress Report on Activities of the Action Plan Envisaged to be Implemented in the 1st Quarter of 2020 <https://www.moj.am/legal/view/article/1347/>.

⁹Since its adoption in 2018, the "Constitutional Law on Judicial Code" has been amended several times. The last updated version in English is available: [https://www.venice.coe.int/webforms/documents/default.aspx?pdffile=CDL-REF\(2019\)024](https://www.venice.coe.int/webforms/documents/default.aspx?pdffile=CDL-REF(2019)024).

¹⁰The SJC replaced the Council of Justice which due to its composition and set-up was not independent of other branches of government despite substantial reforms under the 2005 constitutional amendment which made it formally independent from legislative and executive branches but governed by a single person, the President of the Court of Cassation, leading to questions concerning internal independence.

¹¹The Council of Courts' Presidents and the General Assembly of Judges were the two self-governing bodies of judiciary recognized in the previous Judicial Code of 2007. The 2018 Judicial Code (Art. 74) recognizes the General Assembly of Judges as the self-governing body of judges, while Art. 79 recognizes the SJC as an independent state body that ensures, through its constitutional and legislative powers, the independence of courts and judges.

¹²The Fourth Evaluation Round, Second Compliance Report Armenia, adopted by GRECO at its 84th Plenary Meeting (Strasbourg, 2-6 December 2019 and made public on 12 December 2019. <https://rm.coe.int/fourth-evaluation-round-corruption-prevention-in-respect-of-members-of/1680993e83>.

¹³Annex 2 of the Commission Implementing Decision on the Annual Action Programme 2017 of the Republic of Armenia Action Document for "Consolidation of the Justice System in Armenia" (Annual Action Programme 2017) https://neighbourhood-enlargement.ec.europa.eu/system/files/2017-12/eni_2017_040664_consolidation_of_the_justice_system.pdf.

the judiciary, and inadequate collection and analysis of judicial statistical data underscore the need for further reforms, as does insufficient annual planning for tasks that require investments over several budget cycles.¹⁵

A. KEY CHALLENGES

9. The first challenge regarding the governance and management of the sector is that strategic policy developments are not yet being fully implemented in a way that brings tangible change. Recommendations seek to support the effective implementation of the 2022-2026 Strategy for Legal and Judicial Reforms, including resource and strategic management.

10. The second challenge relates to judicial governance structures, including the recent reform to introduce court specialization, that are not fulfilling their envisioned roles due to a lack of capacity and weak organization structures. Recommendations focus on developing institutions, and their roles and capacity.

(i) Challenge 1: Implementing Strategy

11. The 2019-2023 Judicial and Legal Reform Strategy,¹⁶ identified corruption, the lack of independence, impartiality, and accountability, and inefficiency as the most persistent challenges for justice service delivery in Armenia today. Triggered by the Velvet Revolution in 2018, the 2019-2023 Strategy

aimed to enhance application of the rule of law, establish legal security, enhance human rights protection, establish relevant mechanisms for effective application of rule of law principles, and improve accessibility and quality of justice. Three action plans for the short-term, medium-term, and for e-justice were developed to ensure the implementation of the goals set in the Strategy.

12. However, shortcomings in Armenia’s strategic management and inadequate capacities, skills, and funding limited its success. Most reforms were “principle” rather than “evidence” based. There was insufficient analysis and use of available statistical data, implementation assessment reports,¹⁷ and recommendations from local and international sources on the overall efficiency and quality of the judicial system to manage and develop program policies which reduced program impact. A lack of objectively verifiable indicators, ineffective oversight of reform activities, and inadequate costing of the Strategy were further hampered by the effects of the COVID-19 pandemic, and the 44-day war with Azerbaijan in 2020. Limited outreach to stakeholders at both the reform planning and monitoring/evaluation stages reduced ownership and commitment, hindering effective coordination and management. At the end, about three-quarters, or 70 out of 94 actions envisaged by the 2019-2023 Strategy, were implemented.¹⁸

¹⁵Ibid.

¹⁶The 2019-2023 Strategy outlined a comprehensive plan of action tackling systemic reform areas including: e-justice system, court administration and case management, restructuring of self-regulatory agencies, establishment of new courts, legal and professional education, professional development, and other targeted areas.

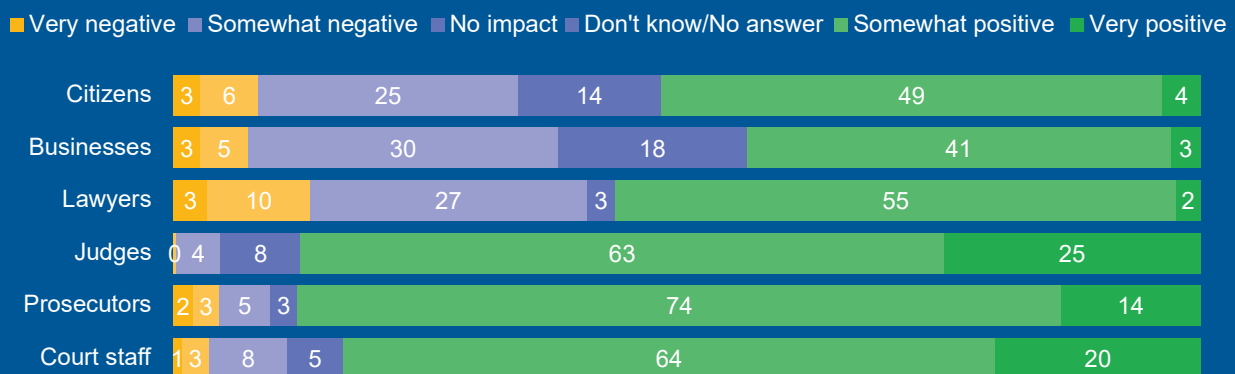
¹⁷The reports are available at: https://www.moj.am/legal/browse/h_reports/, and <https://www.moj.am/storage/uploads/hjk2.pdf>

¹⁸See Foreword of the 2022-2026 Strategy for Judicial and Legal Reforms.

BOX 1. VIEWS ON THE IMPACT OF JUSTICE REFORMS

Court staff, judges, and prosecutors seem much clearer that earlier reforms positively impacted the justice system than citizens and business. This positive attitude is likely grounded in the shift from a principle-based approach to an evidence-based one and the Government's emphasis on meaningful justice and efforts to address corruption. Lawyers have the most negative opinion of previous reforms, with 13 percent of them believing that reforms have not been going in the right direction, likely a result of the lack of practical effects of reforms.

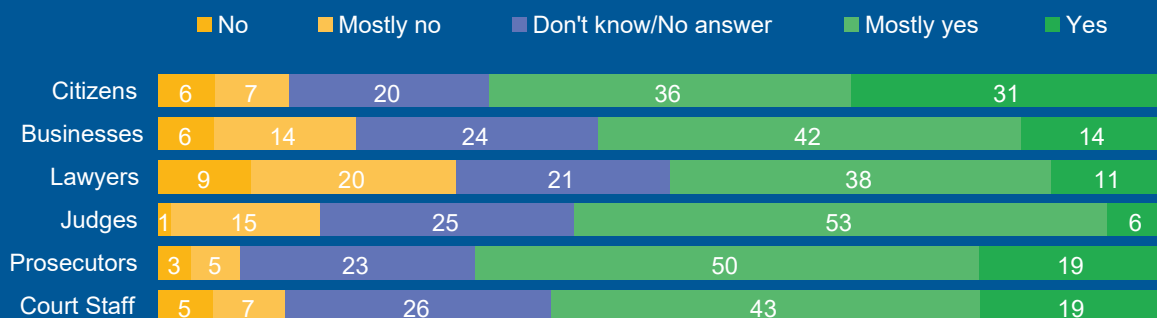
Survey Question: How would you evaluate the impact of justice reforms in the past 10 years on the current state of the justice system in your country? Base: Total target population.



Source: World Bank. 2021. Regional Justice Survey – Armenia Country Report.

Judges, prosecutors, and lawyers are more skeptical towards the current reforms. This may be due to announced comprehensive vetting process of judges and prosecutors (initially focused on new candidates and later expanding to sitting judges and prosecutors). The Venice Commission, and the EU have endorsed the approach and pledged support, emphasizing the need for a cautious and thoughtful methodology. Mechanisms to evaluate declarations of judges, prosecutors, and investigators and integrity check procedures for candidates to judges, prosecutors and other high-ranking officials have been established.

Survey Question: Thinking about the current justice reform process in your country, would you say they are going in the right direction? Base: Total target population.



Source: World Bank. 2021. Regional Justice Survey – Armenia Country Report.

13. The recently adopted 2022-2026 Judicial and Legal Reforms Strategy¹⁹ aims to continue and enhance the narrative established in the previous Strategy. The new Strategy puts a focus on user-centric systems and is accompanied by one action plan that details timelines, responsible agencies, outcomes, measurement indicators, and costing.²⁰ It builds on previous achievements and includes the following objectives related to the judiciary: (a) enhance the efficiency of justice, including through improving cohesion of legal practice, legal certainty, and maintenance for judicial timeframes; (b) ensure specialization and sub-specialization of judges to improve the quality of justice services and overcome the overall case burden; (c) improve the objectivity and validity of process of selection of judges; (d) ensure continuous improvement of salaries of judges starting from the highest instances; (e) continue integrity checking of judges;²¹ and (f) improve the judicial infrastructure. The new Strategy stresses the need for transitional justice mechanisms that serve as a toolkit to restore human rights violated in the period of 1991-2018, as provided by its predecessor. The introduction of additional incompatibility requirements for judges in the Law on Judicial Code was recently adopted by the NA.

14. The current Strategy aims to improve implementation and monitoring of reforms, including the establishment of a new Monitoring Council. The 2022-2026 Strategy for Judicial and Legal Reforms and related Action Plan – as well as its predecessor – reflect recommendations by civil society and international institutions, and findings in various evaluation reports, such as the EU Justice Monitoring project, an evaluation project,²² the Council of Europe Court Users Satisfaction Survey,²³ and so forth. The Strategy for 2022-2026 envisages formation of a Monitoring Council, replacing the previous Coordination Council (established in 2019), which met irregularly

and was never an effectively operating body.²⁴ Once established, the Monitoring Council will approve the guidelines for monitoring and evaluation of Strategy implementation and will have the power to establish task force teams for coordination of implementation of separate parts of the Strategy.

15. It remains to be seen how the earlier identified implementation challenges will be addressed under the new Strategy. The responsibilities of the Monitoring Council, as those of its predecessor, are broadly defined. The Monitoring Council may submit recommendations to the Government with respect to amendments to the Strategy and the Action Plans and may provide advisory opinions to public agencies in respect of process, status, and necessary steps for implementation of certain actions and may initiate public opinion surveys among different target groups. The Monitoring Council shall submit semiannual and annual reports to the Government. Critical elements for success include enhanced data collection and analysis as part of strategic and operational planning functions which would allow management of the judiciary to monitor and manage performance, request required resources to drive performance on the ground, and determine priority areas taking on a user-centric approach.

16. The MoJ will provide a Secretariat to the Monitoring Council for technical, expert, and administrative support but this will require capacity strengthening to ensure effectiveness. Line agencies will provide biannual reports to the MoJ on the status of implementation of the Strategy for publication on the MoJ website. A specially designated division of the MoJ will evaluate and monitor Strategy implementation in accordance with the guidelines and report to the Monitoring Council. This Secretariat requires sufficient staff with relevant training to effectively monitor, evaluate, and ensure a high-quality reform implementation process.

¹⁹The Strategy was adopted on July 21, 2022, by Government Decision N1133-L.

²⁰Section 3 of the Strategy provides the costing table with actions and timelines. The costing for the whole Strategy is calculated at AMD 20,717,400,000 (around €50,300,000).

²¹An asset declaration check of judges was introduced, but the radical proposal for a one-off overall integrity check/vetting of judges (under discussion since 2018) was abandoned.

²²Available at: <https://prwb.am/2018/03/31/justice-monitoring-project-report/>.

²³The report may be found at the following link: <https://www.coe.int/en/Web/cdcj/-/analysis-of-the-results-of-court-users-satisfaction-survey-of-all-courts-of-all-instances-of-armenia>.

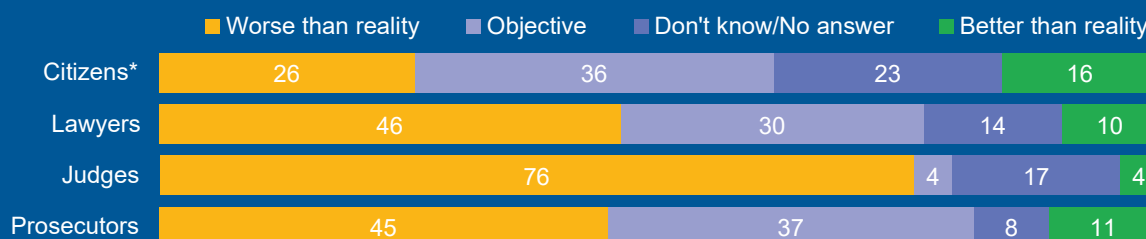
²⁴The members of the Council will include the Prime Minister or representative of the Prime Minister's Office, Minister of Justice, Deputy Minister of Justice, Prosecutor General or representative of the General Prosecution (upon consent), Chairman or member of SJC (upon consent), head of JD (upon consent), Head of CPC (upon consent), Head or Deputy Head of Investigative Committee (upon consent), International Legal Representative, Chair or a member of the Standing Committee on State and Legal Affairs of the NA (upon consent), the Rector of the Academy of Justice (upon consent), a representative from the Chamber of Advocates (upon consent), one representative—from among academic and teaching staff—from each of the law faculties with the greater number of students in Armenia, a representative from the office of the Human Rights Defender, and two representatives from civil society organizations.

BOX 2. PERCEPTIONS OF THE JUDICIAL SYSTEM IN THE MEDIA

The relationship between the judiciary and the media appears poor. Anecdotal evidence reveals that judges perceive the media as one factor that jeopardizes the independence of the judicial system. SJC and the General Assembly of Judges lack the communications capacity to proactively reach out to the media to promote the judiciary's role and reforms. The "Union of Informed Citizens" civil society organization launched a platform (*reforms.am*) to inform the public about ongoing reforms in May 2021. Its impact on awareness of judicial reforms remains to be seen.

Survey Question: What image of the court/judiciary system in Armenia do the media create in general?

Base: Total target population.



Source: World Bank. 2021. Regional Justice Survey – Armenia Country Report.

* Citizens here are those who had experience with a court case in the past three years and have a first instance judgment rendered.

17. At the same time, the MoJ is understaffed to fulfil its core function of policy development and responsibility of implementing the Judicial and Legal Reform Strategy. As of November 2021, the MoJ had 266 full-time employees split between a dozen sectors and units, including policy making in the penitentiary,

probation, personal data protection, and anti-corruption sectors, as well as State Registry of Legal Entities, State Registry of Civil Status, Expertise of Legal Documents, Agency for Personal Data Protection, international legal assistance, and enforcement of judicial acts²⁵. The MoJ also performs oversight functions for notaries in Armenia.

BOX 3. THE MINISTRY OF JUSTICE

The MoJ is the main body responsible for policy development and implementation of reforms in the justice sector, as well as for their monitoring and evaluation. To ensure proper strategy implementation, the MoJ institutes a Monitoring Council, assigns a secretariat, collects and publishes implementation reports, and conducts other key activities. The MoJ is responsible for initiating/drafting new or amended laws and legal acts, a labor-intensive process that requires technical expertise. Here, the MoJ uses internal resources from different departments and units and engages external experts as needed. The MoJ has established the *Center for Legislation Development* as a center of excellence for legislative drafting initially funded by USAID and now by the state budget. For the organigram of the MoJ, see Annex 3.

18. As the focus increasingly shifts to strategy implementation, there is insufficient costing of strategies or sufficient budget allocated to reform efforts. Moreover, key stakeholders, (i.e., MoJ and SJC/JD) have yet to put in place effective monitoring of

reforms. The continued lack of communications initiatives and associated insufficient awareness of reform efforts among both the justice sector community and the general public jeopardizes reform implementation further and creates a risk of unrealistically high expectations for the

²⁵The enforcement of judicial acts in Armenia is performed only by the Compulsory Enforcement Service, a state agency subordinate to the MoJ. The 2022-2026 Strategy points to the need for the enforcement system model to be reviewed to ensure it can productively deal with the large workload, raise the efficiency of the service, and apply appropriate compensation mechanisms.

speed and scope of reforms. Enhanced coordination among stakeholders and regular impact assessments would help identify what is (or is not) triggering a change on the ground.

19. Amendments to the Constitution, including amendments to the electoral system and strengthening of democratic institutions, are addressed in a separate process. To this end, the Council for Constitutional Reforms and the Professional Commission for Constitutional Reforms were established and are working towards development of a Concept for Constitutional Reforms.²⁶

(ii) Challenge 2: Enhancing Judicial Governance Institutions

20. Key governance institutions cannot fulfil their envisioned roles because of capacity and structural deficiencies. The ambitious reform agenda reflected in the 2019-2023 and the 2022-2026 Strategies

highlights the need for more planning/management, statistics/monitoring, budget/financial, HR, ICT, and capital investment expertise within the key governance institutions of the SJC, JD, and MoJ.

21. The SJC's composition and appointments process may not sufficiently guarantee balance and separation of powers. The SJC comprises 10 members, elected for a five-year term, without the right to be sequentially re-elected. Five members are judges from courts of all instances elected by the General Assembly of Judges, the other five members are non-judges, appointed by the NA without input from other stakeholders in a process that lacks transparency. The MoJ's draft amendments to the Judicial Code to address this issue,²⁷ (welcomed by the Venice Commission)²⁸ were not adopted. Judge members of the SJC are not allowed to be either court presidents or chairpersons of a chamber of the Court of Cassation. Any suspension of SJC judge members is regulated by the Judicial Code.

BOX 4. THE SUPREME JUDICIAL COUNCIL

The SJC is the central authority on judicial appointments per Article 89 of the Judicial Code (see Chapter VI on Human Resources). It was created in early 2018 as an independent state body established to guarantee the independence of courts and judges. It replaced the Council of Justice which due to its composition and set-up was not independent of other branches of government despite substantial reforms under the 2005 constitutional amendment. The SJC administers courts, proposes the judicial budget, and regulates the work of judges per Article 89 of the Judicial Code. Its powers include the imposition of disciplinary sanctions against judges and members of the SJC for violations of the rules of judicial conduct prescribed by the Judicial Code.

At the court level, court presidents are responsible for the functioning of the courts. The president of the court oversees the work of court staff, decides on administrative issues, communicates with the SJC, and cooperates with other relevant institutions. Court presidents provide useful inputs to the SJC when monitoring the performance of the courts. In addition to managing court operations on a day-to-day basis, court presidents continue to work as judges albeit with a reduced workload per Article 45 of the Judicial Code.²⁹ How individual courts manage their caseloads and workloads varies across Armenia.³⁰

²⁶The Prime Minister's Decision N111-A of January 17, 2022, established the Council for Constitutional Reforms and its Rules of Procedure. The Prime Minister's Decision 315-A of March 29, 2022, established the Professional Commission for Constitutional Reforms. The Commission is tasked with the development of the Concept of Reforms and draft the amendments to the Constitution.

²⁷Non-judge candidates would be proposed to the NA by the Chamber of Advocates (the independent and non-commercial self-governing body of Armenia's advocates), academic institutions, and professional civil society organizations.

²⁸The Venice Commission in the Report on Judicial Appointments CDL-AD (2007) 028, adopted by the Venice Commission at its 70th Plenary Session (March 16-17, 2007), took the position in para 30 "judicial councils include also members who are not part of the judiciary and represent other branches of power or the academic or professional sectors".

²⁹Presidents of the first instance courts and courts of appeal receive 25 percent fewer cases than regular judges at these courts, except for the First Instance Court of Yerevan where the court president receives 35 percent fewer cases than regular judges at this court. Court presidents at specialized courts receive percent fewer cases, the presidents of the chambers at the Court of Cassation receive 50 percent fewer cases and the President of the Court of Cassation receives 60 percent fewer cases than the regular judges at these courts.

³⁰A review of caseloads and workloads by court type, case type, and individual judges for Chapter IV on Performance Measurement and Management reveals variances across Armenia's court network. Some courts seem to do better than others in managing caseloads and workloads pointing to internal 'good practices' within the court network.

22. The SJC is responsible for the selection and transfer of judges but its practice on irremovability is not in line with European standards. SJC practices on the removal and transfer of judges appear to lack transparency and openness. The Venice Commission supports the principle of irremovability in constitutions: transfers against the will of the judge may be permissible only in exceptional cases,³¹ and “transfer to a higher court is possible on the basis of the results of a competition.”³²

23. The 2015 Constitution reforms introduced changes limiting the term of court presidents to increase rotation of this role. Court presidents are working judges (albeit with a reduced workload)³³ responsible for the functioning of the courts. They oversee the work of court staff, decide on administrative issues, cooperate with other relevant institutions, and provide input to the SJC on monitoring the performance of the courts. How individual courts manage their caseloads and workloads varies across Armenia.³⁴ Constitutional changes in 2015 introduced restrictions on the term of office of court presidents. Previously many performed the role until retirement, reducing opportunities for other judges of the same court to aspire to that position and putting internal independence at risk. The new regulations envisage a limited term of office of three years for court presidents of first instance courts and courts of appeal, without the right to reappointment immediately after the expiration of the term. The term of the President of the Court of Cassation is limited to six years without the right of reappointment.³⁵

24. The SJC is also entrusted with competence over disciplinary proceedings to ensure judicial independence and prevent external influence. Since the 2020 legal reform package, three authorized bodies can initiate disciplinary proceedings against judges: (a) the Ethics and Disciplinary Commission (EDC) of the General Assembly of Judges, (b) the Minister of Justice and (c) the Corruption Prevention Commission (CPC), albeit on a limited number of grounds related to the financial declarations of judges.³⁶ Applications to initiate disciplinary proceedings submitted by individuals are filtered by either the Minister of Justice or the EDC. Proceedings are initiated only if reasonable grounds exist.

25. The composition of the EDC is not in line with European standards. Most EDC members are judges, according to the Venice Commission standards this risks protecting the corporate interests of judges.³⁷ Additionally, it is not a common practice to allow the executive branch to initiate disciplinary proceedings against a judge. There is an inherent risk that a Minister of Justice may initiate politically motivated disciplinary proceedings, undermining basic principles of judicial independence and potentially influencing the decisions of judges.³⁸

26. Integrity checks by the CPC for judges and individual SJC members were introduced in 2020.³⁹ The results of integrity checks are summarized and presented as an advisory opinion to the SJC but a negative opinion does not rule out appointment as

³¹CDL-AD(2010)004.

³²CDL-AD(2015)008, Preliminary Opinion on the Draft Law on Amending the Law on the Judicial System and the Status of Judges of Ukraine, §68.

³³See Article 45 of the Judicial Code.

³⁴Chapter IV on Performance Measurement and Management reviews caseloads and workloads by court type, case type, and individual judges and reveals variances across Armenia’s court network. Based on the analysis, different courts seem to do better than others in managing caseloads and workloads pointing to internal ‘good practices’ within the court network.

³⁵Article 166 of the Constitution.

³⁶Since 2020, the amended Article 142 of the Judicial Code provides that the judge can be held liable for “violation of provisions of substantive or procedural law” or for “violation of the rules of judicial conduct”. It is also provided that the judge can be held responsible only in cases when the acts were committed intentionally or with “gross negligence”. Article 149 of Judicial Code clarifies which sanctions can be imposed, ranging from a warning to the dismissal of the judge in case of an “essential disciplinary violation”. The latter notion is explained in Article 142 (6) of the Judicial Code.

³⁷“Both the Ethics Commissions and the Disciplinary Commission seem to be composed solely of judges. This may give an impression that the question of disciplinary liability is decided within the judicial corporation by bodies which have no external elements and no links to the democratically elected bodies or the broader legal community.” CDL-AD(2016)013, Opinion on the Draft Code of Judicial Ethic of the Republic of Kazakhstan, §32. See also CDL-AD(2015)045, Interim Opinion on the Draft Constitutional Amendments on the Judiciary of Albania, §76.

³⁸“Any kind of control by the executive branch or other external actors over Judicial Councils or bodies entrusted with discipline is to be avoided.” CDL-AD(2016)025, Endorsed joint opinion on the draft Law on Introduction of Amendments and Changes to the Constitution” of the Kyrgyz Republic, §76 See also CDL-AD(2015)045, Interim Opinion on the Draft Constitutional Amendments on the Judiciary of Albania, §§70, 71 and 73. Furthermore, “It is thus a positive step that the High Council of Justice be the sole authority to initiate disciplinary proceedings against judges, which would provide for more guarantees compared to a system of plurality of disciplinary authorities competent to initiate those proceedings.” CDL-AD(2014)032, Joint Opinion of the Venice Commission and the Directorate of Human Rights and the Rule of Law of the Council of Europe, on the draft Law on Making Changes to the Law on Disciplinary Liability and Disciplinary Proceedings of Judges of General Courts of Georgia, §15.

³⁹Introduced through amendments to the Law on Corruption Prevention Commission, Law on Prosecution, and the Judicial Code, these check: (a) wealth of candidate and his/her family members (including property, source of property, income, source of income, financial means, and their source); (b) possible criminal, administrative, or disciplinary liability of a candidate and any relation to corrupt deals or unlawful actions; (c) relation to the criminal subculture; (d) relation with a person holding public position (possible conflict of interest); (e) candidate’s education and work activities. The results of integrity checks are summarized in the opinion/conclusion of the CPC and presented to the relevant state institutions. The opinion/conclusion of the CPC are of an advisory nature for the SJC and the General Prosecutor who have the final decision-making power on the appointment of the candidate.

a judge.⁴⁰ During 2021, the CPC conducted asset declaration checks of 56.4 percent of judges: 130 sitting judges, nine members of the SJC, nine members of the Constitutional Court, and about 450 family members of judges.⁴¹ The CPC initiated disciplinary proceedings against three SJC judge members and one motion was sent to the Prosecutor General's office to initiate a criminal law case.

27. The JD provides support to the SJC but there is insufficient staff expertise in some areas. The JD ensures day-to-day operational and logistical support to the judicial system, as well as collecting, maintaining, and publishing judicial statistics and reports, drafting the overall annual judicial budget and medium-term expenditure plans, and other tasks entrusted to the SJC. However, skills central to the strategic development of the judiciary and the judicial system in Armenia, including strategic planning, policy analysis, organizational assessment and management, and advisory services to the courts, are in short supply.⁴²

28. To address efficiency and quality concerns, Armenia has recently introduced specialized courts and has merged courts in Yerevan,⁴³ the nation's capital. Armenia thus has 10 first instance courts of general jurisdiction,⁴⁴ three Appeal Courts, the Court of Cassation, and three specialized courts – for administrative matters, bankruptcy matters (established in 2019), and anti-corruption matters (established in 2022 but yet to become operational).⁴⁵ This reflects the Judicial Code adopted in 2018 and subsequent developments.

29. Court specialization is one response to increased judicial caseloads and more complex laws but

can introduce new hazards. Court specialization is increasingly advocated, including by the Consultative Council of European Judges (CCJE)⁴⁶ to enhance court efficiency, expertise of judges, and quality of decisions. Judges may specialize, for example, in juvenile justice, cybersecurity, or intelligence matters, or in civil matters on intellectual property protection, corporate cases, or foreign arbitration decisions. However, judicial specialization is not necessarily straightforward, and its positive impact should not be assumed.⁴⁷ Much depends on the conditions under which generalist and specialized courts operate, such as the mechanisms for selection of judges, the degree of technicality of their work, the substantive and procedural legal rules that govern the court, the configuration of interest groups in the field, and whether focused and systematic training is provided. At least two hazards potentially accompany specialization:⁴⁸ (a) there is a greater chance that specialized judges are captured by special interests,⁴⁹ including by repeat court users gaining an advantage through informal arrangements;⁵⁰ and (b) judicial tunnel-vision may occur as judges focus only on one area of law and lose track of legal changes outside of their field.⁵¹

B. CONCLUSION AND RECOMMENDATIONS

30. Past efforts to strengthen governance and strategic planning at the level of the MoJ, SJC, and JD are recognized as important steps forward. The next step is to strengthen ongoing reform efforts in line with the Venice Commission's opinions. Six recommendations emerge for consideration by judicial sector stakeholders.

⁴⁰Such cases might gain media attention as seen here: <https://www.newsinfo.am/arm/article/view/EkgK2XQONY>
<https://armenpress.am/arm/news/1027584>.

⁴¹Self-assessment report on implementation of conditions for disbursement of the second tranche of the financing agreement ENI/2020/042-019.

⁴²For the organigram of the JD, see Annex 4.

⁴³Six first instance courts in Yerevan were merged into one court with different geographical locations across the city.

⁴⁴Courts of first instance of general jurisdictions are housed in a total of 43 geographical locations across Armenia. For further details, see Chapter VIII on Physical Infrastructure.

⁴⁵The Anti-corruption Court was established in 2022 in Yerevan to strengthen the judicial response to corruption cases and to prevent vulnerability of judges in these high-risk cases. In addition, anti-corruption specialization is ensured in the Criminal Court of Appeal, Civil Court of Appeal and the Court of Cassation through establishment of specialized chambers.

⁴⁶See Chapter IV on Performance Measurement and Management for further details.

⁴⁷Gramckow, H. and Walsh, B. 2013. Developing Specialized Court Services – International Experience and Lessons Learned, the World Bank, p. 6-7.

⁴⁸CCJE Opinion No 15 assessed limits and dangers of judge's specialization in paras 14-22.

⁴⁹High perception of corruption was a reason for abolishment of economic courts in Moldova in 2012. More in Specialization of judges and feasibility of creating administrative courts in the Republic of Moldova, Legal Resource Centre from Moldova, 2014.

⁵⁰Baum, L. 2009. Probing the Effects of Judicial Specialization, Duke Law Journal 58, p.1667–84.

⁵¹Dreyfuss, R.C. 1995. Forums of the Future: the Role of Specialized Courts in Resolving Business Disputes, Brooklyn Law Review 61, No.1, pp. 1-44.

Recommendation 1	Strengthen administrative and management structures in the SJC and JD to support implementation of the 2022-2026 Strategy.
Possible actions	<ul style="list-style-type: none"> ■ Assess the effectiveness of the current administrative and management structure in the SJC and JD. ■ Based on the assessment, propose a new systematization of the JD, with detailed descriptions of tasks involved and required skills. ■ Create an ongoing strategic and operational planning function in the judiciary to collect and analyze data and plan process improvements consistent with the CCJE standard that data collection is used to evaluate justice in its wider context and resides in an independent institution in the judiciary.⁵² ■ Appropriately staff the JD’s function for data collection and analysis regarding all aspects of courts operations. ■ Develop a performance framework/streamlined dashboard to monitor performance with key performance indicators most likely to drive performance enhancements. ■ Identify a smaller set of reforms to increase citizen-centric performance of courts and for tangible results on the ground in the short term. Identify measurable targets for this sub-set of reforms, and monitor and document results, especially with respect to efficiency and user experience. ■ Introduce mechanisms for cooperation between the SJC and judges to inform SJC about challenges at the court level and identify solutions. ■ Establish the Monitoring Council and an appropriately staffed Secretariat.
Recommendation 2	Improve policy development and monitoring of reforms.
Possible actions	<ul style="list-style-type: none"> ■ Establish a comprehensive and operational mechanism of monitoring of judicial reforms that will have sustainable administrative support to ensure regular organization of meetings and publishing of reports. ■ Conduct impact assessment of each past reform activity prior to introducing any new reforms to verify assumptions. ■ Introduce early warning mechanism to alert stakeholders of delays in reform programs.
Recommendation 3	Enhance trust and confidence by fostering better awareness among public and stakeholders about reforms and their results.
Possible actions	<ul style="list-style-type: none"> ■ Conduct information campaigns across the judiciary to ensure that all judges and judicial staff understand reforms and expectations. ■ Organize public awareness campaigns explaining ongoing and planned reforms including anticipated outcomes to manage expectations. ■ Use a range of (low-cost) methods to disseminate such information, including online information, posters, and handouts in courts. ■ Accompany annual reports with downloadable spreadsheets of system data for the benefit of analysts and researchers. Maintain email distribution lists for more frequent updates of progress.
Recommendation 4	Strengthen integrity and transparency of the selection process of the SJC’s non-judicial members in line with the Venice Commission’s opinion.

⁵²See CCJE Opinion No. 6 (2004).



Possible actions	<ul style="list-style-type: none"> Change nomination process to ensure that academic and legal professional sectors are represented in the SJC. Amend the Judicial Code to ensure that the NA appoints non-judicial members of the SJC through a transparent and merit-based procedure.⁵³
Recommendation 5	Strengthen the judiciary’s disciplinary rules and procedure.
Possible actions	<ul style="list-style-type: none"> Align the structure of disciplinary bodies, such as the EDC, with the Venice Commission’s standards (the current composition creates a risk of narrowly serving the corporate interest of judges). Eventually reduce/remove the role of the MoJ in initiation of disciplinary procedures (per the Venice Commission’s opinion).
Recommendation 6	Adopt a strategic approach to management of resources and operational planning functions.
Possible actions	<ul style="list-style-type: none"> Adopt and implement a HR strategy that will include a rigorous and transparent methodology at the central level to determine the number of judges and staff needed (as detailed in Chapter VI on Human Resources). Enhance ICT governance to ensure ownership and sustainability of ICT reforms (as detailed in Chapter VII on ICT Resources). Adapt an infrastructure strategy to ensure adequate maintenance and priority capital investment (as detailed in Chapter VIII on Physical Infrastructure). Strengthen the budget preparation process to assure that the budget proposal is adequately justified by the SJC and appropriately reviewed by the Ministry of Finance (MoF) (as detailed in Chapter V on Budgeting, Financial Management and Expenditures).

⁵³See also Chapter VI on Human Resources.

III. PROVISION OF JUDICIAL SERVICES TO CITIZENS: ACCESS TO JUSTICE

31. The Armenian 2022-2026 Strategy for Judicial and Legal Reforms highlights access to justice as one of the reform priorities. Access to justice encompasses all elements needed to enable citizens to seek redress for their grievances and to ensure that their rights are upheld. The Strategy, like the earlier 2019-2023 Strategy, includes improvement of free legal aid as a strategic direction but does not recognize the need for

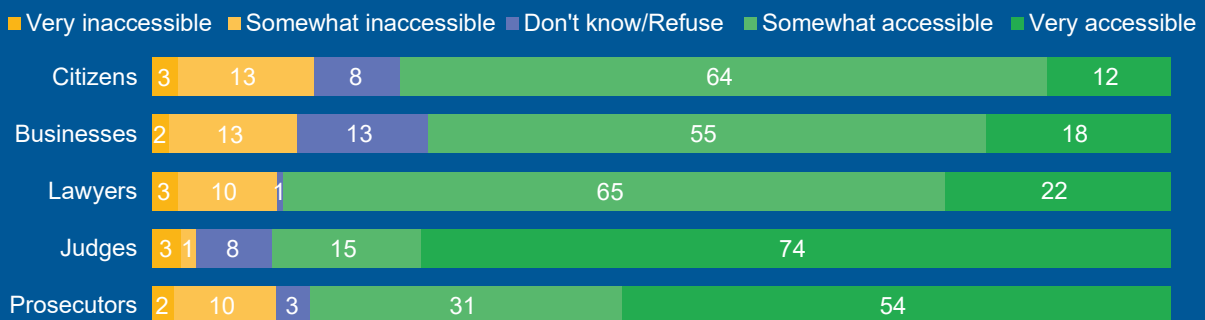
a citizen-centered or a comprehensive approach toward strengthening all aspects of access to justice.

32. Most citizens and business representatives feel that Armenia’s justice system is accessible across the financial, physical, and informational dimensions of access to justice, even though the country trails the EU average of number of courts per 100,000 inhabitants.

BOX 5. GENERAL PERCEPTION OF COURT ACCESSIBILITY

Most citizens and business representatives feel that Armenia’s justice system is accessible in all three dimensions, with financial accessibility being the least accessible. Courts in Armenia are physically accessible according to most service users and businesses, although a lack of basic accessibility features for people with reduced mobility, hearing or sight was identified. Professionals in the justice system, especially judges, have a more positive outlook than users.

Survey Question: To what extent are the FOLLOWING institutions accessible to all citizens/ legal entities?– Courts. Base: Total target population.



Source: World Bank. 2021. Regional Justice Survey – Armenia Country Report.

A. KEY CHALLENGES

33. The first challenge is financial and physical access. Court fees may be too high or in some cases buildings may be insufficiently accessible to allow everyone access to justice services. Recommendations include a review of court fees, aiming to find the ‘sweet spot’ between affordability allowing access to justice services but deterring spurious lawsuits. Admission criteria to appeal to the Court of Cassation may also be reviewed to ensure an appropriate balance between limiting the caseload to those cases that are critical for

legality and/or advancing legal practice, but not making such criteria too restrictive and thereby harming the individual applicant and the legal culture more broadly.

34. The second challenge is the accessibility of information about the justice system. There is both too little information available online and too many different places in which to find it. Recommendations suggest access to information about judicial services, including laws and courts, should be increased to address the gap between what is publicly available and what is perceived as available and understandable.

35. The third challenge is understanding of and access to legal aid. Many in the population seem uncertain about the provision of legal aid. Recommendations include enhancing the quality of legal aid services in response to rising demand and to make best use of scarce resources.

36. The fourth challenge is development of alternative dispute resolution (ADR) mechanisms. Courts are experiencing rising demand and growing backlogs. Recommendations include increasing access to ADR

mechanisms to reduce the burden on courts and facilitate access to services.

(i) Challenge 1: Financial and Physical Access

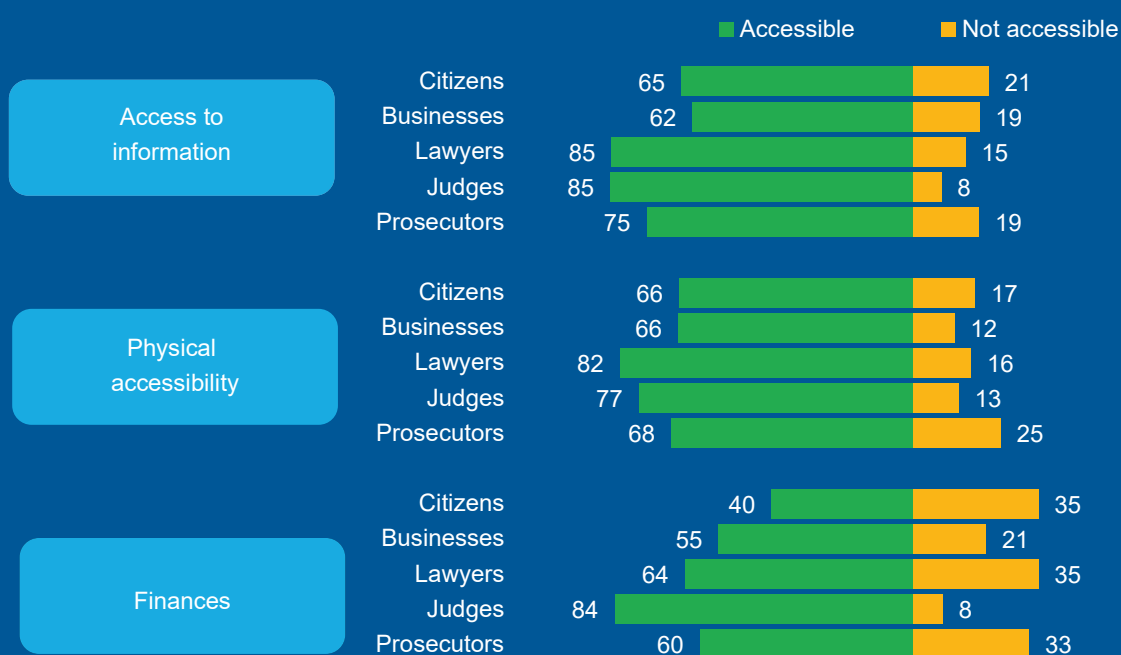
(a) Financial Accessibility

37. High costs represent the largest barrier to access to justice in Armenia. The 2021 Regional Justice Survey revealed that the largest barrier to access to justice for court users is costs, although judges did not recognize challenges in the financial access to justice.

BOX 6. PERCEPTION OF THREE ASPECTS OF ACCESSIBILITY

Survey Question: How accessible is the judicial system to citizens of Armenia in terms of...?

Base: Total target population.



Source: World Bank. 2021. Regional Justice Survey – Armenia Country Report.

38. Costs of court cases are higher than in regional peer countries. On average, the cost of a citizens' first instance proceeding is €668 in Armenia, compared to €225 in Georgia⁵⁴ and €171 in Ukraine.⁵⁵ Average costs of civil court cases in Armenia are almost twice as high as the average monthly salary.⁵⁶ Criminal cases average €1,381 (€682 in Georgia and €476 in Ukraine) and cases involving business representatives €694 (€1,396

in Georgia and €910 in Ukraine).⁵⁷ This discrepancy between earnings and costs of the court case contributes to the court inaccessibility and deter citizens from the justice system.

39. Court-related costs are seen as a considerable obstacle to access the judicial system in Armenia. Currently, court-related costs account for more than 40 percent of the total case cost.

⁵⁴According to the National Statistics Office in Georgia average monthly salary in 2021 was 1,368 GEL which is approx. € 376. <https://www.geostat.ge/en/modules/categories/39/wages>.

⁵⁵According to the State Statistic Service average monthly salary in Ukraine in 2021 was 12,337UAH which is approx. €380. https://ukrstat.org/en/operativ/menu/menu_e/dn.htm.

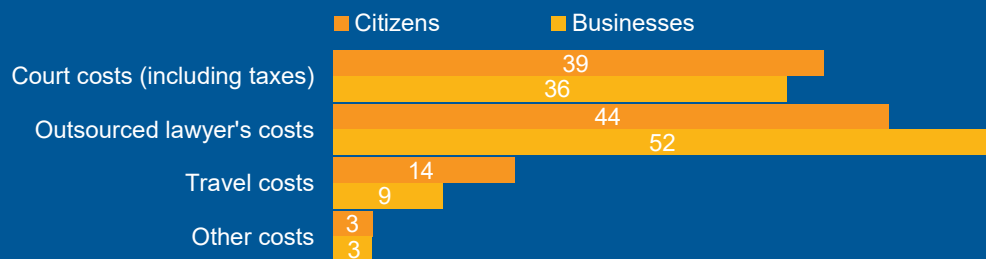
⁵⁶According to the Statistical Committee of the Republic of Armenia average monthly salary in 2021 was around 200,000 AMD which is approx. €360. <https://armstat.am/en/?nid=12&id=08001>. The exchange rate of March and April 2022 was used for calculations, with average of 1€=530AMD.

⁵⁷Average total costs as reported by court users in the 2021 Regional Justice Survey.

BOX 7. COSTS OF FIRST INSTANCE PROCEEDINGS FOR CITIZENS AND BUSINESSES

Citizens with experience in court proceedings identified court costs as the highest in civil cases (44 percent), while in criminal cases the highest cost is the outsourced lawyer's fee, accounting for 61 percent of total case cost. Businesses also identified attorney costs as a significant barrier.

Survey Question: Of the total cost that you had in this case in the first instance proceedings, which percentage of total cost can be attributed to:... Base: Those who had experience with court case in the past three years and have a first instance judgment rendered.



Source: World Bank. 2021. Regional Justice Survey – Armenia Country Report.

40. The system for calculating court fees, as well as the method for taxation and collection, are set out in the Law on State Duties, amendments to the Law in 2021 resulted in increased court fees for certain cases.⁵⁸ Generally, fees are based on the stated value of the claim, and in litigation cases it will account for 3 percent of the claim value, ranging from a minimum of AMD 6,000 (approximately €13) to AMD 25,000,000 (approximately €53,300). To align, the 2021 amendments significantly raised the state duties subject for submitting a monetary claim to the civil court from 2 percent to 3 percent of the amount of claim. The obligation to pay state duties now also applies to persons applying to the civil courts for issuing payment orders, while prior to 2021, these persons were legally exempted.

41. Court fees must be paid before submitting a claim, potentially deterring access to the courts.⁵⁹ Failure to make the payment is a ground for returning the application, except for cases where the applicant is exempt from the payment. To help users navigate the court fee system, a free of charge unified online fee calculator should be available on all court websites,

including explanations of specific fees and whether they are paid by a plaintiff, a defendant, or both parties.

42. Certain categories of citizens are legally exempted from paying state duties, but the functioning of the court fee waiver option is not well understood. Article 31 of the Law on State Duty envisages that, on a case-by-case basis, administrative or civil courts can apply certain exemptions for payment of the state duty,⁶⁰ as well as a reduction of the amount or deferral of the payment deadline, to support financially vulnerable persons.⁶¹ A lack of consolidated data on the implementation of the fee waiver rules complicates the monitoring, assessment, and reporting of this mechanism. Some countries have introduced a tracking system.⁶²

(b) Affordability of Attorneys

43. Attorney fees in Armenia vary between “affordable” and “very expensive” but can still be out of reach to the financially vulnerable. The 2021 Regional Justice Survey found that 71 percent of citizens and 67 percent of businesses believed lawyers to be accessible. However, many financially vulnerable

⁵⁸The law is available at: www.arlis.am. Court fees were raised based on the amendments to the law adopted on April 19, 2021. The last time court fees were reviewed was in 2000, since then, the GDO per capita, the average minimum salary, the cost of consumer basket, among other economic indicators has raised by four-fold.

⁵⁹Article 101 Civil Procedure Code.

⁶⁰Court of Cassation case is being used by judges as a relevant case law when waiving citizens from payment of court fees; ՎԴ/2654/05/10/.

⁶¹Article 21 Law on State Duty.

⁶²For instance, in Serbia in 2020 the Central Application for Court Fees was developed to allow to the judicial system to track all payments of the court fees and to provide information about fee waivers.

citizens cannot afford even the most “affordable” lawyers, creating a perception that the courts are not accessible in terms of costs.⁶³

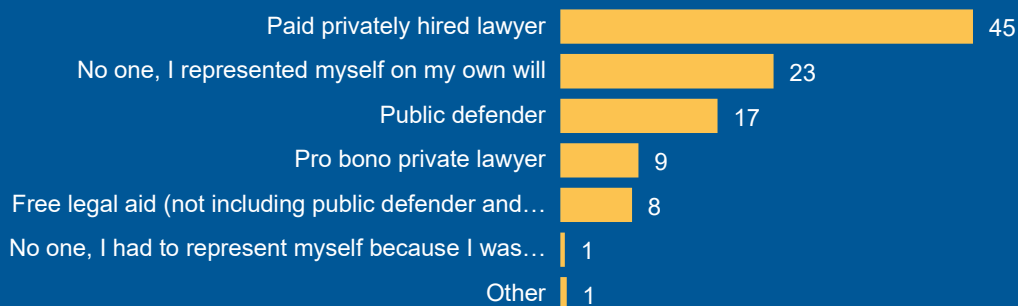
44. Lawyers are free to negotiate their fees through agreement with their clients, as in most jurisdictions,⁶⁴ guided by a published average pricelist. The Chamber of Advocates establishes an average pricelist for advocacy services in order to

guarantee a reasonable level of fees.⁶⁵ Fees should be in line with the CCJE statement that “the remuneration of lawyers and court officers should be fixed in such a way that it doesn’t encourage needless procedural steps.” Different indicators, such as the complexity of the case, are used to determine the remuneration. Judges are competent to reassess attorney fees and use the pricelist as their guidance.

BOX 8. LEGAL REPRESENTATION AND SATISFACTION WITH ACCESSIBILITY OF LAWYERS (%)

Although the law only requires parties to be represented by a lawyer for specific cases, very often they are hired anyway.

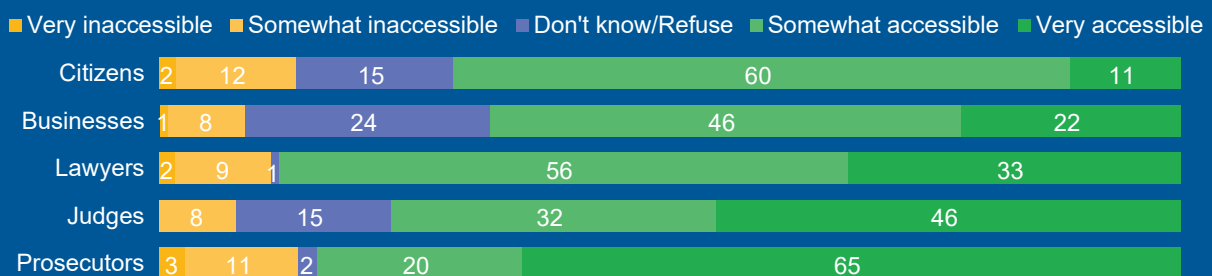
Survey Question: Who represented you before the court? Base: Those who had experience with court case in the past three years and have a first instance judgment rendered.



Source: World Bank. 2021. Regional Justice Survey – Armenia Country Report.

A majority of service users, i.e., both citizens and businesses, are satisfied with the accessibility of lawyers in Armenia. Most justice system professionals are also satisfied with accessibility of lawyers in Armenia.

Survey Question: To what extent are lawyers accessible to all citizens/ legal entities? Base: Total target population.



Source: World Bank. 2021. Regional Justice Survey – Armenia Country Report.

⁶³The NA has adopted the Law on Making Amendments and Supplements to the Law on Advocacy (on October 5, 2022), which among other regulations, also refers to the free legal aid funded by the state and pro bono support by lawyers, aiming to improve the free legal aid system.

⁶⁴Comparative Analysis of Bar Associations and Law Societies in Selected European Jurisdictions, 2017, World Bank.

⁶⁵Article 6 para 5 Law on Advocates. The Chamber of Advocates adopted pricelist for advocacy services.

45. Mandatory defense is available for criminal proceedings and demand has been increasing over time. Statistical data collected by the Public Defender's Office (PDO) on mandatory defense shows a significant increase of demand for services over the last 10 years. From 2011 till 2021 the number of incoming cases increased by 354 percent. The increase is steady over the time, with peaks in 2015 and 2021. In 2015, 4,600

cases were received, 25 percent more in comparison to 2014. In 2020, the COVID-19 restrictions caused lower demand for judicial services and consequently to public defender's service, however, numbers reached a record in 2021, when an increase of 42 percent of incoming cases was registered. Parallel to raising number of cases 10 new public defender positions were added to the PDO in 2022.

BOX 9. REGULATION OF MANDATORY DEFENSE

Mandatory criminal defense is regulated by the Criminal Procedure Code. Articles 43, 45, 46, and 47 of the Code regulate the defense in criminal cases, and define that criminal defense is mandatory upon arrest (upon submission of arrest decision), in absence of arrest decision, after six or more hours of detention, or upon submission of charges against the person. The defense is mandatory also in cases when the defendant cannot exercise the right to defense because of physical, mental or other health disorders, the defendant has no or insufficient command of the language of criminal proceedings, when the defendant was a minor at the moment of allegedly committing a criminal offence, when accused is military personnel, among others.

In addition, the Criminal Procedure Code regulates the timeline when the defendant has the right to mandatory defense. Mandatory defense is required during the pre-trial stage, before the courts of first instance, courts of appeal, Court of Cassation, as well as before the Constitutional Court.

It is provided through the PDO. Public defenders are lawyers with an employment contract concluded with the Chairman of the Chamber of Advocates following a competitive selection procedure.^{66,67}

46. The PDO has established a mandatory defense monitoring and control mechanism to promote efficiency and quality of services. According to the Law on Advocates, the Chairman of the Chamber of Advocates ensures control over the activities of the PDO. Because the Law prescribes that the Head of the PDO exercises control over the quality and timing of legal aid provided by public defenders, there is an electronic information system established to conduct performance evaluation of each public defender. Public defenders who post low scores in performance evaluation do not have their contract renewed.⁶⁸ In addition, to performance evaluation, there is also the option to initiate disciplinary procedures against defenders since they are obliged to follow the same standards and ethical rules as private lawyers. Disciplinary procedures against a public defender are the last resort for severe violation of rules

and procedures according to the Law. The same control mechanism is applicable to free legal aid.

47. An indirect, rarely used quality control mechanism, embedded in the Law on Advocacy, is the right of the defendant to submit a complaint to the PDO and the Head of the Chamber of Advocates. However, defendants are reluctant to initiate the procedure for replacement of the assigned public defender given their limited number and the possibility of long waiting times to have a new public defender assigned.

(c) Physical Accessibility

48. Physical access to court buildings can be challenging for citizens in rural areas. First instance court seats are mainly situated in urban areas, thus most citizens living in rural areas have to travel in order to reach the courts physically. According to CEPEJ, Armenia

⁶⁶Article 44 of the Law on Advocates.

⁶⁷Public defenders are recruited through a competition organized by the Chamber of Advocates. Information on the competition is published on the *advocates.am* webpage. A Commission of five members is established: the Deputy Chairman of the Chamber (President of Commission) and the Head of PDO are ex officio members, three other members are appointed by the Chairman of the Chamber of Advocates. The competition includes two stages: written and oral. Candidates who pass the written stage are invited for an interview. The Head of the PDO or the head of the selection commission prepares and presents the list of candidates to the Chairman of the Chamber of Advocates who then appoints candidates for public defender positions. For the Order adopted by the Chairman of the Chamber of Advocates regulating the appointment of public defenders see: https://advocates.am/images/nakhagahi_voroshumner/2021/KARG_HPG_mrcuyti-15.01.2014_INCORP_16.11.21.pdf.

⁶⁸Public defender's contracts are renewed each year. Approximately 10 percent of public defenders do not satisfy performance evaluation.

had fewer than one (0.6) first instance court per 100,000 inhabitants in 2018, well below the Eastern and Central European average of 1.89.⁶⁹ The Courts of Appeal and the Court of Cassation are located in Yerevan. However, geographic barriers to access to justice are not a significant concern to most Armenians. Around 66 percent of citizens and business representatives, respectively, do not consider distance to the courthouse to be a problem. Regardless of the physical location, issues of insufficient space for courts or administrative buildings or improper segregation from the locations of other state bodies, as well as ensuring access to courts for persons with disabilities still exist in Armenia. There are some court buildings which lack necessary minimum conditions, such as appropriate courtrooms and opportunities to create open and closed zones.⁷⁰

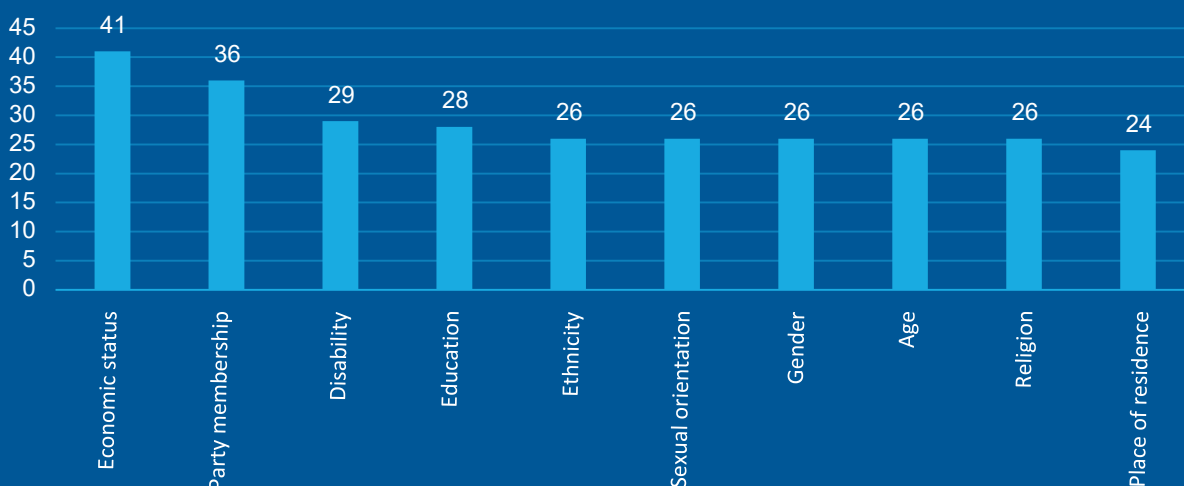
49. As internet penetration improves, further expansion of the court network might not become necessary. The development of streamlined online processes can bring a range of court services directly to the user. Future efforts to improve physical access to justice services could be – at least partly – accommodated using online strategies, such as e-filing.

(d) Equality of Access for Vulnerable Groups

50. There are perceptions, especially among citizens and businesses, of unequal treatment by the justice system. A statistically significant minority of citizens do not consider the judiciary equally accessible to all citizens, across a range of factors. According to survey respondents, unequal treatment of the citizens is primary based on economic status, followed by political party affiliations, and disability (see Box 10).

BOX 10. CITIZENS OPINION ON EQUAL TREATMENT OF CITIZENS

Survey Question: In your view, does the judicial system in Armenia equally treat all citizens/businesses notwithstanding their...? Base: Total target population.



Source: World Bank. 2021. Regional Justice Survey – Armenia Country Report.

51. Members of the business sector also think that there is disparate treatment. Thirty-three percent of representatives of business sector believe treatment of economic enterprises depends on the size of

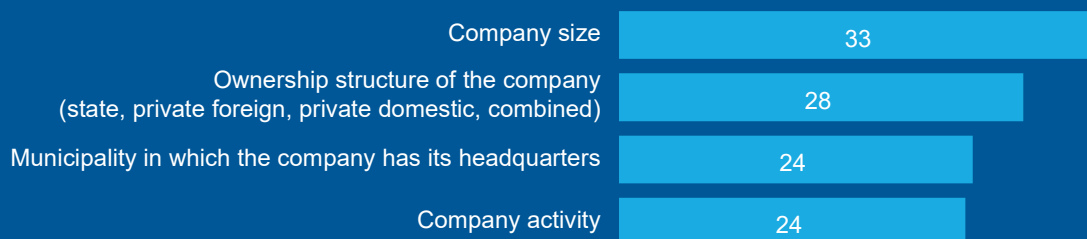
the enterprise and 28 percent think that treatment varies by ownership structure, while 38 percent have concluded it depends on the type of company activity (see Box 11).

⁶⁹European judicial systems. Efficiency and quality of justice. CEPEJ Edition 2018.

⁷⁰For further details, see Chapter VIII on Physical Infrastructure.

BOX 11. BUSINESSES OPINION ON EQUAL TREATMENT

Survey Question: In your view, does the judicial system in Armenia equally treat all citizens/businesses notwithstanding their...? Base: Total target population



Source: World Bank. 2021. Regional Justice Survey – Armenia Country Report.

52. In contrast, most judges, prosecutors, and lawyers do not consider that there is disparate treatment of citizens. Only 1 percent of judges and 9 percent of prosecutors consider party membership as likely grounds for unequal treatment, whereas one in five lawyers believe that unequal treatment exists based on economic status, party membership, or sexual orientation.

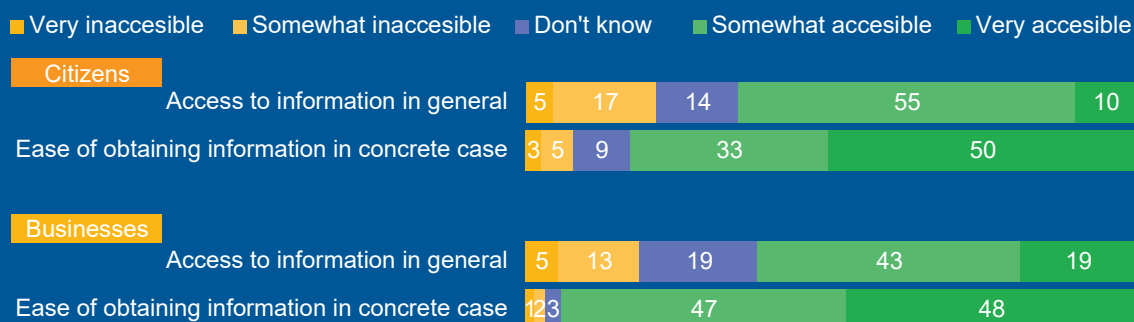
(ii) Challenge 2: Information Accessibility

53. Citizens and businesses do not find it easy to access information about the justice system, including access to laws. People report not knowing where to find regulations and lack practical information concerning their rights or procedures for their protection, although those with direct experience of court cases reflect more positively on access to related information.

BOX 12. CITIZENS AND BUSINESSES: ACCESS AND SOURCES OF INFORMATION (%)

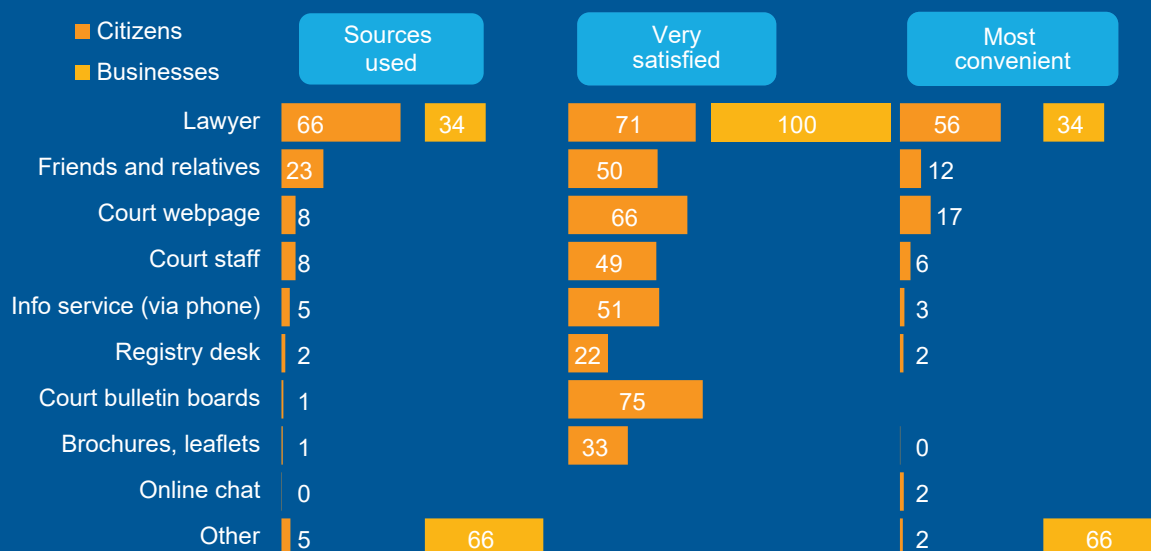
Both citizens and businesses reported higher satisfaction with access to information in their specific case than in general. Citizens used several sources of information when looking for information about their cases, most often their lawyer. The majority of businesses claim that they are using “other sources” of information regarding a specific case and consider this also most convenient. No businesses and only a small number of citizens refer to court-connected services as sources used to receive case-specific information. In the few cases where used, citizens are mostly happy, with the exception of the registry desk and bulletins or leaflets. Meanwhile, none of these court-connected services is considered convenient.

Survey Question: How accessible is the judicial system to citizens of Armenia in terms of...? / To what extent was the general information about the course and requirements of the process (time of hearing, place, etc.) accessible to you or your legal representative? Base: Total target population; those who had experience with a court case in the past three years and have a first instance judgment rendered.



Source: World Bank. 2021. Regional Justice Survey – Armenia Country Report.

Survey Question: Which sources of information did you use to find out what you needed to do in this specific case? How satisfied are you with those sources of information; In your opinion, which source of information about such proceedings would be the most convenient for people like you? Base: Those who had experience with court cases in the past three years and have a first instance judgment rendered.



Source: World Bank. 2021. Regional Justice Survey – Armenia Country Report.

54. Although there is progress in providing information online there is still room for improvement, which would enhance both access and efficiency. Lack of access to full information about judicial proceedings and rulings further limits the predictability of the system for citizens and reduces opportunities for public oversight of the judiciary.⁷¹ Providing online information enables potential users to conduct research without assistance, obviates unnecessary travel to the courthouse, and can improve the efficiency of court processes. Existing sources of information include (Figure 1):

- www.court.am: The 2018 Judicial Code (Art 11) and the 2018 Civil Procedural Code (Art. 17) require final judicial acts to be published on the judiciary’s official website.⁷² This includes all relevant contact information (e.g., addresses, phone numbers, list of judges) but – and despite being the only unified website for all courts – is missing user-friendly sample forms for various types of court applications available.
- www.arlis.am: Arlis (Armenian Legal Information System) is the main legal database, regulated by a

decree of the MoJ, where laws are timely updated and available in their complete and consolidated versions.⁷³ The website includes decisions of the European Court of Human Rights against Armenia and decisions of the Supreme Court. The decisions of the European Court of Human Rights are also available on the official webpage of the Representative of Legal Matters.⁷⁴ Decisions of the Constitutional Court are available on the official webpage of the Court.⁷⁵ While www.arlis.am is widely used by members of the legal community, it has been reported that non-members do not use it extensively, either because they are unaware of its existence or find it user unfriendly as it requires familiarity with legal techniques and research features.

- www.e-draft.am: A unified website for the publication of draft regulatory legal acts set up in 2016 providing access to drafts of regulatory acts developed by public agencies. It aims to improve access to laws, ensure public participation in the law-making process, and enhance transparency and accountability in

⁷¹Annex 1 of the Commission Implementing Decision on the annual action program in favor of the Republic of Armenia for 2020 (Part 1) Action Document for Support to Justice Sector Reforms in Armenia: Phase I.

⁷²Judicial acts are also published in the DataLex website.

⁷³The decree N-180 of the Minister of Justice from 7 May 2018, available at: <https://www.arlis.am/DocumentView.aspx?DocID=145009>.

⁷⁴Available at <https://echr.am/en/home.html>.

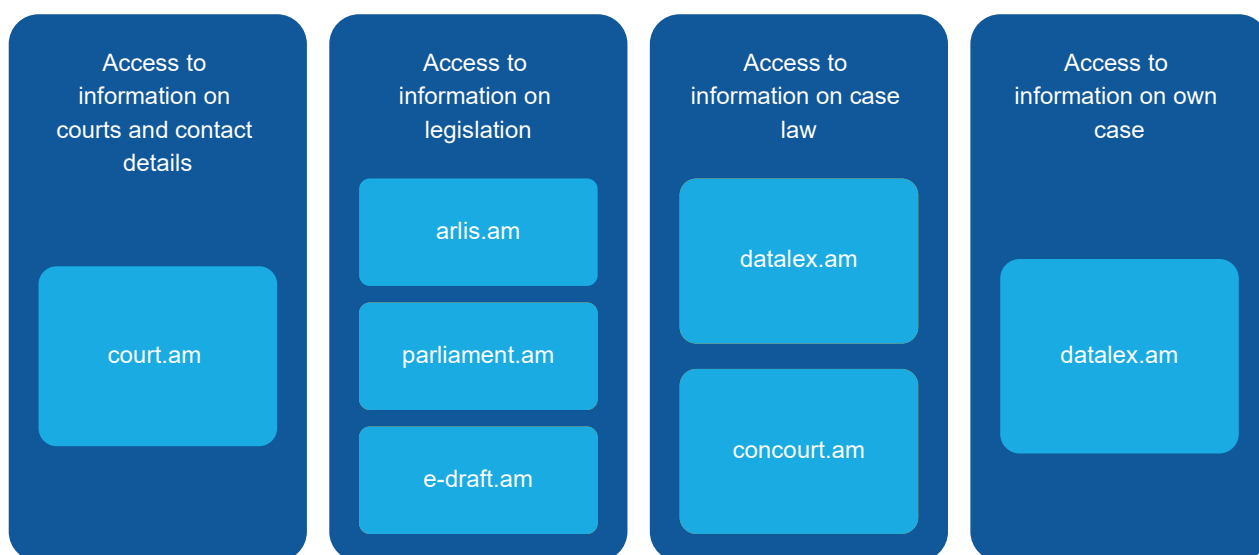
⁷⁵Available at <https://concourt.am/>.

legal proceedings. It mainly includes draft laws prepared and proposed by the Government; other entities using the Portal include the CPC. No draft laws proposed by other institutions are included on the site. A separate website (www.Parliament.am) is used for publishing the draft laws submitted to the NA.

- www.reforms.am: Launched in May of 2021 by a non-governmental organization (NGO) this website seeks to provide an overall picture of the legislative process and inform the public about ongoing reforms. Notwithstanding these individual efforts, public awareness raising and public campaigning has lacked consistency in the past and is frequently limited to discussions between MoJ and NGOs.

- **DataLex**: A mobile-friendly web portal of general as well as case-specific court information previously financed by the World Bank. Users can consult files of their case, check the calendar of hearings, see minutes, and access to decisions with reasoning and statistics. A case-flow management system provides data. However, availability and completeness of information depends on court staff, as the relevant information often has to be entered manually. Users have reported that the site is often offline, and that information on bankruptcy cases is often incomplete. Despite the technical challenges in maintaining the portal, it is an adequate source of information on legal cases and most court users can easily access the relevant information.⁷⁶ However, many people still prefer assisted human interaction.

Figure 1. Judicial Websites and Content



55. Related, though broader in scope and impact, is the accessibility of the Court of Cassation in both civil and administrative proceedings. Procedural legislation has set additional requirements for the admissibility of cassation appeals, as the Civil Procedure Code and Administrative Procedure Code state that the admissibility depends on notions such as the “necessity to ensure unified interpretation of laws” and “prima facie gross violation of human rights”. The Court of Cassation rarely admits cassation appeals, as most of the appeals are dismissed. Reportedly, lawyers often argue that the admissibility criteria are interpreted subjectively by the Court of Cassation, thus limiting/denying access to justice for citizens.

56. The formal requirements for submission of claims and appeals require high legal literacy, which might be a barrier for access to justice. The Civil Procedure Code sets many formal requirements, and the courts must return the claim or the appeal if these are not met. The 2018 Civil Procedure Code worsened the situation by introducing even more formal requirements to procedural documents, which resulted in mass returns of the claims brought by citizens and even lawyers. The Constitutional Court’s current practice is aimed towards removing the unnecessary procedural formalism concerning requirements to submit claims and appeals. The Constitutional Court often interprets the relevant procedural legislation in a less formalistic way

⁷⁶Integrity Systems and Rule of Law in Armenia: Filed Assessment for LER II, USAID, https://pdf.usaid.gov/pdf_docs/PA00TWTC.pdf?fbclid=IwAR1K08Zssylm3lqai8fb4n900KqPfhNY7MsiaeXD-Cw_GQcF-koEvDK4ADq.

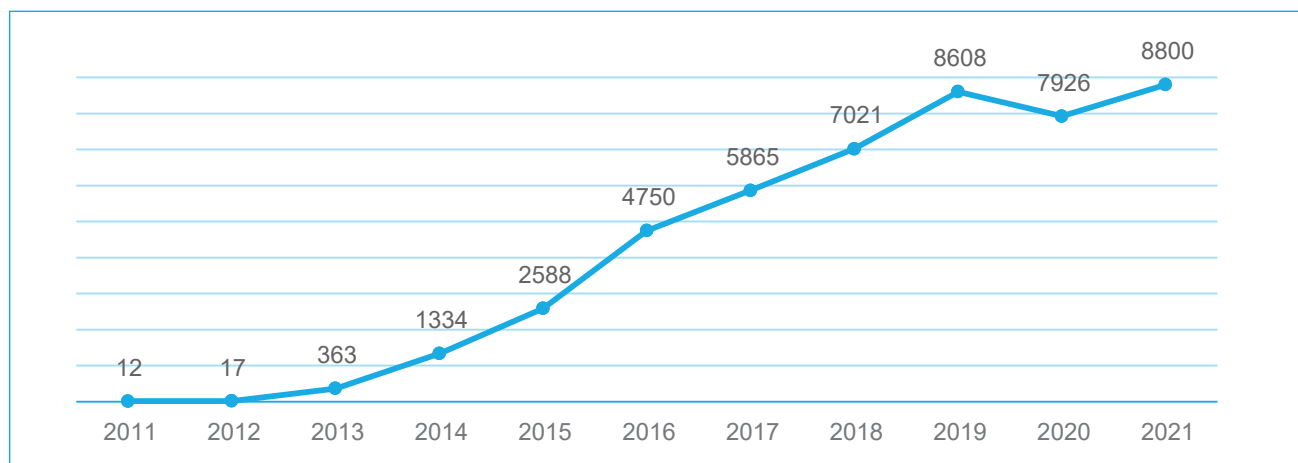
thus enhancing the accessibility of courts for citizens and businesses.

(iii) Challenge 3: Legal Aid

57. Over the last five years the workload of public defenders has increased (see Figure 2), **while resource allocations have remained stable and limited.** Funding for legal aid is provided from the state budget and should ensure normal operation of the PDO.⁷⁷ The PDO submits quarterly, semi -annual, and annual

reports to the Chairman of the Chamber of Advocates, including statistics with some disaggregation of cases. However, caseload data does not seem to influence budget allocations which remain relatively limited with €0.23 per inhabitant in Armenia compared to, e.g., €0.46 per inhabitant in neighboring Georgia,⁷⁸ hindering the quality and efficiency of legal aid services. Moreover, there is no automatic system of case allocation to ensure equal distribution among public defenders. Instead, the Head of the PDO allocates cases.

Figure 2. Incoming Civil, Administrative, and Constitutional Cases, PDO 2011-2021



Source: PDO

BOX 13. LEGAL AID

Access to legal aid is guaranteed to citizens by Article 64 of the Constitution of the Republic of Armenia and various international conventions to which Armenia is a party including the EU's Charter of Fundamental Rights and the United Nation's Principles on Access to Legal Aid in Criminal Justice Systems. Legal aid is further codified in the Law on Advocacy, which defines the socially vulnerable groups to which it applies. Free legal aid is not provided in business disputes. Additionally, each citizen can receive free legal aid in criminal proceedings, regardless of their status, income, and other parameters (as explained earlier with respect to mandatory defense). Moreover, citizens who are party in criminal proceedings as arrested or accused and have not privately hired a lawyer are always offered free legal aid. There are plans to further broaden the scope of free legal aid beneficiaries.

The PDO is the principal mechanism for ensuring legal representation for vulnerable groups. In 2022, it had 59 public defenders, of which 30 are based in Yerevan (22 in criminal law and eight in civil and administrative law).⁷⁹ In 2021, the PDO handled 10,492 criminal cases and 8,800 civil, administrative and constitutional cases (having steadily risen up from only 12 in 2011). Citizens are obliged to submit necessary documentation to the PDO to confirm their eligibility. Although the PDO has reportedly requested direct access to public databases and registries, such access is currently not granted, leaving it to citizens to collect and submit the documentation. There is no data available on how many legal aid requests were made, approved, and referred to a lawyer either for counseling or legal representation.

⁷⁷Article 45 of the Law on Advocates.

⁷⁸See CEPEJ Report on 'European judicial systems CEPEJ Evaluation Report – Edition 2020 (2018 data): 2020 Evaluation cycle (2018 data)', <https://rm.coe.int/evaluation-report-part-1-english/16809fc058> and CEPEJ-STAT Dynamic database of European judicial systems, <https://www.coe.int/web/cepej/dynamic-database-of-european-judicial-systems>.

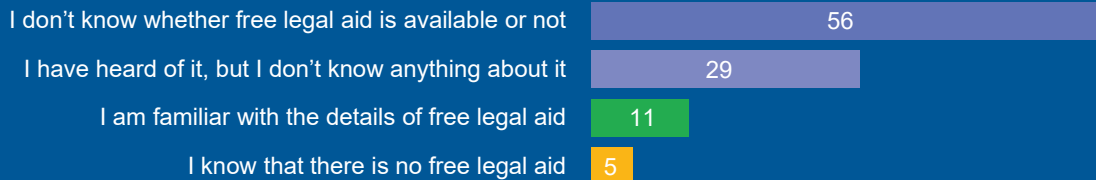
⁷⁹See: https://advocates.am/images/nakhagahi_voroshumner/2022/HPG_texabashxum_2022_incorporated.pdf.

58. Notwithstanding rising demand, only 11 percent of the populace is familiar with the details related to free legal aid. However, many prosecutors and lawyers

assess that citizens are aware of the free legal aid service, although judges tend to conclude the opposite or express ignorance on this matter (see Box 14).

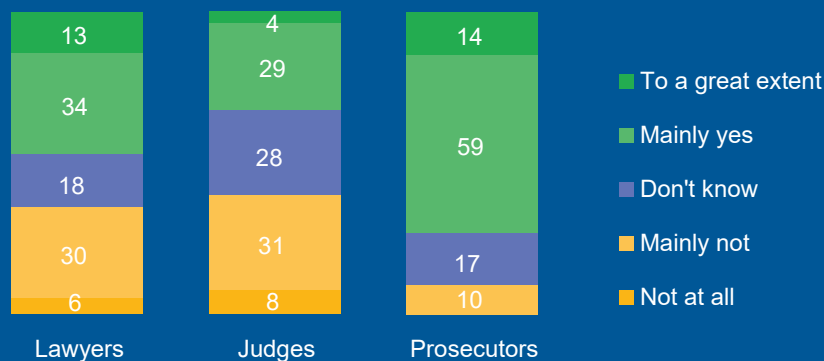
BOX 14. KNOWLEDGE ABOUT FREE LEGAL AID

Survey Question: Which of the following describes your knowledge about free legal aid (not including public defender and pro bono private lawyer) in Armenia best? Base: Total target population.



Source: World Bank. 2021. Regional Justice Survey – Armenia Country Report.

Survey Question: In your opinion, to what extent is free legal aid (not including public defender and pro bono private lawyer) available to those who need it in this country? Base: Total target population.



Source: World Bank. 2021. Regional Justice Survey – Armenia Country Report.

(iv) Challenge 4: Alternative Dispute Resolution

59. ADR mechanisms⁸⁰ are still in their initial stages in Armenia and their impact on alleviating judges' caseload has yet to materialize.⁸¹ Arbitration is commonly used in creditor cases, while mediation is neither well known nor popular with the general public. Reform of the ADR system is recognized as a priority in both the Government's Action Plan for 2021-2026 and the Strategy for Judicial and Legal Reforms for the

2022-2026 period. The Government aims to enhance the mediation system and establish a strong arbitration center with a national and international mandate. For the time being, there is no unified electronic registry of mediators in Armenia, preventing the MoJ from maintaining or publishing data on active mediators, their status, specialization, workload, and other relevant information. Furthermore, the Law on Mediation does not include a section on disciplinary proceedings against mediators.⁸²

⁸⁰ADR provisions are primarily contained in the Law on Commercial Arbitration, which is based on the United Nations Commission on International Trade Law Model-Law, the Law on Financial System Mediator (ombudsman) aimed at protection of consumers of financial services, and the Law on Mediation.

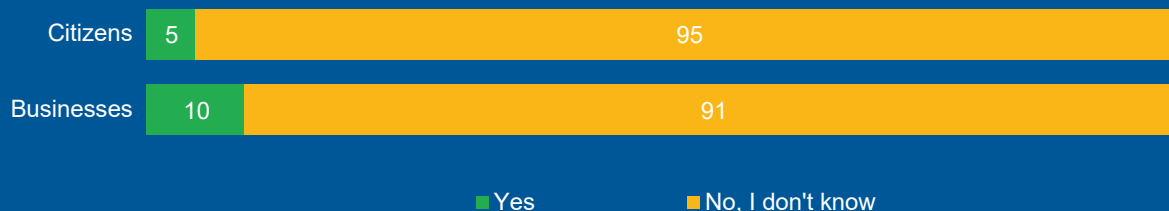
⁸¹European Commission, 2017 Report on the Efficiency of the Armenian Judiciary, 1 Peer Assessment Mission on the Rule of Law in Armenia (JHA IND?EXP 64029), p. 3, (March 6-10, 2017), http://moj.am/storage/uploads/001.Final_Efficiency- Judiciary_Quintavalle-2.pdf.

⁸²The MoJ has developed a draft law on making amendments and supplements to the Law on Mediation, which aims to improve the mediation system by introducing a better qualification system, regulations for mandatory mediation, disciplinary proceedings, register of mediators. The draft Law was approved by the National Assembly during the first hearing on October 5, 2022.

BOX 15. KNOWLEDGE OF ARBITRATION AS AN ADR

Knowledge of arbitration is limited, particularly among the general populace.

Survey Question: Do you know what an arbitration process is? Base: Total target population.



Source: World Bank. 2021. Regional Justice Survey – Armenia Country Report.

60. Lack of awareness of and comfort with ADR hinders development in Armenia. Arbitration is mostly used by commercial banks; indeed, some of the arbitration institutions were established by commercial banks and have led to a view that they are “pocket-courts,” serving the banks’ interests. To address this situation, the authorities are planning to establish a modern arbitration institution at the national level to deal, among others, with commercial disputes and litigious, small monetary claims.⁸³ Another impediment to the use of arbitration is the requirement for the courts alone to issue a writ of execution for arbitration awards, which compels litigants to undergo two proceedings for a single case.

61. New amendments to the Law on Mediation introduce mandatory mediation session for family cases prior to going to court. A licensed mediator shall be appointed from among the list of mediators of the relevant sector, in alphabetical order of surnames, in accordance with the level of specialization and workload of the licensed mediator. The criteria and procedure for

determining the level of specialization and workload of a mediator have yet to be established.

62. Mediation has been an option for civil, family, and labor disputes since 2017 although awareness of the mediation process is rather low among service users (12 percent of citizens). Judges are obliged to inform parties about the possibility to resolve the dispute through mediation; however, this is frequently declined as an inappropriate modality to resolve legal issues. As an incentive to pursue mediation, a judge can grant four hours of free mediation time and settlements thus reached are considered binding court judgments.

B. CONCLUSION AND RECOMMENDATIONS

63. Past efforts to strengthen access to justice in Armenia are recognized as important steps forward. However, there is room for further reform to facilitate access across all dimensions. The following outlines recommendations for judicial sector stakeholders to consider.

Recommendation 1	Review current court fees to ensure affordability.
Possible actions	<ul style="list-style-type: none"> Undertake an in-depth analysis of current court fees and based on the analysis’ findings amend the Law on State Duties to ensure affordability of court fees. Regional peers and their court fee system may serve as study models. Introduce a monitoring system for the court fee waivers program. The information and data collected through this monitoring system should be reviewed to determine the program’s effectiveness and possible adjustments. Introduce and make readily and freely available to the public an online fee calculator. Such a tool, while simple and not requiring any information apart from what is already required to determine court fees, may go a long way to increasing transparency of court procedures.

⁸³Government strategy foresees that 30 percent of litigious, small monetary claims, currently processed under the expedited procedure and the simplified procedure, will be handled by the (to be established) arbitration center by 2026.

Recommendation 2	Review current admission criteria to appeal to the Court of Cassation.
Possible actions	<ul style="list-style-type: none"> Review current admission criteria to appeal to the Court of Cassation and collect information to identify where applicants fail criteria. Determine the impact of rejection on individual cases and legal culture more broadly vs the need to limit access to the Court of Cassation to relevant cases. Based on this impact study, review and potentially amend formal requirements for submission of claims and appeals to remove barriers.
Recommendation 3	Increase access to information about judicial services, including laws and courts.
Possible actions	<ul style="list-style-type: none"> Introduce practical guidelines and plain-language explanations of critical rules and regulations to increase awareness and understanding of judicial services among citizens and businesses. Track changes and cross-reference to existing legislation when drafting/publishing new legislation to increase transparency in the legislative process and ensure coherence across domains. Continue to improve websites with users at the center, providing general information, published court decisions (including searchable database), and information about individual cases. Ensure availability of standard application forms for different types of judicial services.
Recommendation 4	Continue to enhance quality of legal aid services to address rising demand.
Possible actions	<ul style="list-style-type: none"> Establish a registry in the PDO to record activities disaggregated by case type and type of legal assistance. Track user satisfaction over time, disaggregated by case type, gender, and age. Assess workloads and review them against available resources at the PDO to determine efficiency and timeliness of services provided. Review budget allocations and planning in light of the workload and efficiency assessment and adjust funding for legal aid accordingly. Organize awareness campaigns for citizens, particularly targeting vulnerable groups.
Recommendation 5	Increase access to ADR mechanisms.
Possible actions	<ul style="list-style-type: none"> Establish the arbitration center. Establish and keep updated a registry of mediators that also provides information on specialization and official registration. Collect statistical data on mediation cases (type of cases and outcomes). Introduce ethical guidelines for mediators and keep track of compliance with the goal to facilitate trust building among potential users. In parallel, additional, and targeted outreach should be undertaken to raise awareness for ADR mechanisms and potential benefits for users.



IV. PERFORMANCE MEASUREMENT AND MANAGEMENT

64. For some time, Armenian courts have been experiencing significant increases in caseload and the system is struggling to cope with the demand.

Few courts have managed to reach favorable clearance rates, even though dispositions have increased consistently. Consequently, courts are facing an increase in their overall pending stock. Internal and external court users identify the key issues as an insufficient number of judges and administrative staff, obstruction by the parties before the courts, and omissions in legislation. However, the available data suggests a high level of elasticity of court services to demand. Courts showing low levels of productivity per sitting judge can experience low levels of demand pressure per judge while courts that receive more cases per judge also resolve more cases. This suggests that the effort put in by available judges responds to demand pressure (i.e., judges work harder, longer, or more efficiently as needed). Another aspect of this phenomenon is that the dispositions frequently follow and slightly exceed demand. In systems with considerable backlogs, this is unfavorable because the dispositions never reach the point at which they address backlogs effectively. Multiple inter-related challenges will need to be addressed to overcome the current situation. This chapter analyzes the performance of Armenian courts in delivering their day-to-day tasks across several dimensions: caseloads and workloads, productivity, timeliness in case processing, and procedural efficiency.

A. KEY CHALLENGES

65. The first challenge is that delivery of court services is not always wholly efficient or effective.

The number of dispositions has increased consistently but so has their average timeframe, albeit it has remained under one year totaled for all courts. There is insufficient statistical reporting, and the case management system is still operated manually. Little is done to monitor pockets of underperformance or islands of excellence. Recommendations include producing more and better

data and statistical reports in order to monitor caseloads, track progress, and inform policy decisions and reforms.

66. The second challenge is growing backlogs. The pending stock has increased; if demand continues to rise this backlog will only grow. Recommendations include a backlog reduction plan (an example of a plan is at Annex 5) with actions defined at a system and individual court level and measures to dispose of cases based on the age structure of resolved and unresolved cases. Judges and judicial management need to have achievable timeframes for case resolution that they can reasonably attempt to meet.

67. The third challenge concerns the timeliness of court decisions. Increase in demand accompanied by rising disposition times and growing backlogs have put the goal of timely court decisions at risk while indicating an ineffective deployment of scarce resources. Recommendations include a review of timeframes within the system and improving monitoring to identify court excellence and good practices.

68. The fourth challenge is that existing procedures to streamline and fast-track disputes and claims appear not to be maximized. Existing procedures could be used for much of the courts' workloads, but it is not clear that these are being deployed effectively. Recommendations include examining the scope to quickly increase the use of the simplified procedure, expedited procedure, and orders for payment procedure for more timely and efficient resolution of many cases.

69. The fifth challenge is procedural obstacles that hinder timely case resolution. There are clearly procedural bottlenecks occurring but there seems little interest or motivation among stakeholders to seek to improve these. Recommendations include encouraging judges and attorneys to identify and address bottlenecks and using statistical data to confirm findings and test remedies in practice (feedback loop).

BOX 16. STATISTICAL REPORTS AND DATA AVAILABILITY

This assessment uses statistical data on cases heard in the Armenian courts collected from the official website of the judiciary, available at <http://court.am/hy/statistic>, including for the calculation of performance indicators such as clearance rate and disposition time. CEPEJ data were used for cross-country comparisons while figures on filled judges' positions were acquired from the JD.

The analysis reflects broadly accepted international good practice standards. Courts and court cases are disaggregated by types where possible to establish a robust understanding of how courts in Armenia are performing individually and as an element of the broader judicial system. However, the available data, although comprehensive, lack important dimensions which hampered detailed analysis. For instance, the statistical reports do not disaggregate simplified and expedited procedure cases and there are no records kept on the actual average duration of cases.

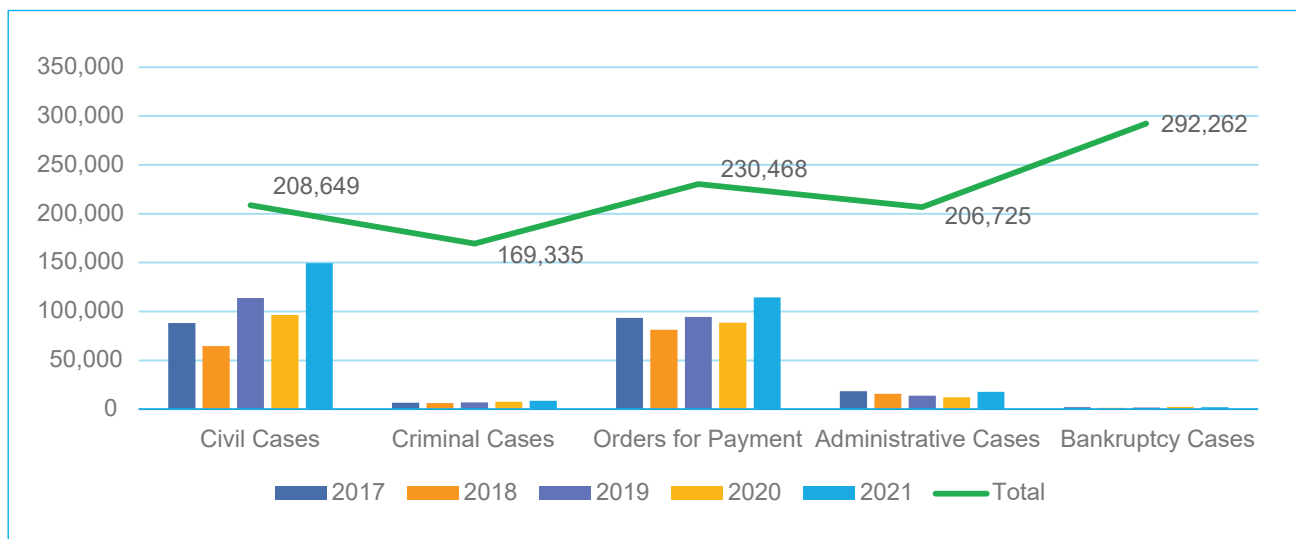
(i) Challenge 1: Improving Efficiency and Effectiveness to Meet Rising Demand

70. While caseloads reflect demand, it is important to understand how efficiently and effectively the demanded court services are delivered and address any bottlenecks. This is measured by production and productivity⁸⁴ of courts and timeliness of court decisions, i.e., how courts are dealing with demand, whether the resources are distributed evenly, and whether courts deliver the same level of outputs. This section analyses indicators of total dispositions, dispositions per judge, and

clearance rates, allowing objective comparison between courts of the same type or among court types. They are actionable as they can inform policy and reforms to improve results.

71. Armenian courts are facing significant increases in demand for their services. In 2021, Armenian courts received 292,262 cases across all court instances, an increase of 40 percent from 2017. The annual pattern was highly volatile over this period,⁸⁵ with a 73 percent difference between the lowest overall caseload in 2018 and the highest in 2021 (122,927 cases) (see Figure 3).

Figure 3. Incoming Cases in Armenian Courts per Case Type, 2017-2021



Source: court.am

⁸⁴Productivity is sometimes misconstrued with production, but there exists a difference; production indicates the volume of output, whereas productivity is the output produced by the available resources in courts. Production is expressed through absolute values as a number of resolved cases while productivity is relative.

⁸⁵ Influenced by: (a) the Velvet Revolution, which triggered a temporary disruption in the public service delivery, (b) the increasing demand for quick and affordable resolution of small claims, (c) the global COVID-19 pandemic and associated social distancing requirements, and (d) the war with Azerbaijan, which severely curtailed regular, day-to-day activities.

BOX 17. MEASURING DEMAND FOR COURT SERVICES

Evaluation of court performance is intrinsically connected to the demand for court services, although the courts have very little, if any, control over demand. Courts in densely populated areas with greater economic activity are likely to deal with more cases than those in smaller communities but are also likely to have more resources capacity. Thus, objective comparisons and assessments of courts (and judicial systems in general) rely on relative values such as demand compared to population, caseloads and dispositions compared to the number of judges, and output compared to demand.

Overall demand for court services is measured in this report through caseloads and workloads. Caseloads are defined as the number of incoming cases for a given year, while workloads are the sum of the number of incoming and pending cases for a given year (i.e., both new cases and unresolved cases from the previous year). Increasing caseloads indicate new demand, growing workloads may also suggest courts' declining productivity. Either way, growing workloads eventually lead to congestions and expanding backlogs.

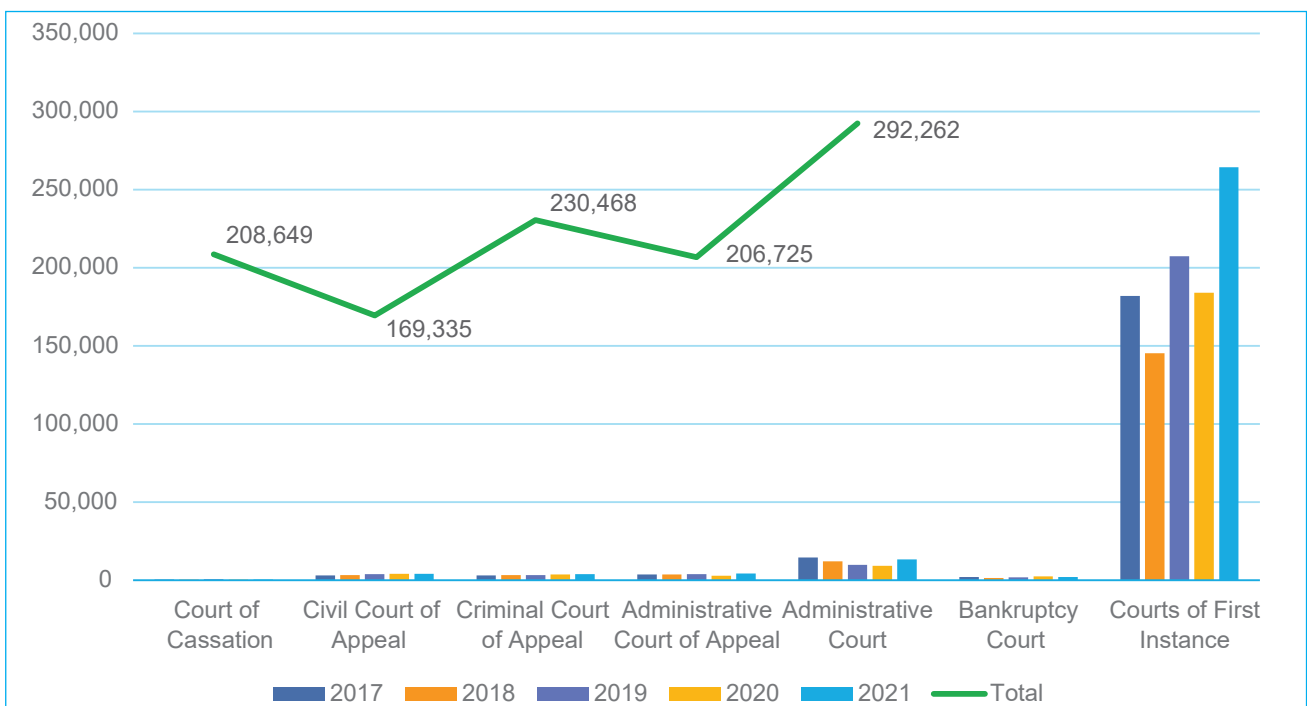
Case types in this chapter are analyzed separately, depending on data availability. They are primarily disaggregated as civil, criminal, administrative, and bankruptcy cases and orders for payment, observed from 2017 through 2021. Further disaggregation and a more rigorous approach were not always feasible because of lack of data.

(a) Caseloads by Court Type and Case Type

72. Although the general demand for court services in Armenia increased from 2017- 2021, there are notable variations over the years in court types, with courts of first instance of general jurisdiction⁸⁶

(hereafter: courts of first instance) dominating the totality of incoming cases (see Figure 4). The Civil and the Criminal Court of Appeal reported increases each year from 2017-2021; the Court of Cassation had relatively small and stable caseloads, while demand fluctuated in other types of courts.

Figure 4. Incoming Cases by Court Type, 2017-2021



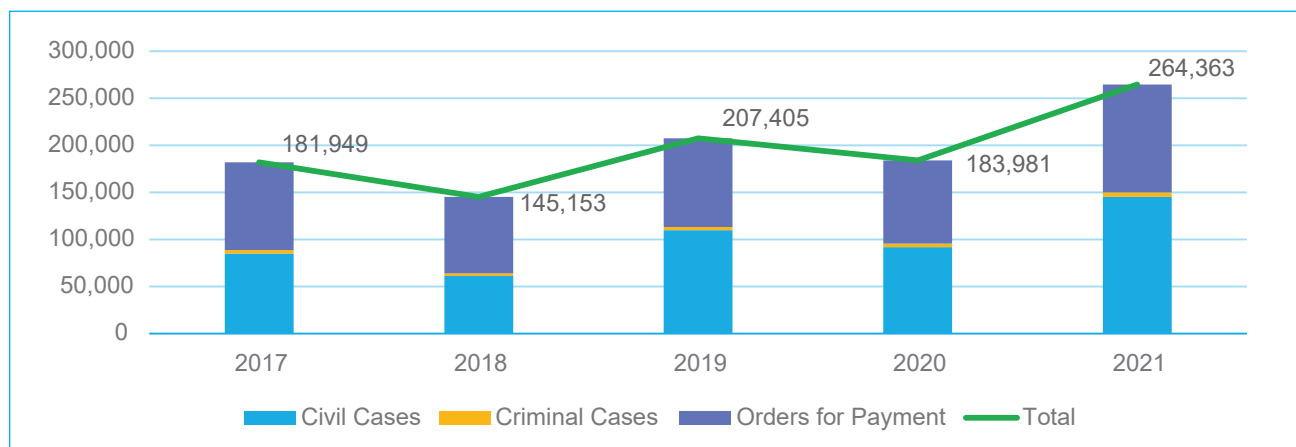
Source: court.am

⁸⁶Court of first instance of general jurisdiction receive civil and criminal cases. There are other court that also receive first instance-level cases, i.e., the Bankruptcy Court and the Administrative Court. Where the text refers to courts of first instance, the first instance courts of general jurisdiction are referred to; other first instance courts are referred to by their respective titles. Where the text refers to first-tier courts, the first instance courts of general jurisdiction, the Bankruptcy Court and the Administrative Court are referred to. See Introduction for details concerning Armenia's judicial system.

73. Overall caseloads at the first instance courts increased by 45 percent since 2017, mirroring the overall caseload trend. This was also the sharpest increase compared to other court types, and in 2021 courts of first instance received 91 percent of all cases – or 264,363 cases. The overall distribution among civil (including OfPs) and criminal cases in courts of first instance did not change over time but both increased equally. The most significant contributors to the rise in demand were civil cases concerning contractual/monetary obligations and OfP (Figure 5).⁸⁸

This is likely due to the introduction of the simplified procedure (see Box 18), bringing new procedural possibilities for creditors for faster and more efficient processing of small claims, and the impact of COVID-19, including pandemic-induced financial hardships plus social distancing restrictions and limited availability of e-justice procedures, delaying cases which would otherwise have been brought in 2020. In 2021, cases concerning contractual/monetary obligations increased by 63 percent, for OfP by 30 percent.

Figure 5. Incoming Cases by Case Type in Courts of First Instance, 2017-2021



Source: court.am

74. Cases regarding contractual/monetary obligations and OfP were also the main drivers of increased caseloads in individual courts of first instance. In cases regarding contractual/monetary obligations, all individual courts of first instance reported increases in 2019 and 2021, without exceptions. In OfP cases in

2019, all courts reported increases in caseloads, from 3 percent in Gegharkunik to 36 percent in Tavush. In 2021, courts in Aragatsotn, Syunik and Tavush were the only ones with reduced OfP caseloads by 3 percent, 31 percent, and 45 percent, respectively.

BOX 18. SMALL CLAIMS AND ORDERS FOR PAYMENT IN ARMENIA

Small claims procedures in Armenia relate to two types of procedures:

Simplified procedure: a set of separate rules of procedure governing low-value cases (below 2,000 times the minimum monthly wage* of approximately €3,800) introduced in February 2018 and amended in July 2019. According to the MoJ, the simplified procedure was used in 55 percent of pending civil cases in 2019, 40 percent in 2020, and 31 percent in the first half of 2021. Judges of courts of first instance report that many were initiated by banks or credit agencies.

Expedited procedure: a set of separate rules of procedure governing certain case types, including civil disputes with a value below 50-times the minimum monthly wage* (approximately €95) since its amendment in 2018.

⁸⁷The Civil Court of Appeal and the Criminal Court of Appeal followed with increases of 31 percent and 24 percent, respectively.

⁸⁸For further insights into small claims and order for payment procedures, see “Enhancing the efficiency of Court Processes in Armenia: Ways to Improve the Simplified Procedure and Order for Payment Procedure for Better Justice System Performance”, World Bank; accessed at <https://documents1.worldbank.org/curated/en/98003160862888810/pdf/Governance-and-Justice-Enhancing-the-efficiency-of-Court-Processes-in-Armenia-Ways-to-Improve-the-Simplified-Procedure-and-Order-for-Payment-Procedure-for-Better-Justice-System-Performance.pdf>.



In contrast, OfP are non-litigious procedures, with no opposing sides, through which the creditor may obtain an enforceable title for an outstanding monetary claim assuming the debtor does not object. If objected to by the debtor, the demand under the OfP shall be submitted to court as a litigious case and, depending on its value, may continue as a small claim (simplified procedure, expedited procedure).

According to the World Bank, the OfP procedure should be strengthened to allow efficient processing of non-litigious claims and reduce the burden on courts. Meanwhile, the threshold for small claims and scope of the simplified procedure may be reconsidered to reflect the economic situation in Armenia more accurately. More in-depth analysis on these procedures is still impeded by the lack of official statistics. Data shared by the JD and the MoJ did not offer sufficient information to monitor trends, calculate shares of case types, or review performance. However, given the share of cases falling under one of these three procedures, further streamlining and digitalization is likely to have a significant impact on the overall workload and would free up resources to focus on litigious and more complex cases.

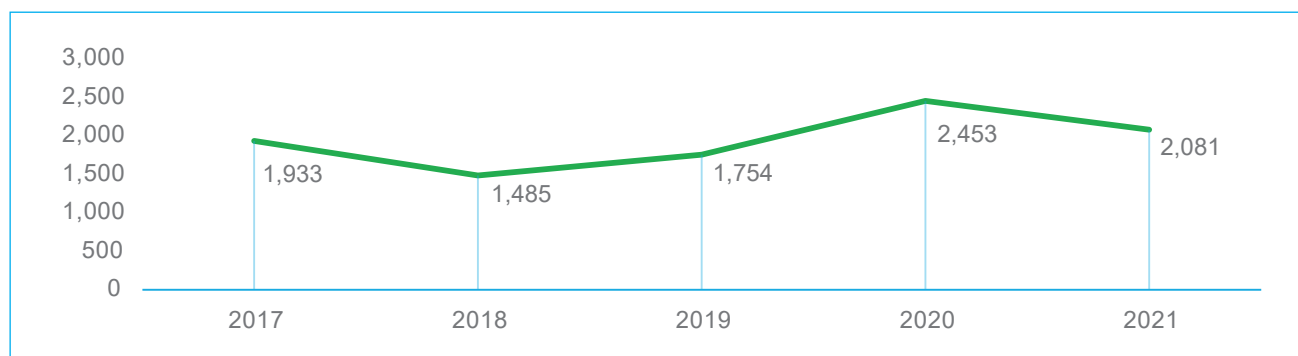
Source: “Enhancing the efficiency of Court Processes in Armenia: Ways to Improve the Simplified Procedure and Order for Payment Procedure for Better Justice System Performance”, World Bank, December 2020.

* The minimum monthly wage is a figure used to compute certain calculations related, for example, to state fees and duties. It is equal to AMD 1,000 (approximately €2). It is a base amount that does not reflect real monthly minimum remuneration.

75. Demand at other first-tier courts was considerably lower; the Administrative Court even saw a decrease in caseload. At the Bankruptcy Court the overall caseload increased by 8 percent from 2017-2021, but never reached 1 percent of the total caseload in Armenia (Figure 6).⁸⁹ In 2021, 75 percent of

the Court’s incoming cases were bankruptcy of individuals (which grew by 45 percent since 2017), 19 percent of companies, and 6 percent of individual entrepreneurs.⁹⁰ Seven percent (147 cases) of the caseload in 2021 were litigious cases in connection to bankruptcy.

Figure 6. Incoming Cases in the Bankruptcy Court, 2017-2021



Source: court.am

76. Contrary to the overall trend, the Administrative Court, located in Yerevan, reported a decrease in caseload since 2017. A constant decline in incoming cases reported from 2018 to 2020 was followed by an increase of 46 percent from 2020 to 2021.⁹¹ Eighty-five

percent of incoming cases were related to contesting decisions passed by central or local government.⁹²

77. At the appellate level, the overall caseload increased almost consistently year over year since 2017 and higher-tier courts combined received

⁸⁹The variation ran from 0.93 percent in 2017 and 0.71 percent in 2021. The “Bankruptcy Court” category is used for the whole period from 2017-2021 to monitor the evolution of trends, although bankruptcy cases were handled in first instance courts until January 1, 2019. It is worth to note that in 2020, an amendment to Law on Bankruptcy increased the threshold for becoming bankrupt from previous 1,000,000 AMD to 2,000,000 AMD. Also, the number of days that the debtor considered as breaching the contract, was changed from 60 to 90 days. This amendment became in force since 12.10.2020. This factor may have reflected in bankruptcy statistics.

⁹⁰Individuals engaged in entrepreneurial (commercial) activities without forming a legal entity are covered by the same regulation as legal entities in terms of bankruptcy proceedings, with some procedural differences, such as lower fees.

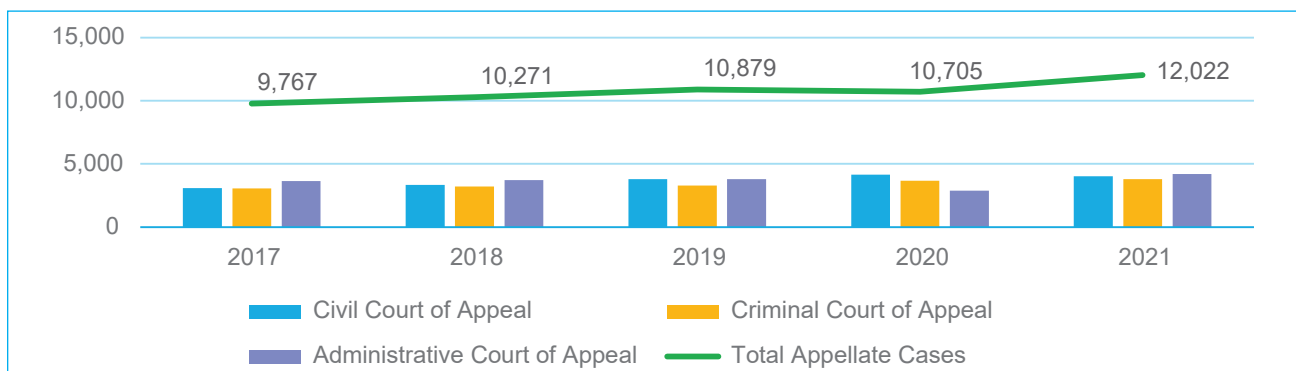
⁹¹Concurrently, the share of the Administrative Court’s caseload in the total declined from 7 percent in 2017 to 5 percent in 2021. It received 14,571 cases in 2017, 11,992 in 2018, 9,913 in 2019, 9,159 in 2020, and 13,385 in 2021.

⁹²50 percent by local government and 35 percent by central government.

12,433 cases in 2021 (see Figure 7), **slightly more than 3 percent of the total demand.** The Criminal Court of Appeal reported a constant increase in incoming cases from 2017 through 2021, in total by 24 percent, while the caseload of the Civil Court of Appeal increased by 31 percent over the same period. Nevertheless, the

shares of cases received in both appellate courts in the total received cases in Armenia in 2021 were low, 1.4 percent in the Civil Court of Appeal and 1.3 percent in the Criminal Court of Appeal. At the Administrative Court of Appeal caseload fluctuated but saw an overall increase since 2017.

Figure 7. Incoming Appellate Cases per Court Type, 2017-2021

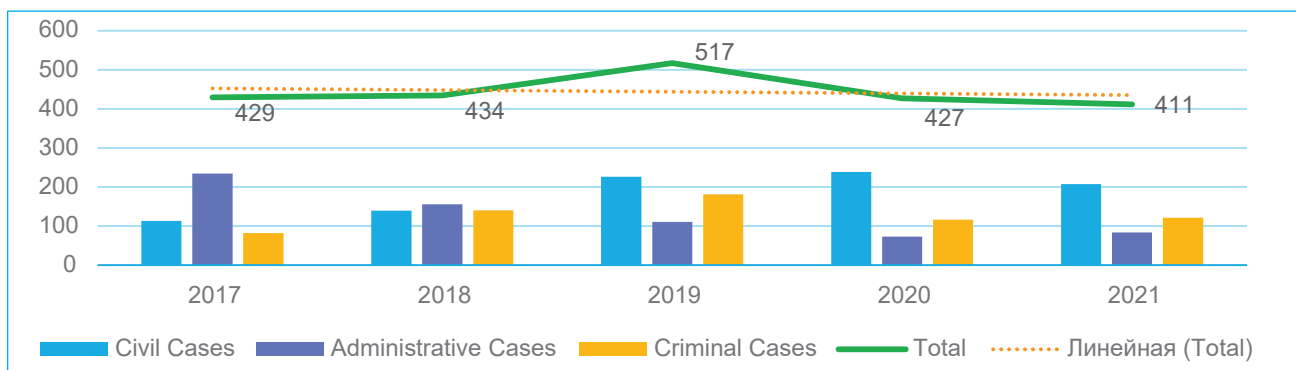


Source: court.am

78. At the highest level, i.e., the Court of Cassation, caseload remained stable from 2017 through 2021, except in 2019, when an increase of 19 percent was reported (see Figure 8). The 2019 increase reflected civil cases and criminal cases revived by the Court of

Cassation because of newly emerged circumstances.⁹³ In 2020, the Court of Cassation caseload returned to its typical values. In 2017 the Court received 429 cases, 434 in 2018, 517 in 2019, 427 in 2020, and 411 in 2021.

Figure 8. Incoming Cases in Court of Cassation per Case Type, 2017-2021



Source: court.am

(b) Caseloads per Judge

79. At the judge level, the number of incoming cases varied significantly among court types in 2021. The highest ratio per judge was reported in courts of first instance at 1,717 cases and the lowest one in the Court of Cassation at 26 cases. Civil Court of Appeal judges received 18 percent more cases on average than Criminal Court of Appeal judges. At 582 cases, the Administrative Court caseload per judge average

exceeded the Administrative Court of Appeal's average of 350 cases per judge. In contrast, each Bankruptcy Court judge received, on average, 139 cases.

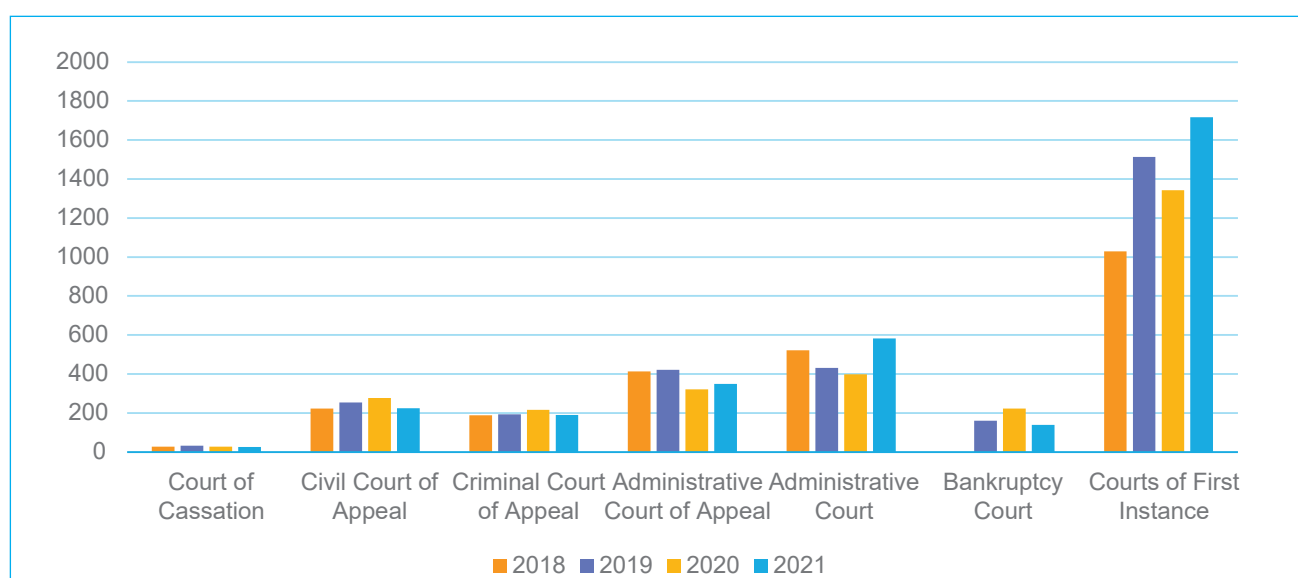
80. Significant variations in caseloads per judge were also noted over time, where some saw increases while others saw decreases in the numbers (see Figure 9). Caseloads per judge from 2018 to 2021 increased in the first tier by 67 with the courts of first instance of general jurisdiction seeing

⁹³Typically, there are fewer than 10 received cases concerning new circumstances in criminal proceedings, in 2019, there were 45.

an increase in demand of 82 percent, accompanied by a 9 percent increase in the number of judges. The Administrative Court had a 12 percent increase in cases received, while the number of filled judges' positions remained unchanged at 23. Caseloads declined overall in the Administrative Court of Appeal and the Bankruptcy Court, where the number of filled judges' positions increased by 36 percent while incoming cases increased by only 19 percent. At the Courts of

Appeal, judges received stable numbers of cases in the civil and the criminal domain while the demand per judge declined in the administrative one. Both courts increased the number of filled judge positions by one-fifth, while the number of incoming cases increased also by approximately one-fifth. Caseloads per judge at the Court of Cassation decreased negligibly, from 27 in 2020 to 26 in 2021. This reflected a stable number of both received cases and judges (see Figure 9).

Figure 9. Average Caseload per Judge by Court Type, 2018-2021



Source: court.am and WB Calculations

81. Disaggregating by individual courts of first instance, where the bulk of the caseload is located, there were substantial differences in the average caseload per judge in 2021 that could not be explained

by court size (see Table 1). Only two courts of first instance were within calculated average values of cases per judge. Five court had above average caseloads per judge and three below average.

Table 1. Average Caseloads per Judge in Courts of First Instance in 2021

	Incoming Cases	No. of Judges	Caseload per Judge
The numbers for courts with caseloads per judges that were above the national average are green, numbers for courts only 10 percent above or below the average are blue, and the numbers for courts below the national average are red.			
Armavir	21,682	9	2,409
Ararat and Vayots Dzor	27,677	12	2,306
Kotayk	21,461	10	2,146
Shirak	24,557	12	2,046
Lori	23,780	12	1,982
Aragatsotn	10,356	6	1,726
Gegharkunik	14,990	9	1,666
Yerevan	104,853	69	1,520
Tavush	7,426	6	1,238
Syunik	7,581	9	842

Source: court.am and WB calculations

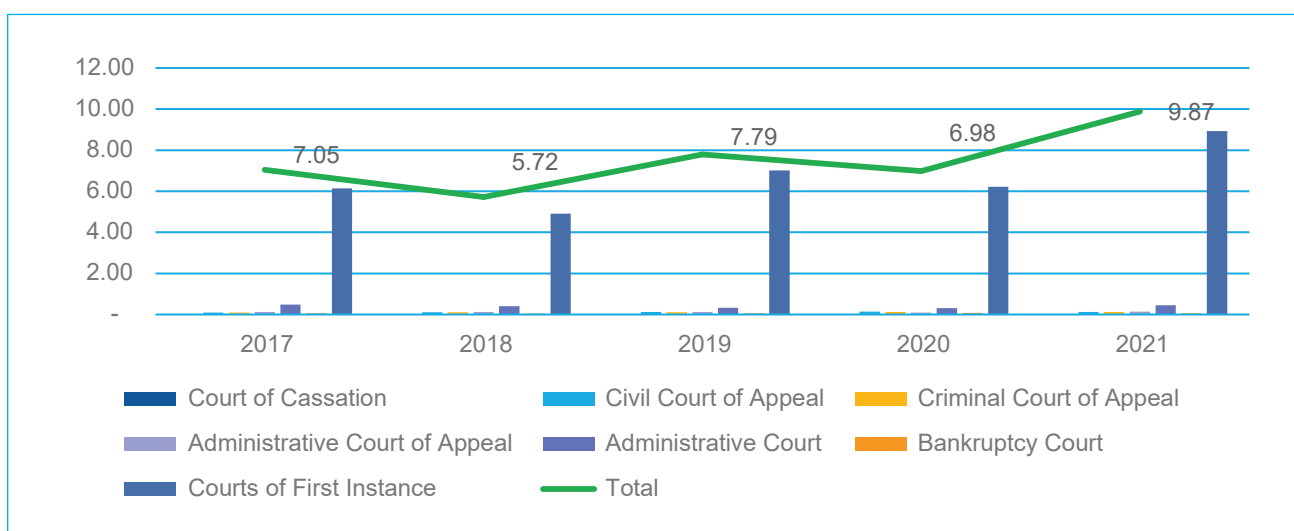


(c) Demographic Differences in Demand for Court Services

82. In line with the overall caseload trend, Armenia's incoming caseload per inhabitant ratio increased over time, from 7.05 cases per 100 inhabitants in 2017 to 9.87 in 2021 (see Figure 10),⁹⁴ which could look low at first sight when benchmarked against Council of Europe countries. In comparison to CEPEJ member states (using the CEPEJ methodology), Armenia has low demand for criminal cases (0.10 cases per 100 inhabitants vs. 2.77 per 100 inhabitants in other CEPEJ

member states on average) and non-criminal cases at first instance courts (6.13 cases per 100 inhabitants vs. 10.29 cases in CEPEJ member states per 100 inhabitants.) However, it is at par in litigious cases with other CEPEJ member states (2.85 cases per 100 inhabitants vs. 2.53 cases per 100 inhabitants). Given the low number of judges (8 per 100,000 inhabitants in Armenia vs 21.4 in other CEPEJ member states) this represents a significant workload per judge in Armenia (for non-criminal cases), about double the workload of judges in CEPEJ member states (see also Annex 6).

Figure 10. Incoming Caseload per 100 Inhabitants by Court Type from 2017 to 2021



Source: court.am and WB calculations

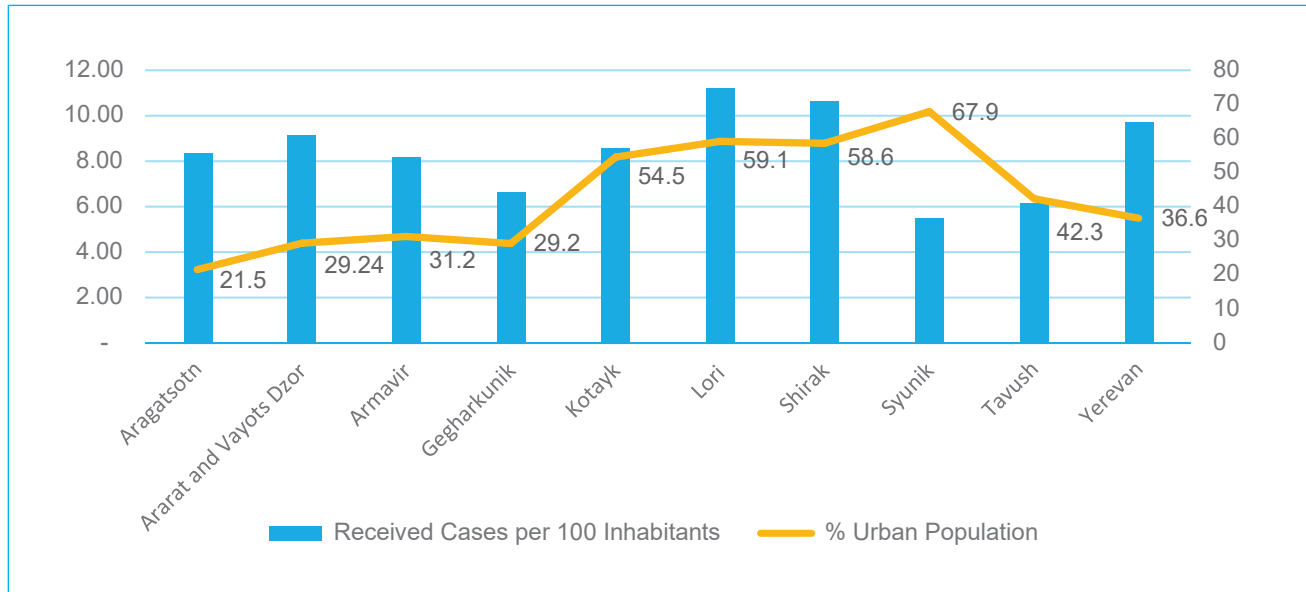
⁹⁴Calculated using Statistical Committee of the Republic of Armenia, Brief Social and Economic Characteristic of RA Marzes and Yerevan City, Armenia in Figures, 2020. For details see https://armstat.am/file/article/armenia_2020_16.pdf. World Bank urban population index is available at: <https://data.worldbank.org/indicator/SP.URB.TOTL.IN.ZS?locations=AM>.



83. There seems no strong relationship between the region's degree of urbanization and demand for court services (see Figure 11). In a review of first instance courts (which handle the bulk of the caseload), regions near the top of the urbanization rate, e.g., Lori

and Shirak, reported the highest caseloads per 100 inhabitants in 2021 but Syunik, with the highest rate of urbanization, had the lowest. The capital Yerevan ranked third, while in terms of urbanization it ranked sixth.

Figure 11. Incoming Cases per 100 Inhabitants in 2021 vs. % of Urban Population



Source: court.am and WB calculation

(d) Case Dispositions

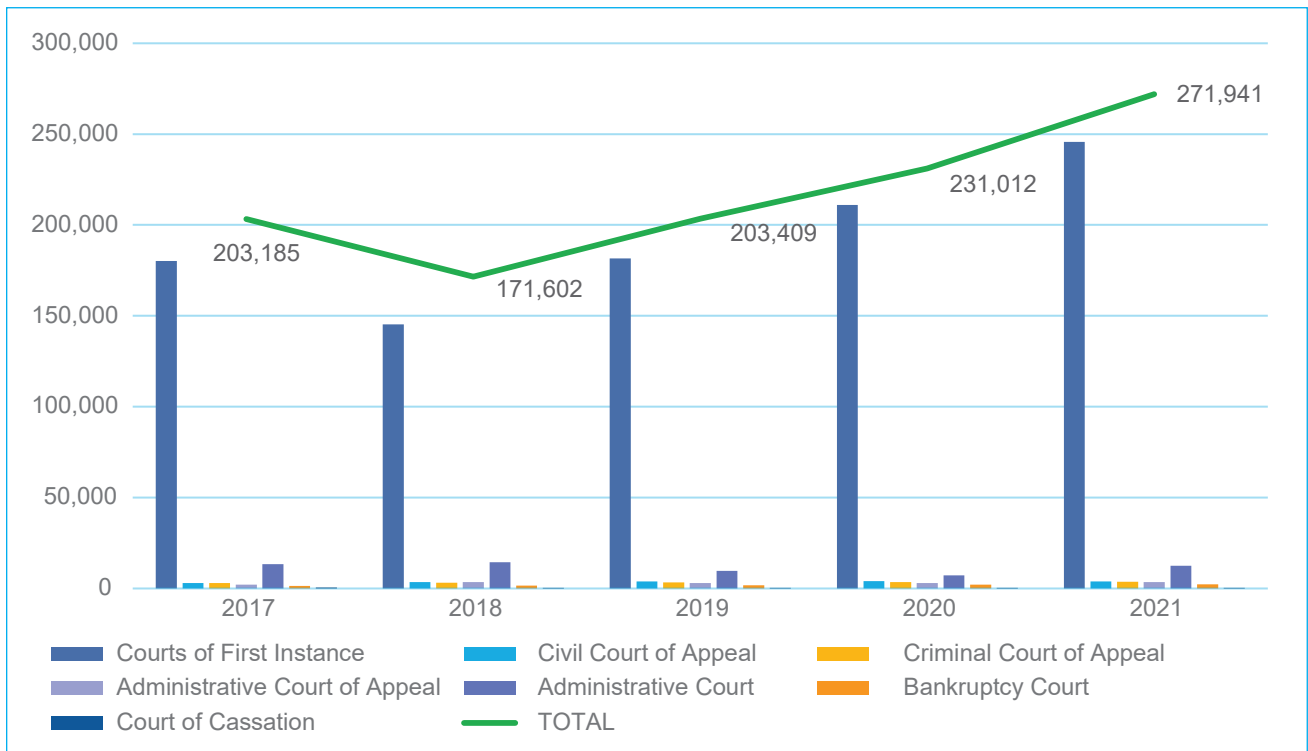
84. Case dispositions of Armenian courts have increased overall. In 2021, Armenian courts disposed of 271,941 cases, a 34 percent increase

from 2017. As with incoming cases, the courts of first instance were the most influential with respect to the overall trend (see Figure 12).

BOX 19. TRACKING CASE DISPOSITION NUMBERS

Tracking disposition numbers helps assess performance, particularly for management purposes. Case dispositions refer to the resolution of cases in a particular court. Significant variations in dispositions may point to inadequate allocation of resources or misallocated caseloads and workloads, or to deficiencies in court management. Jurisdictions may respond to variations with measures such as reallocation of resources (temporary or permanently), adjustment of targets or budget allocations, and legislative amendments of court jurisdiction. Judges (and staff) may be assigned to an overburdened court or cases may be delegated from the overburdened court to a less burdened one; a feature that is currently not foreseen by Armenia's procedural laws. Case dispositions may also be used to assess the effects of specific reforms.

Figure 12. Dispositions by Court Type, 2017-2021

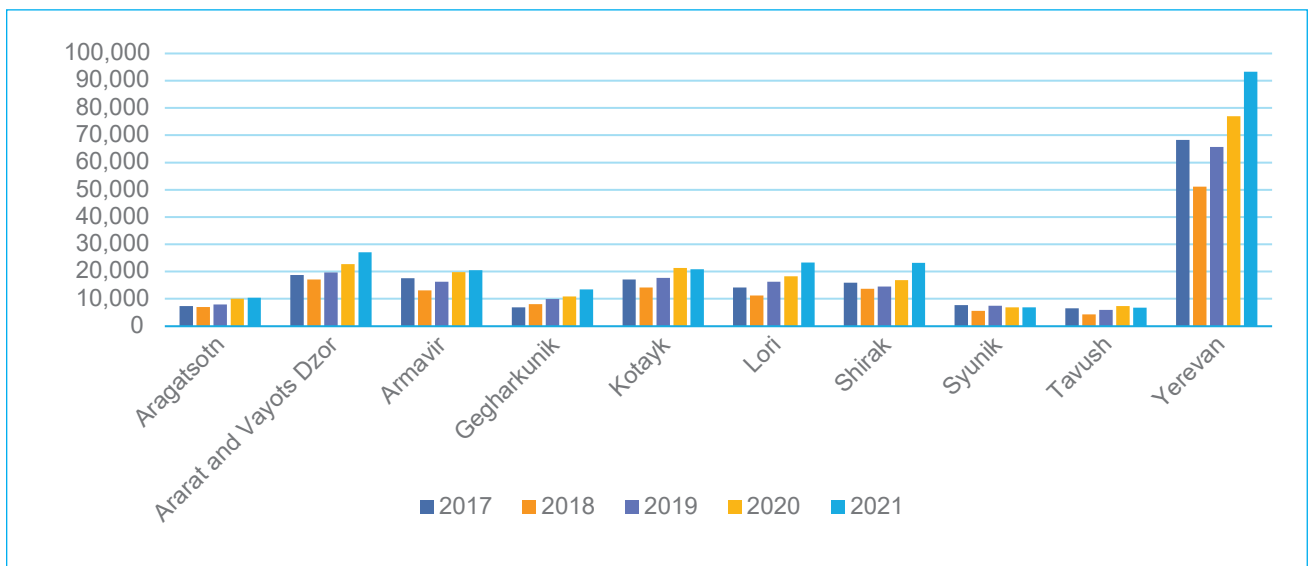


Source: court.am

85. All but one court of first instance increased their dispositions from 2017-2021 (see Figure 13). The highest volume of disposed cases is found in the capital Yerevan which also accounts for the largest number of judges. Only the court of first instance in the Syunik region, the court with the lowest caseloads and workloads and dispositions per judge among courts of first instance, reported a decline of 11 percent. Conversely, the court

of first instance in the Gegharkunik region doubled its dispositions in the observed period while the one in Lori region increased dispositions by 65 percent. At the same time, only the courts in the Aragatsotn region and the Gegharkunik region reported a constant increase in dispositions each year from 2017-2021. Other courts of first instance varied, but none had a continual decline in dispositions.

Figure 13. Dispositions per Court in Courts of First Instance, 2017-2021

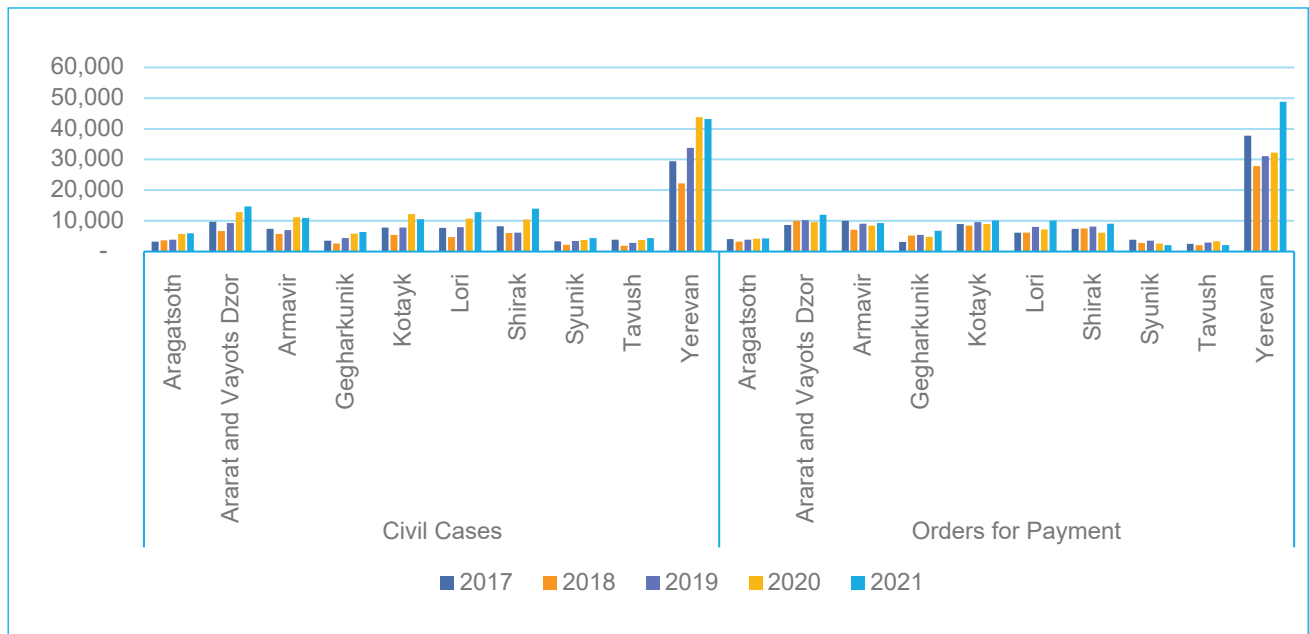


Source: court.am

86. Trends in the dispositions per individual court of first instance display similar trends, the introduction of simplified procedures appears to be impacting the resolution of OfPs. By far the largest volume in both case types is resolved in Yerevan, while the lowest numbers of disposed cases, both civil cases and OfP,

were reported in the courts in Syunik and Tavush. All courts of first instance resolved more civil cases than OfP in 2020; however, in 2021 the courts in Gegharkunik and Yerevan resolved more OfPs (see Figure 14), supporting the conclusion that courts are using the simplified procedure as a “de facto” OfP procedure.

Figure 14. Dispositions per Court of First Instance in Civil Cases and Orders for Payment, 2017-2021



Source: court.am

(e) Dispositions per Judge

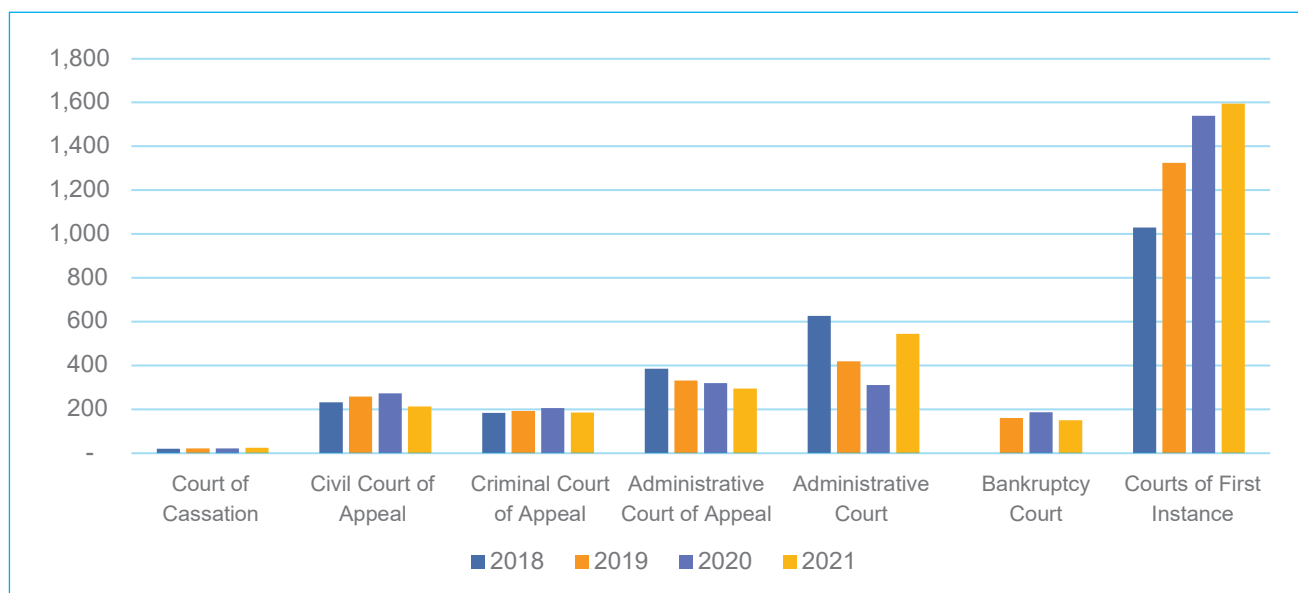
87. As in the caseload per judge ratio, dispositions per judge in Armenia varied significantly among court types in 2021 (see Figure 15). The courts of first instance had the highest dispositions per judge ratio, with 1,596 resolved cases per judge, and the largest and most significant increase in dispositions per judge, 55 percent from 2018.⁹⁵ The Court of Cassation had the fewest resolved cases per judge (24) but has

a very different role in the judicial system. Civil Court of Appeal judges resolved 15 percent more cases per judge than the Criminal Court of Appeal judges. The Administrative Court of Appeal disposed on average 529 cases per judge, while the Administrative Court’s judges disposed 545 cases on average, declining by 13 percent from 2018-21. The Bankruptcy Court’s judges resolved 151, mostly non-litigious, cases on average.⁹⁶

⁹⁵Data on filled judges’ positions were unavailable for 2017.

⁹⁶Data on the Bankruptcy Court since becoming operational in 2019.

Figure 15. Average Dispositions per Judge by Court Type, 2018-2021



Source: court.am and WB calculations

88. As with the averages for caseload per judge, there was no correlation between court size and the disposition per judge ratio (see Table 2), although it is often perceived that large courts deliver more.

However, there is a correlation between the courts' caseloads and their dispositions. The same courts that received above-average caseloads per judge resolved an above-average number of cases.

Table 2. Average Dispositions per Judge in Courts of First Instance in 2021

	Disposed Cases	No. of Judges	Dispositions per Judge
The numbers for dispositions per judge that were above the national average are in green, 10 percent above or below the average are in blue, and below the national average are in red.			
Armavir	20,502	9	2,278
Ararat and Vayots Dzor	27,119	12	2,260
Kotayk	20,894	10	2,089
Lori	23,322	12	1,944
Shirak	23,182	12	1,932
Aragatsotn	10,403	6	1,734
Gegharkunik	13,441	9	1,493
Yerevan	93,246	69	1,351
Tavush	6,744	6	1,124
Syunik	6,855	9	762

Source: court.am and WB calculations

89. At the appellate level, the Civil Court of Appeal and the Administrative Court of Appeal registered declines in the dispositions per judge from 2018 to 2021, while the Criminal Court of Appeal's dispositions per judge remained unchanged. The decline amounted to 8 percent in the Civil Court of Appeal (from 232 to 213 cases) and 24 percent in the Administrative Court of Appeal (from 386 to 294 cases).

The Criminal Court of Appeal reported 184 disposed cases per judge in 2018 and 185 in 2021. The decline in the Civil and the Administrative Court of Appeal are connected to stable/declining caseloads per judge and increases in filled judge positions. In the Criminal Court of Appeal, the increase in caseloads was mitigated by three additional judge appointments translating into an increase of 18 percent in filled judge positions.

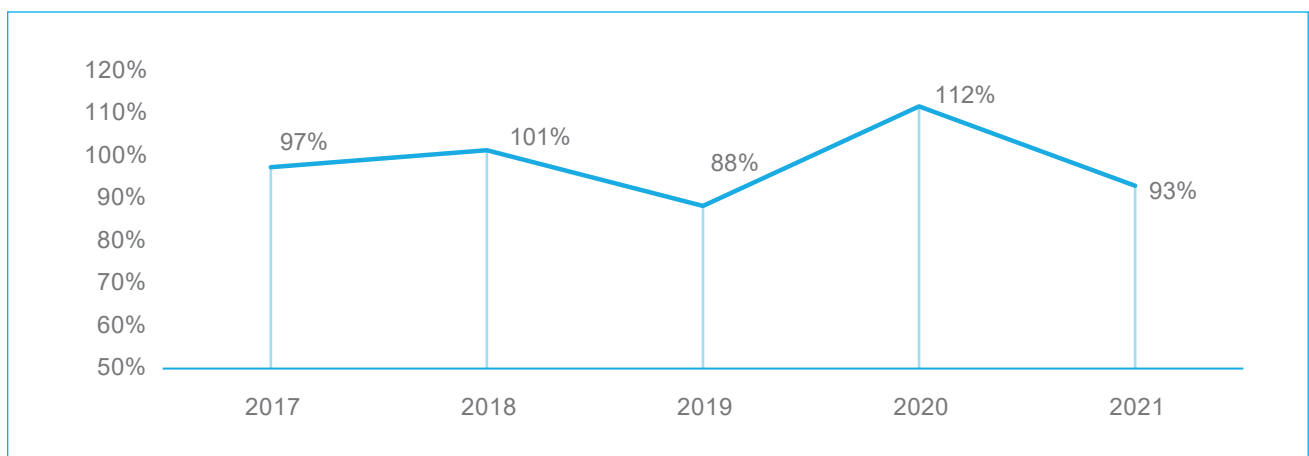
90. The Court of Cassation produced stable dispositions per judge from 2018 to 2021. Although the average dispositions per judge rose from 20 to 24 cases, this was insufficient to achieve favorable clearance rates.

(f) Clearance Rate

91. The combined clearance rate for all Armenian courts varied from 88 percent in 2019 to 112 percent in 2020 (see Figure 16). In 2018 and 2020, the combined national clearance rate benefited from lower incoming

caseloads and growing dispositions, primarily in courts of first instance. In 2018, both the caseloads and the dispositions declined, but still more cases were resolved than received. In 2020, the caseloads declined while the dispositions increased owing to 39 percent more resolved civil cases than the previous year.⁹⁷ In 2021 the courts of first instance continued to be the biggest driver of the overall clearance rate. The decline of 19 percentage points from 2020 to 2021 reflected the 58 percent increase in civil cases received while only 6 percent more were resolved.

Figure 16. Overall Clearance Rates, 2017-2021



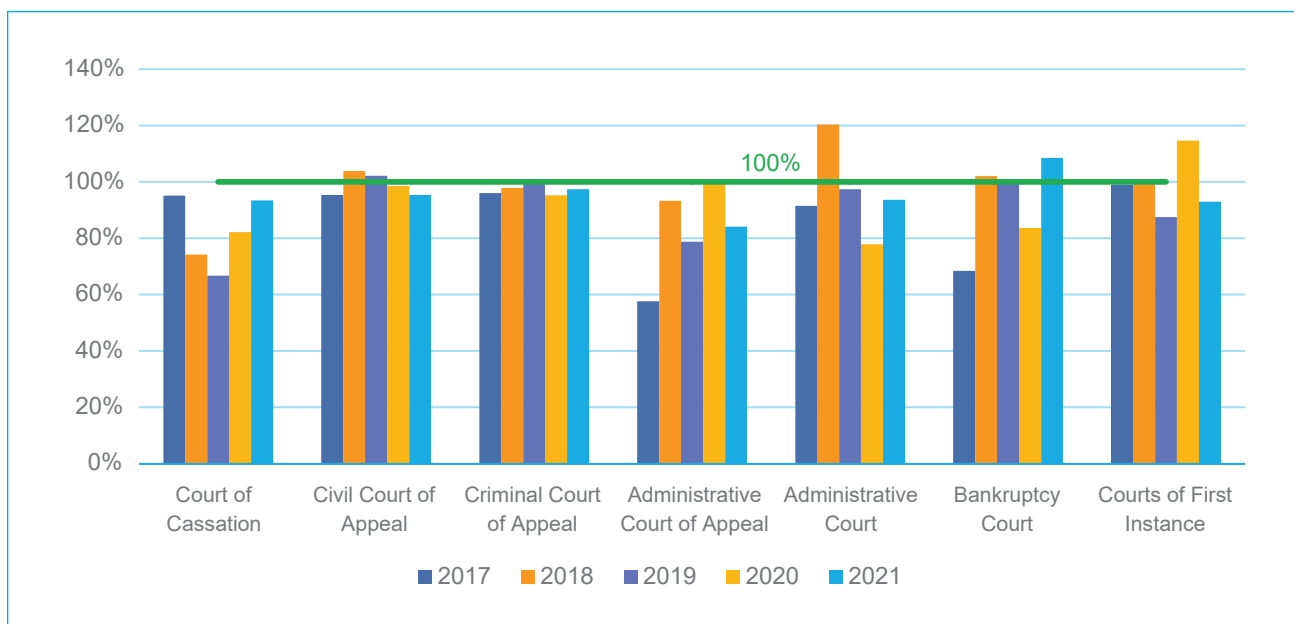
Source: court.am and WB calculations

92. Clearance rates by court types rarely exceeded 100 percent from 2017-2021 (see Figure 17); **materializing the risk of growing case backlogs** (see subsequent discussion under Challenge 2). The courts of first instance exceeded a clearance rate of 100 percent only in 2020 (with 115 percent), meaning that they effectively reduced the backlog only once from 2017-2021. The Court of Cassation’s highest clearance rate was reported in 2017, at 95 percent,

while in 2019 it fell to 67 percent. Most other court types reached or exceeded 100 percent only once or twice in the observed period. The sole exception here was the Bankruptcy Court, which achieved this three times, making this small court the best performer among court types. The Administrative Court of Appeal reported the lowest clearance rate of 58 percent in 2017, whereas the highest clearance rate was reported by the Administrative Court, at 120 percent in 2018.

⁹⁷The dispositions of criminal cases increased by 5 percent while those for OFP declined by 5 percent compared to 2019.

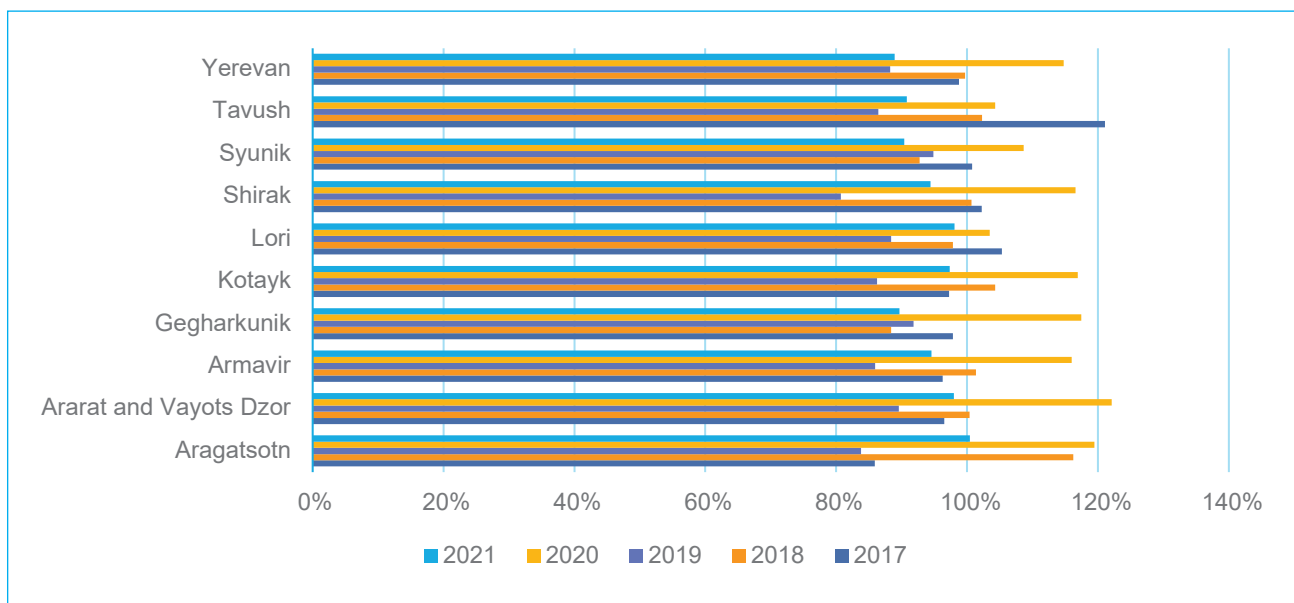
Figure 17. Clearance Rates by Court Types, 2017-2021



Source: court.am and WB calculations

93. The combined clearance rate of courts of first instance exceeded 100 percent only in 2020, which was also the year that all individual courts of first instance exceeded 100 percent (see Figure 18). Individual courts varied in clearance rates in 2017 and 2018 while in 2019 there were no courts with clearance rates of 100 percent or higher. In 2021 only the court in Aragatsotn reached 100 percent.

Figure 18. Clearance Rates among Courts of First Instance, 2017-2021



Source: court.am and WB calculations



94. When disaggregated into case types, the success reported in 2020 was almost exclusively connected to civil cases concerning contractual/monetary obligations, typically processed through the simplified procedure. In this case type, all courts of first instance produced high clearance rates, up to 145 percent.⁹⁸ Calculated specifically for criminal cases and OfP, clearance rates of courts of first instance in 2020 were much lower. In criminal cases, the clearance rate varied from 47 percent in the Armar region to 104 percent in the Syunik Court, which was the only court of first instance to surpass 100 percent clearance rate in 2020. Only three courts of first instance managed to reach or exceed a clearance rate of 100 percent in OfP (the courts in the Ararat and Vayots Dzor region, the Armar region, and the Gegharkunik region).

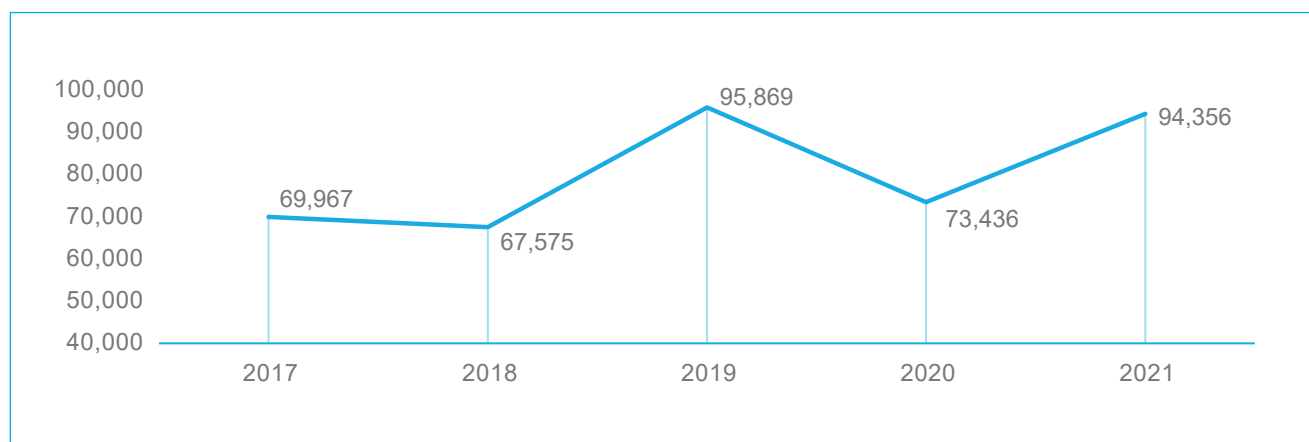
95. In 2021, only one court of first instance (in Aragatson) achieved a clearance rate of 100 percent. In that same year, civil cases clearance rates declined and fell under 100 percent in all courts and criminal cases remained under 100 percent in all courts. While OfP clearance rates improved and moved above a rate of 100 percent (excepting the first instance court in

Yerevan, at 98 percent), this was insufficient to offset the decline in clearance rates in civil and criminal cases.

(ii) Challenge 2: Growing Backlogs

96. As caseloads increase and clearance rates are below 100 percent (on average), Armenian courts are facing an increase in their overall pending stock: from 69,967 cases in 2017 to 94,356 cases in 2021, or an up-tick of 35 percent. Pending cases (pending stock) as an indicator compares the number of unresolved cases carried over from one year to the next. The presence of pending stock is inevitable as no court can resolve all cases entering each year – some cases enter the system too late in the calendar or are too complex to be disposed of before the year's end. The pending stock becomes problematic when their numbers increase from year to year and include many older cases. Pending cases are sometimes described as backlogged, but in some jurisdictions “backlog” refers only to pending cases over a certain age limit.⁹⁹ Figure 19 tracks this issue from 2017-2021 (the sharp decline registered in 2020 reflects the previously analyzed increase in courts of first instance clearance rate).

Figure 19. Total Unresolved Cases at the End of Year, 2017-2021



Source: court.am

⁹⁸See discussion in section on caseloads of courts of first instance for more detail on this specific case type.

⁹⁹There is not a common definition of backlogged cases. Cases that had first arrived at the court more than two years ago are considered as backlogged according to CEPEJ methodology. Individual countries have adopted their own thresholds (e.g., in Croatia and Serbia cases are considered as “old” or backlogged if they are older than three years counted from the first time the parties required court protection in the respective matter). More on the topic is available in the 2012 CEPEJ report ‘Length of court proceedings in the member states of the Council of Europe based on the decisions of the European Court of Human Rights’, see [https://www.echr.coe.int/LibraryDocs/DG2/HRFILES/DG2-EN-HRFILES-16\(2007\).pdf](https://www.echr.coe.int/LibraryDocs/DG2/HRFILES/DG2-EN-HRFILES-16(2007).pdf).

BOX 20. AGING LISTS

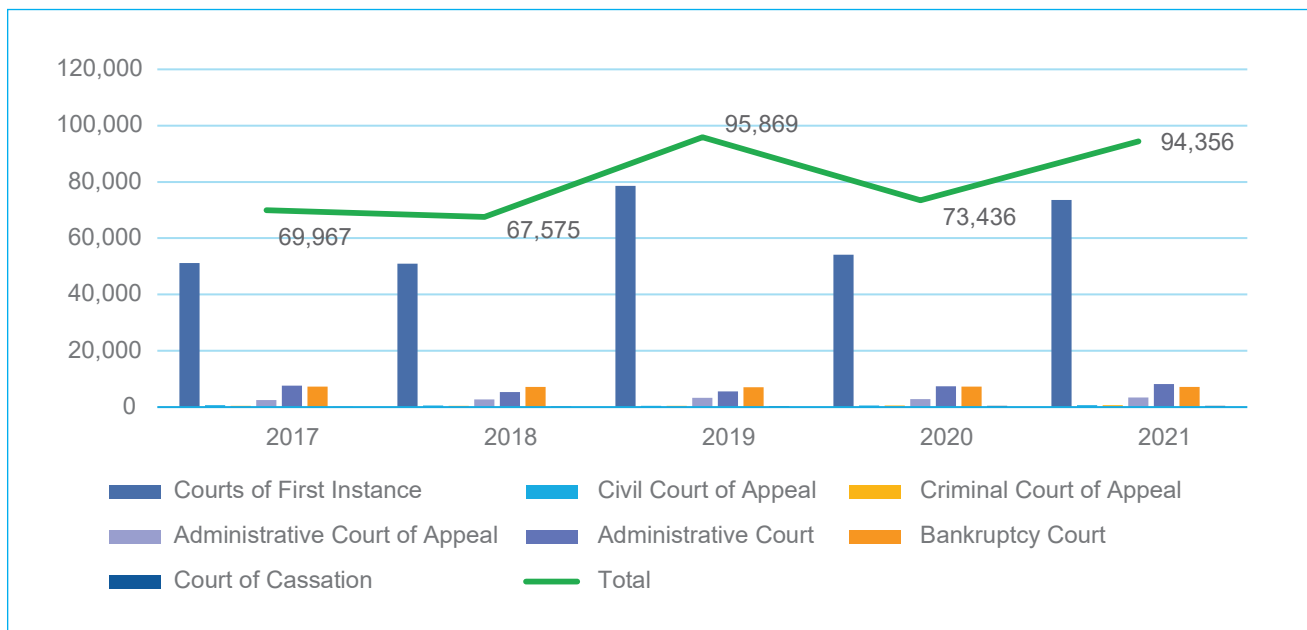
There is no formal definition of backlogged or 'old' cases adopted in Armenia, and there is no fast-tracking of cases that are stranded in the system for a prolonged time. The recently adopted time limits for case disposition attempt to tackle the issue, but as yet there are no measured results.

Armenian courts do not keep aging lists of pending and resolved cases to monitor timeliness, nor have they adopted backlog reduction programs. In principle, aging lists or the age structure of pending and resolved cases indicate how courts select cases for processing and whether they are focusing on disposing of new and simpler cases relatively quickly, while more complicated cases are left in the backlog. Aging lists facilitate the understanding of the pending stock, put focus on resolving the oldest cases first, and are a vital part of concerted backlog reduction programs necessary to eliminate older cases.

97. The primary generators of increasing pending stock from 2017-2021 were the first-tier courts, although other courts also had increases. The overall carried-over cases of courts of first instance (gener-

al and specialized) rose by 34 percent, from 66,158 to 88,972 cases, with a modest "improvement" in the final two years, when the increase declined to only 29 percent (see Figure 20).

Figure 20. Unresolved Cases at the End of Year by Court Type, 2017-2021

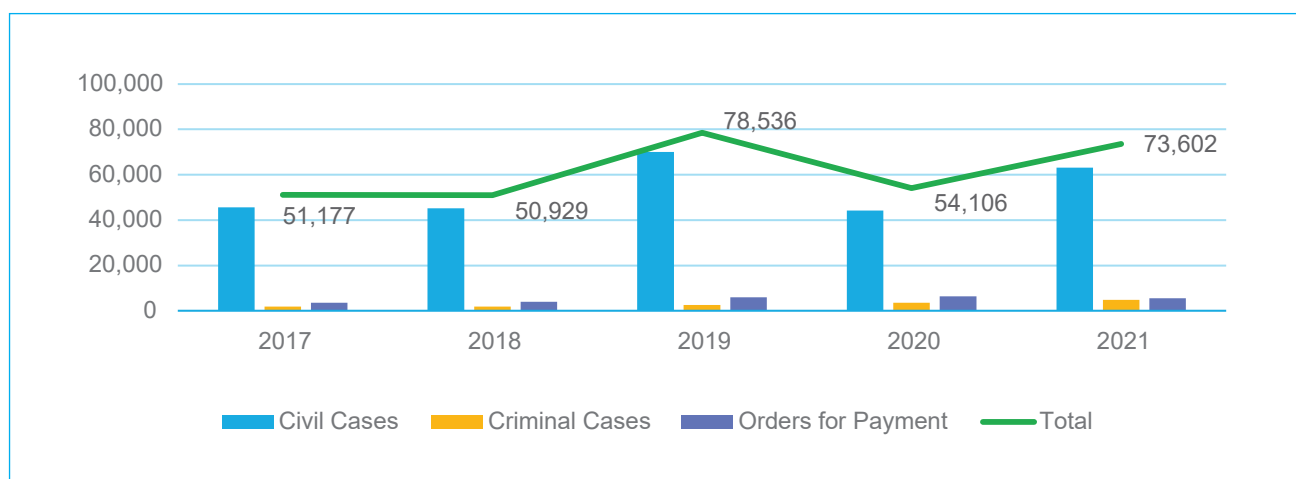


Source: court.am

98. Reflecting its caseload, the volume of end-year pending cases in courts of first instances effectively determined the overall trend, while in the Administrative Court and the Bankruptcy Court the variations were more modest. From 2017-2021, both the Administrative Court and the Bankruptcy Court increased their pending stock by 7 percent (to 8,206 cases) and 6 percent (to 7,400 cases), respectively.

99. Almost 80 percent of the total national pending stock in Armenia in 2021 relates to civil cases in courts of first instance - a volume of pending civil cases that increased by almost 40 percent from 2017-2021, from 51,177 to 73,602 cases (see Figure 21). Over the same period, the courts of first instance were also encountering hardships in other domains. The volume of carried-over criminal cases increased by 151 percent to 4,826 cases and in OfP by 56 percent to 5,588 cases.

Figure 21. Unresolved Cases at the End of Year in Courts of First Instance by Case Type, 2017-2021



Source: court.am

100. The appellate courts combined increased their unresolved cases by one-third 2017-2021, from 3,694 to 4,877 cases. The majority of the increase can be attributed to the Administrative Court of Appeal with an increase of 35 percent or almost 900 cases. The Civil Court of Appeal reported a 6 percent increase in the cases unresolved by the end of the year, while the Criminal Court of Appeal had 250 more cases pending in 2021 (a 55 percent increase).

101. The Court of Cassation increased its pending stock five-fold from 2017-2021, from 115 to 507 cases. The civil pending stock increased four-fold from 59 to 242 cases, the administrative one three-fold from 43 to 128 cases, while the criminal pending stock increased ten-fold from 13 to 137.

102. Despite the growth in backlog and an increase in demand for services without any indication of a change in trend, there are no backlog reduction plans in place or efforts to strengthen statistical data collection as a predicate for such plans. There is no formal definition of backlogged or ‘old’ cases adopted in Armenia, and there is no fast-tracking of cases that are stranded in the system for a prolonged time. Actions should be defined at a system and individual court level, with measures to dispose of cases based on the age structure of resolved and unresolved cases (see Box 21). A backlog reduction plan would ensure a focused and harmonized approach to improving the situation (see example of a plan at Annex 6).

BOX 21. INCENTIVIZING COURT PERFORMANCE – COUNTRY EXAMPLE: SERBIA

Supported by the World Bank, in 2016 Serbia launched its Court Rewards Program to spark innovation for better court performance. The program focused on solving some of the most pressing issues facing the first instance courts by making awards for the “most considerable improvement in backlog reduction” and the “largest improvement in the number of resolved cases per judge.” By focusing on “most improved player” awards, the program aimed to motivate lower-performing courts to improve and lift average performance. Recognition for innovations that contributed to the improvement of the work of the court also led to publication of good in-country practice. Measuring performance on a “per judge” basis in one award category gives smaller courts an equal chance of success.

Beyond monetary awards set at the level of the Supreme Court and granted to the court as a whole, the award also confers recognition and prestige. The winning court is free to choose how to spend their prize money (ICT hardware, office equipment, materials for the beautification of the court etc.).

For more information see the 2017 World Bank report ‘Using Rewards Programs to Recognize and Incentivize Court Performance’ available [here](#).

(iii) Challenge 3: Timeliness in Case Processing

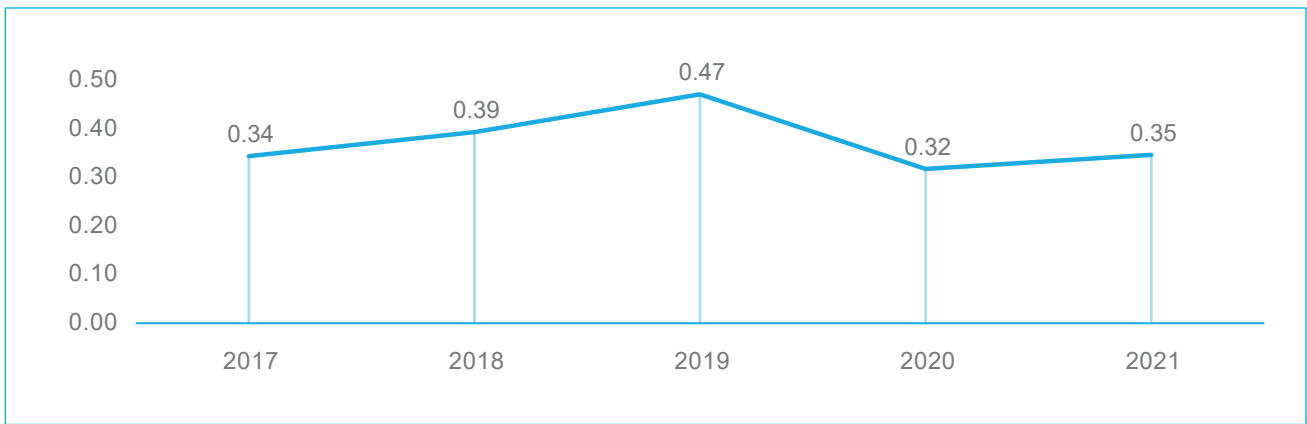
103. Timeliness is an important aspect of judicial performance and a cornerstone of the right to a fair trial.¹⁰⁰ It is assessed here through congestion rates and disposition times, in addition to the growing number of pending (carried over) cases linked to less than ideal clearance rates as discussed above. The perception of timeliness reported by court users and practitioners in the Regional Justice Survey is also considered in this analysis.

(a) Congestion Ratios

104. The total national congestion ratio of Armenian courts remained in the optimal range - under 0.50

from 2017-2021 (see Figure 22). Congestion ratio is an important tool for planning and resource allocation as it reveals the exact “location” of congestion in case disposition. It pin-points problematic areas that could be tackled by allocation of new resources or re-allocation of existing ones. It may also drive legislative changes by revealing congestion caused by procedural bottlenecks. Although, the congestion ratio does not reveal the age of stock, a lower rate is most probably the result of cases received later in the year being carried over in the next year. The Armenian judiciary have more cases resolved than unresolved at the end of each year.¹⁰¹

Figure 22. Overall Congestion Ratio of Armenian Courts, 2017-2021



Source: court.am and WB calculations

105. The congestion ratio of the courts of first instance appears to be optimal, but the overall results are enhanced by the very low congestion reported in OfP, ranging from 0.04 to 0.07 (see Table 3). Congestion is

higher in civil cases (except in 2020), and much higher and consistently increasing in the criminal domain, because increasing caseloads were not matched by increases in dispositions.

¹⁰⁰As defined by Article 6 of the European Convention on Human Rights, everyone is entitled to a fair and public hearing within a reasonable time by an independent and impartial tribunal established by law. See http://www.echr.coe.int/Documents/Convention_ENG.pdf.

¹⁰¹See “Terms and Definitions” for calculation of congestion ratio.

Table 3. Congestion Ratios by Court Type and Case Type, 2017-2021

Years	2017	2018	2019	2020	2021
Types of cases per court	Congestion rates are color-coded to signal their severity. Blue is satisfactory, green is concerning (from 0.51 to 1.00), red alarming (from 1.01 to 2.00) and purple even more so (over 2.00).				
Courts of First Instance	0.28	0.35	0.43	0.26	0.30
<i>Civil Cases</i>	0.54	0.73	0.81	0.37	0.50
<i>Criminal Cases</i>	0.63	0.60	1.04	1.38	1.44
<i>Orders for Payment</i>	0.04	0.05	0.06	0.07	0.05
Civil Court of Appeal	0.24	0.17	0.13	0.14	0.19
Criminal Court of Appeal	0.15	0.16	0.15	0.18	0.19
Administrative Court of Appeal	1.21	0.80	1.12	1.01	0.97
Administrative Court	0.58	0.37	0.58	1.04	0.66
Bankruptcy Court	5.53	4.76	4.01	3.58	3.17
Court of Cassation	0.28	0.70	1.16	1.38	1.32
<i>Civil Cases</i>	0.53	1.18	1.90	1.09	1.20
<i>Administrative Cases</i>	0.20	0.55	1.37	2.69	1.54
<i>Criminal Cases</i>	0.16	0.49	0.50	1.36	1.37
TOTAL	0.34	0.39	0.47	0.32	0.35

Source: court.am and WB calculations

106. Administrative Court congestion ratios varied from 0.37 in 2018 to 1.04 in 2020, while values for the Bankruptcy Court were high in 2021 (3.17) but saw improvement over the years from the 2017 rate of 5.53. Bankruptcy procedures are often complex, lending themselves to high congestion rates, but should nonetheless be monitored to determine whether there are pockets of underperformance that could be further addressed.

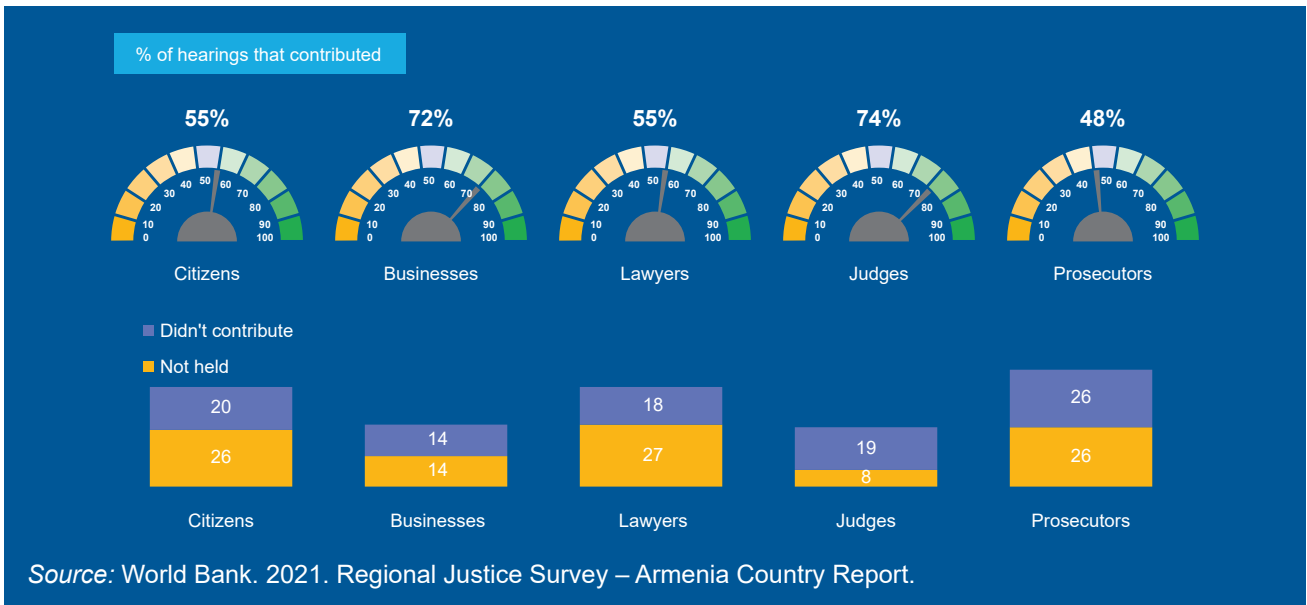
107. The Criminal Court of Appeal and the Civil Court of Appeal were the only court types to remain in the optimal range consistently from 2017-2021. The Administrative Court of Appeal showed mixed results which improved over the past two observed years.

108. The Court of Cassation's congestion rate is growing, from 0.28 in 2017 to 1.32 in 2021. Both criminal as well as civil and administrative case types examined seem to be following the trend, although the congestion is heavier in the civil and administrative chamber.

BOX 22. CONTRIBUTION OF HEARINGS TO DISPUTE RESOLUTION

Citizens, lawyers, and prosecutors reported that about half of all held hearings contributed to case resolution. Businesses and judges reported that almost three quarters of such hearings did. Citizens and business representatives identified the court and the other party as the main reasons for hearings not being held or not contributing to case resolution. However, justice system professionals also mentioned other participants, such as witnesses or court experts. The third-ranked reason reported by justice system professionals was inefficient procedural provisions.

Survey Question: How many hearings were scheduled in total in the first instance, including those scheduled but not held?/ How many scheduled hearings were not held/cancelled?/ Of hearings that took place, how many hearings did not significantly contribute to progress in the resolution of the case?/ Of the hearings you worked on over the past 12 months, what share of scheduled hearings were cancelled/ held but did not progress resolution of the case/ or held and contributed considerably to resolving of the case? Base: Those with court case experience in the past three years (citizens and businesses); Total target population (lawyers, judges and prosecutors; (Citizens n=362; Businesses n=160; Lawyers n=250; Judges n=97; Prosecutors n=245).

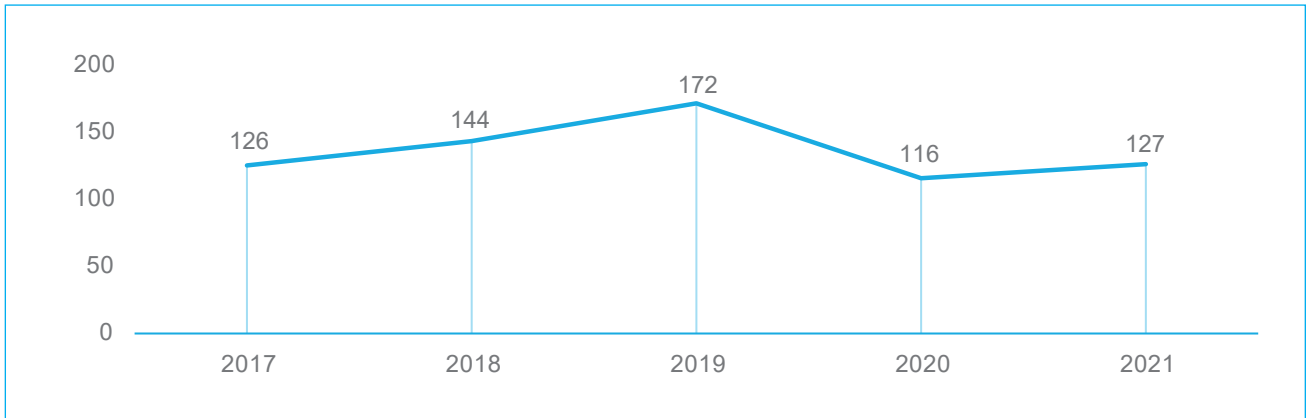


(b) Disposition Times

109. The Armenian disposition time indicator, totaled for all courts, varied from 2017 to 2021 but remained well under one year (Figure 23). As Armenian court statistics do not provide data on actual disposition times, a proxy indicator developed by CEPEJ was used to estimate average disposition times in days by comparing

cases resolved and carried over for one year.¹⁰² The main difficulty of this methodology is its assumption that judges decide the oldest cases first, which is frequently not the case in practice. Judges sometimes prioritize cases due to their urgent nature (foreseen by law), and sometimes cases cannot be progressed for external reasons (such as unavailable witnesses, international service of process).

Figure 23. Overall disposition times of Armenian courts from 2017 to 2021



Source: court.am and WB calculations

BOX 23. COURT CASE ENFORCEMENT IN ARMENIA

The Enforcement Service was introduced under the MoJ in 1998 by the *Law on Compulsory Enforcement of Judicial Acts*. It provides for compulsory enforcement of court decisions, arbitration tribunals, the financial system mediator, and acts of international and foreign courts, irrespective of the body whose act is subjected to compulsory enforcement.

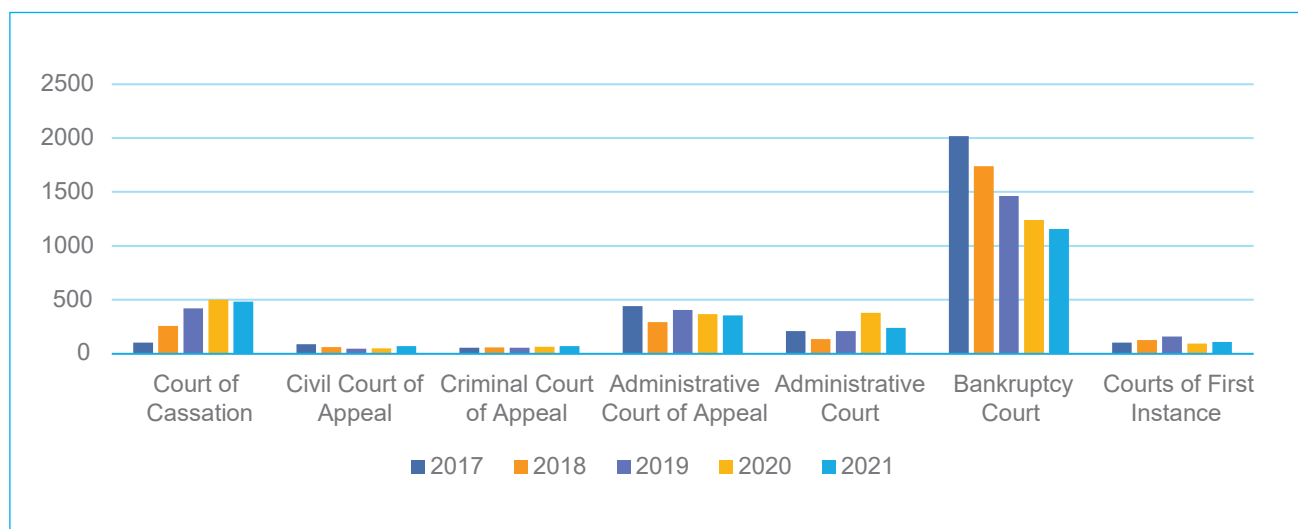
¹⁰²The formula is (pending cases/resolved cases) X 365.

Available data for 2019, 2020, and the first three-quarters of 2021 show that the number of compulsory enforcement cases went up: from 1,364,955 in 2019, to 1,554,066 in 2020, to 1,840,770 by end of September 2021. From 2019 to 2021 the clearance rates also went up, i.e., from 101 percent to 107 percent. A drop to 89 percent in 2020 is likely due to a combination of the COVID-19 pandemic and a 14 percent increase in incoming cases. Disposition times also increased – 2021 ended with 181,278 unresolved cases, by September 30, 2021, 58,297 cases were pending, albeit to a lesser extent.

110. There were, however, extreme variations among court types; the highest disposition time per court type in Armenia in 2021 was 17 times higher than the lowest one. The Bankruptcy Court had a disposition time of 1,158 days in 2021 (a decrease over previous years),

compared to 69 days in the Criminal Court of Appeal and 71 days in the Civil Court of Appeal, see Figure 24 below. If bankruptcy cases were excluded from the calculation, the overall disposition times of Armenian courts would be seven to ten percent lower each year.¹⁰³

Figure 24. Disposition Times by Court Type from 2017 to 2021



Source: court.am and WB calculations

111. Disposition times of courts of first instance increased by five days from 2017 to 2021, from 104 to 109 days. Over the other years, the calculated time to disposition varied but never exceeded 158 days reported in 2019. In 2020, due to the favorable clearance rate it decreased to 94 days.

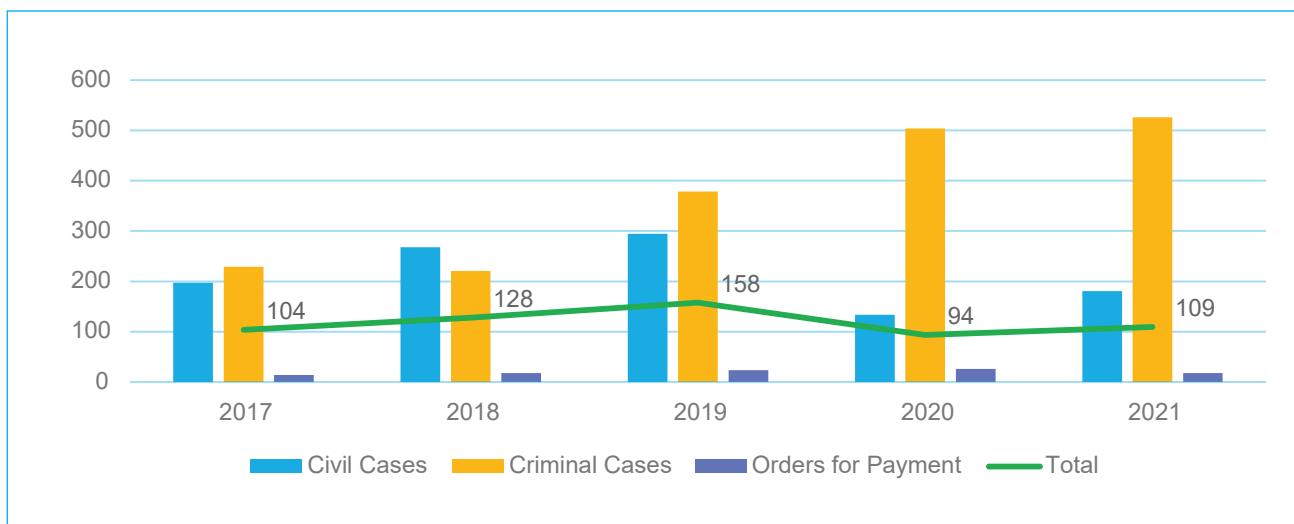
112. Significant variations in courts of first instance disposition times were calculated per case type and over time indicating that there are areas of serious under-performance. Time to disposition of criminal cases in 2021 was more than double that in 2017 and

more than double the disposition of civil cases in 2021. This rise was caused by increasing caseloads not being followed by an increase in dispositions, resulting in two and a half times more unresolved cases at the end of the year in 2021 compared to 2017.

113. Civil cases saw an overall decrease in disposition time, from 197 days in 2017 to 181 days in 2021. OfP disposition times were stable and low, ranging from 14 to 26 days thus contributing favorably to the overall court of first instance result.

¹⁰³Precisely, 10 percent in 2017 and 2018, 7 percent in 2019, 9 percent in 2020, and 7 percent in 2021.

Figure 25. Disposition Times by Case Type in Courts of First Instance



Source: court.am and WB calculations

114. Although it never fell under 1,000 days, the disposition time of the Bankruptcy Court improved each year from 2017 to 2021, a total decrease of 43 percent. In 2017 the Bankruptcy Court’s disposition time comprised 2,019 days, in 2018 1,738 days, in 2019 1,463 days, in 2020 1,239 days, and in 2021 1,158 days. The disposition time benefited from the Court’s increase in productivity regardless of increasing caseloads.

115. The Administrative Court disposition time increased from 210 days in 2017 to 239 days in 2021, in the meantime, it fluctuated greatly. In 2018 it decreased to 135 days, only to increase to 211 days in 2019 and 380 days in 2020. The lengthy time to disposition was related to low clearance rates in all observed years, except for 2018, when a clearance rate of 120 percent was reported.

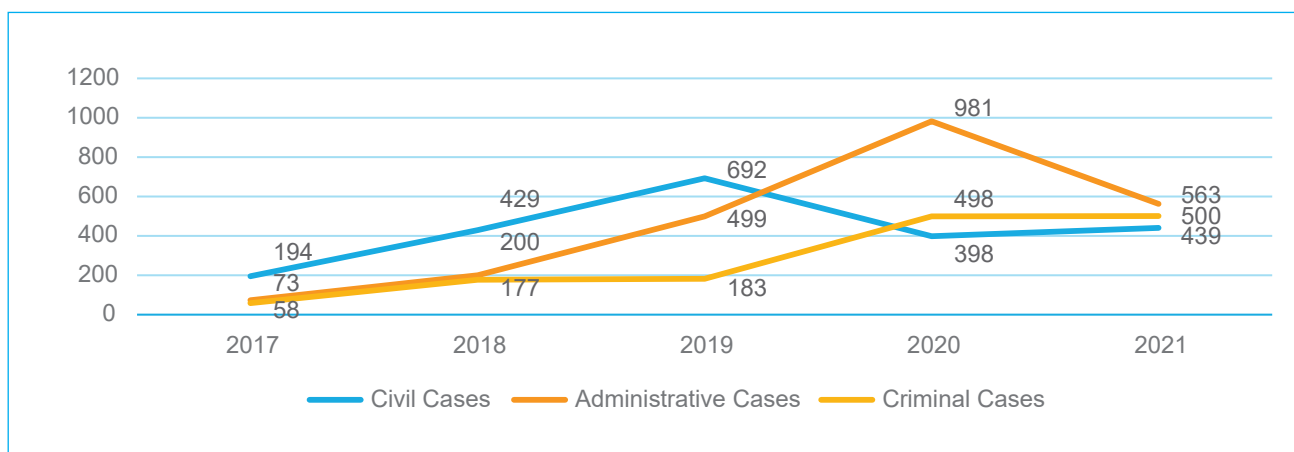
116. Disposition times at the appeals level vary between courts. The disposition time of the Administrative Court of Appeal improved from 441 days in 2017 to 354 days in 2021. Disposition times of the Civil Court of Appeal and the Criminal Court of Appeal remained well below 100 days throughout the observed period. From

2017 to 2021, the disposition time of the Civil Court of Appeal decreased by 17 days, from 88 to 71 days. In the same period, it increased in the Criminal Court of Appeal by 13 days, from 56 to 69 days.

117. The Court of Cassation reported a strong and rather constant increase in disposition time, which more than quadrupled from 2017 to 2021. In 2017, the calculated disposition time comprised 103 days which grew to 257 days in 2018, 422 days in 2019, 502 days in 2020, and 482 days in 2021. The respective increase was generated by civil, administrative, and criminal cases which all reached approximately 500 days in 2021 as displayed in Figure 26. The civil domain increase was approximately double, the administrative one almost eight-fold, while the disposition time of criminal cases increased nine-fold. The highest peak in disposition time was reported in administrative cases in 2020 of 981 days due to a low clearance rate of 66 percent, despite the declining caseload reported in that year. The Court of Cassation’s low clearance rate did not reach or exceed 100 percent during the analyzed period.



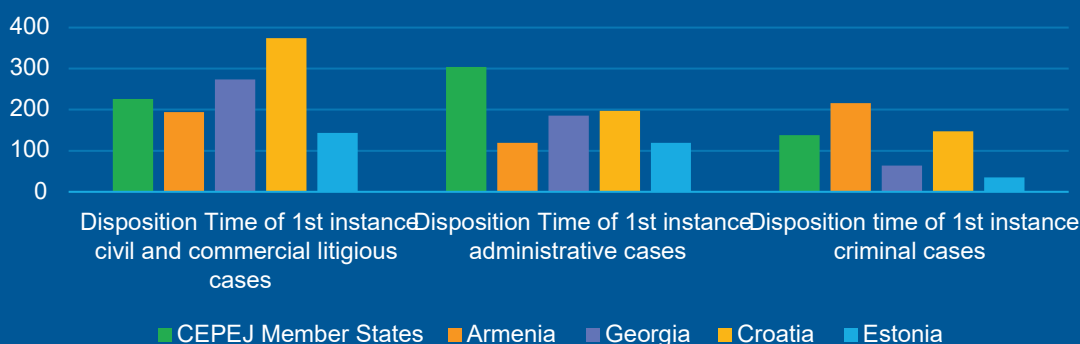
Figure 26. Disposition Times by Case Type in the Court of Cassation



Source: court.am and WB calculations

BOX 24. DISPOSITION TIME IN ARMENIA AND PEER COUNTRIES, CEPEJ 2020 REPORT (2018 DATA)

According to the CEPEJ, Armenian disposition time for first instance civil and commercial litigious cases was 32 days lower than the CEPEJ Member States average of 226 days. At 194 days, Armenia also reported better disposition time than Georgia and Croatia. Armenia's disposition time for matters handled by the Administrative Court was in line with the Estonian one and roughly half the CEPEJ Member State average, whereas for criminal cases it produced a higher disposition time than the CEPEJ Member States average or any of the observed peers, as seen below.



Source: CEPEJ 2020 Report (2018 data)

(c) Timeliness as Reported by Court Users and Practitioners

118. According to the Regional Justice Survey, the average duration of cases was about 13 months for citizens and about 12 months for businesses, but individually, cases were reported to last much longer. Citizens reported that their cases lasted up to 130 months (~11 years) in criminal cases, up to 123 months (~10

years) in civil cases, and up to 34 months (~ three years) in administrative cases. Business reported a maximum case duration of 91 months (~8 years). The reported maximums of case duration as perceived by court users are undesirable in every judicial system and suggest possible violations of the right to a trial within reasonable time, but firm conclusions may be made only supported by actual data on the age of cases.

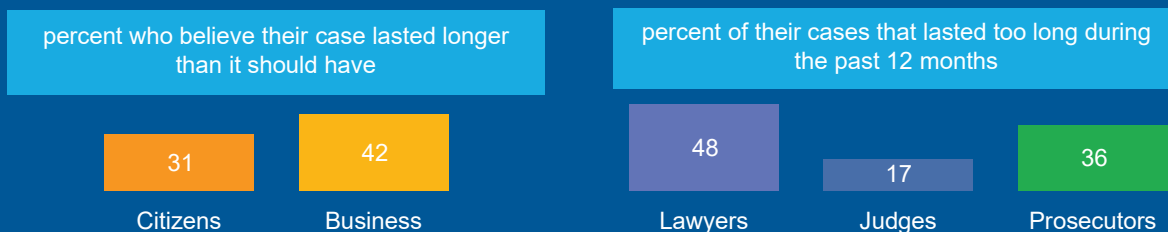
BOX 25. PERCEPTION OF DURATION OF CASES BY CITIZENS AND BUSINESSES

Citizens and businesses reported a perception of long duration of cases. The reasons offered for this included insufficient number of judges, prosecutors, and administrative staff; obstruction by the parties; and omissions in legislation. Lawyers noted a higher percentage of criminal cases that lasted longer compared to average.

Survey Question: When was the case filed? When was the first hearing scheduled, when at least one of the parties appeared? When was the first instance judgment rendered? Base: Those that had court case experience in the past three years (n=362).

		Case filed to judgment rendered
CITIZENS' cases	Average number of months	13.4
	Maximum number of months	130
Criminal cases	Average number of months	20.7
	Maximum number of months	130
Civil cases	Average number of months	12.3
	Maximum number of months	123
Administrative cases	Average number of months	6.7
	Maximum number of months	34
BUSINESSES' cases	Average number of months	11.9
	Maximum number of months	91

Survey Question: How would you evaluate the length of this case in its first instance phase? Taking into account all circumstances, do you think that the case lasted... / Please estimate the percentage of your cases that you represented before the court during the past 12 months that lasted longer than they should have for any reason? Base: Those who had court case experience in the past three years (citizens and businesses); Total target population (lawyers, judges and prosecutors); (Citizens n=362, Businesses n=160, Lawyers n=250; Judges n=97; Prosecutors n=245).



Source: World Bank. 2021. Regional Justice Survey – Armenia Country Report.

(iv) Challenge 4: Use of Specialized Procedures (OfP, Simplified Procedure)

119. As observed throughout the analysis of incoming caseloads, clearance rates, and backlogs, cases regarding contractual/monetary obligations and OfP are considerable drivers of performance at first instance courts. Although no exact data is collected regularly, the available information suggests that a significant part of contractual/monetary obligations cases belong to simplified procedure cases. According to the MoJ, of 152,580 pending civil cases in 2019, 83,988 cases (55 percent) utilized the simplified procedure. In 2020, 64,950 cases (40 percent) of 160,857 cases utilized the simplified procedure, and in the first half of

2021, 35,815 (31 percent) of 115,162 pending civil cases were processed through the simplified procedure. As reported by the judges of courts of first instance, many of them were initiated by banks or credit agencies.

120. Despite the existence of these specialized procedures for different case types, Armenian judges do not seem to use them as per the intended scope. In fact, Armenian judges indicated that they tend to use the simplified procedure not to resolve actual 'small' disputes but to obtain enforceable titles for undisputed claims, i.e., as a de facto order for payment procedure. On the other hand, the expedited procedure is also used modestly due to unaligned decision time points that de facto prioritize the simplified procedure over the expedited one.

121. Increasing the use of all three procedures could achieve and leverage the impact of streamlining small claims and non-litigious claims.¹⁰⁴ Despite a lack of official data to support a more in-depth analysis, there is scope for their increased use. Ending the use of litigious procedures for non-litigious monetary claims is

likely to be rewarding for both judges, staff, and users. Improved availability of disaggregated data would help to identify congestion in litigious cases where Armenia is at par with its CEPEJ member state peers and to direct resources to address them in the short and medium term.

BOX 26. AMENDMENTS TO THE LAW ON BANKRUPTCY ON COURT EFFICIENCY

As supported by data in this analysis, the 2019 amendments to the bankruptcy legislation and the establishment of the specialized court made bankruptcy proceedings more efficient. Apart from confirming the role of the specialized Bankruptcy Court, electronic exchange of documents between the court, state, and local authorities and the bankruptcy practitioners was introduced. Furthermore, all civil cases connected with the debtor in bankruptcy proceedings are heard by the Bankruptcy Court, reducing the previous lack of coordination within the judicial system and long wait times for the resolution of connected civil matters.

In addition, bylaws and templates to standardize and fast-track the bankruptcy process were developed. The adopted bylaws cover mandatory training of bankruptcy practitioners, annual reporting on activities by the bankruptcy practitioners and their chamber, the register of bankruptcy claims, financial analysis of the debtor, and guidance on lists of property owned and co-owned by the debtor. The Bankruptcy Act allows for further secondary legislation in a number of key areas, including applications for a qualifying test and enrolment by insolvency practitioners before the MOJ.

For more information see ‘*Working With Insolvency Stakeholders in Armenia*’, C. Bridge Zoller, B. Davies, Law in Transition Journal 2021, <https://www.ebrd.com/documents/ogc/law-in-transition-2021-insolvency-stakeholders.pdf?blobnocache=true>

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(v) Challenge 5: Procedural Efficiency

122. Procedural efficiency explores ways to facilitate performance by enabling courts to deliver quality services in less time while reducing the pressure put on judges and staff. There is a range of good practices adopted in jurisdictions worldwide that aim to improve performance. These include effective service of process, efficient scheduling and holding of hearings, monitoring of case flow to prevent cases

from becoming inactive, and identifying and preventing abuse of process and procedural loopholes.

(a) Case-weighting for Case Allocation and Timeframes

123. Around the world, jurisdictions use case-weighting approaches to allocate cases and set timeframes as management tools to handle caseloads efficiently. In Armenia, the use of such “operational tools” is yet to be applied in practice to set concrete targets to measure court performance.

BOX 27. AUTOMATED RANDOM CASE ALLOCATION IN ARMENIA

Automated random case allocation was introduced in all courts of Armenia in 2018 and amended in 2020 and 2021 in response to implementation issues and continued concerns about transparency. To address alleged misuse, the SJC temporarily stopped the system. With no replacement assured and no back-up mechanism in place, cases were again allocated by court presidents for a period of almost 10 months. This situation that was criticized by NGOs on the grounds of potential ‘human intervention.’¹⁰⁵

¹⁰⁴For further insights into small claims and order for payment procedures, see “Enhancing the efficiency of Court Processes in Armenia: Ways to Improve the Simplified Procedure and Order for Payment Procedure for Better Justice System Performance”, World Bank; accessed at <https://documents1.worldbank.org/curated/en/980031608628888810/pdf/Governance-and-Justice-Enhancing-the-efficiency-of-Court-Processes-in-Armenia-Ways-to-Improve-the-Simplified-Procedure-and-Order-for-Payment-Procedure-for-Better-Justice-System-Performance.pdf>.

¹⁰⁵<https://www.aravot.am/2022/01/26/1243618/>.

124. In August 2021, the SJC in its *Decision on Specifying the Indicative Terms for Average Duration of Case Trial based on Specific Types and Complexity of Cases* introduced levels of case complexity. Cases are now divided by level of complexity into simple, average complex, or particularly complex. The level of case complexity is determined by (a) legal complexity, i.e., the specificities of the applicable rules and mechanisms of law, and (b) evidential complexity, measured by the number of procedural actions to be taken and facts that inevitably prolong the duration of the trial. Both are expressed in coefficients and tracked through the “Judicial System” software (see also Chapter VII on ICT Resources). The sum of the coefficients for the evidential complexity of cases is added on top of the coefficient for the legal complexity to form the total case complexity which may change over time.

125. According to the SJC *Decision*, the average indicative terms were set based on the American Bar Association time standards. For example, in first instance courts 70 percent of simple civil law cases should be heard within one month, 90 percent within two months, and 100 percent within three months. Reportedly, the indicative terms are still not followed in practice by judges, because the substantial backlog (see discussion above) prevents them from following the established guidelines. There are also complaints among judges that the system is failing to equalize judges’ workloads and caseloads. Although the SJC *Decision* is still non-binding for judges in terms of leading to disciplinary proceedings per se, prolonged examination of a case may lead to disciplinary proceedings (e.g., if the case has been prolonged or postponed by the judge many times without proper justification).

126. There is considerable scope for further discussions among stakeholders on the use of

management tools in Armenia. While not connected to the reality on the ground, this case-weighting approach for case allocation and timeframes (instead of quotas) could facilitate deeper discussions around reasonable caseloads, reallocation of staff or cases between work units, setting evaluation standards, and planning the merger or reduction of work units in the Armenian judiciary.

(b) Effectiveness of the Appeal System Examined Through Appeal Rates and Reversal Rates

127. High levels of appeal or reversal rates can reveal weaknesses in the system and point to quality challenges. Naturally, courts aim to keep reversal rates to the minimum, i.e., give no reason to appeal in the first place. A high reversal rate, e.g., approximately 50 percent, indicates that only truly disputable cases were appealed. High appeal rates, however, suggest other issues, such as possible lack of case law harmonization, that encourages parties to appeal and hope for a more favorable result. Attorneys may also drive up the number of appeals if they charge per action taken in a given case and parties may use appeals as a dilatory mechanism.

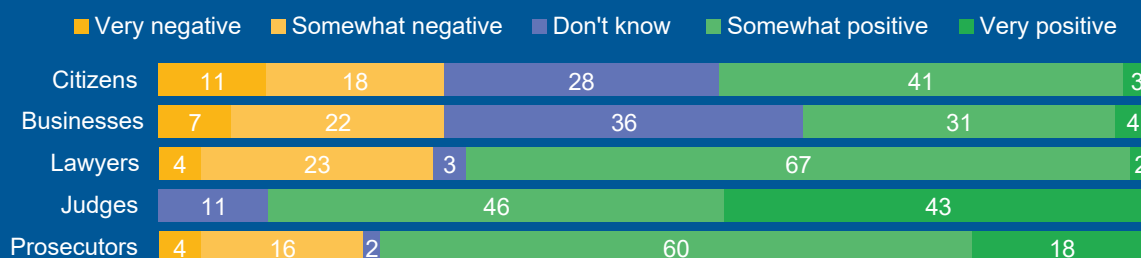
128. Armenia’s appeal rates, i.e., the rate of appealed decisions at the next higher level, appeared relatively high in all first instance case types but civil cases (Figure 27). A comparison of the number of disposed cases to the number of appealed rulings gives average appeal rates in courts of first instance in criminal cases between 28 and 40 percent, in administrative cases between 26 and 39 percent, and in bankruptcy cases between 15 and 32 percent. The appeal rate was much lower among civil cases, where it ranged between 3 and 5 percent, primarily due to a large share of monetary compensation cases in which the calculated appeal rate was 1 percent.

BOX 28. PERCEPTION OF THE QUALITY OF COURTS’ WORK

Citizens and businesses evaluated the quality of the courts’ work in Armenia much lower than legal professionals. Only 44 percent of citizens and 35 percent of businesses rated the quality as high, compared to 69 percent of lawyers, 68 percent of prosecutors, and 89 percent of judges. However, citizens and businesses with recent court experience were significantly more positive, among these 60 percent of citizens and 44 percent of businesses had a positive view.



Survey Question: What is your general opinion about the quality of courts in Armenia over the past few years? Base: Total target population; (Citizens n=1359; Businesses n=552; Lawyers n=250; Judges n=97; Prosecutors n=245).



Source: World Bank. 2021. Regional Justice Survey – Armenia Country Report.

Bad laws and a poor job done by the judge were identified as the main reasons for the impaired quality of courts' work in individual cases. In total, 38 percent of citizens and 32 percent of firms surveyed identified poor laws as the main reason for lower quality of courts' work, while 28 percent of citizens and 36 percent of businesses identified the poor performance of judges. Other reasons were mentioned far less frequently. For instance, poor performance of the legal representative was stated by only two percent of the citizens and one percent of business.

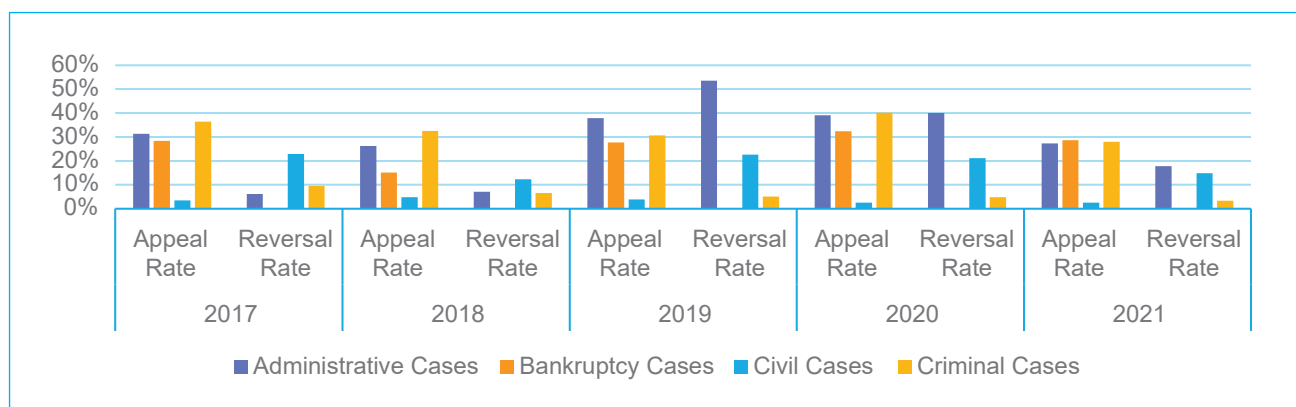
However, when asking citizens and businesses with recent court experience, positive views increase significantly. Sixty percent of citizens with recent court experience have a positive view, compared to 44 percent among general population. Similarly, 44 percent of businesses with recent experience before courts have a positive view, opposed to 35 percent of all surveyed businesses as cited above.

129. Looking at successful appeals, the highest reversal rates were documented in administrative cases, while criminal cases showed the lowest reversal rate albeit the highest appeal rates for this case type. The Administrative Court also reported the widest variations in reversal rates, from 6 percent in 2017 to 54 percent in 2019. The spike in reversal rates in administrative cases was instigated by a rise in reversals in disputed decisions from local and central governments. In criminal cases not only did the appeal rate decline over time but so did the reversal rate from an initial 10 percent

in 2017 to 3 percent in 2021. In civil cases, the reversal rates varied from 12 to 23 percent.

130. Among individual courts of first instance, the reversal rates varied in civil cases, while the reported figures did not deviate much in criminal cases. In 2021, 6 percent of the appealed civil decisions of the first instance court in Armavir were reversed compared to 29 percent in Gegharkunik. In the same year, there were no reversed decisions in criminal cases at the first instance courts of Armavir and Shirak, while 9 percent of appealed decisions of the first instance court of Kotayk were reversed.

Figure 27. Appeal Rates and Reversal Rates in First Instance Courts by Case Type from 2017 to 2021



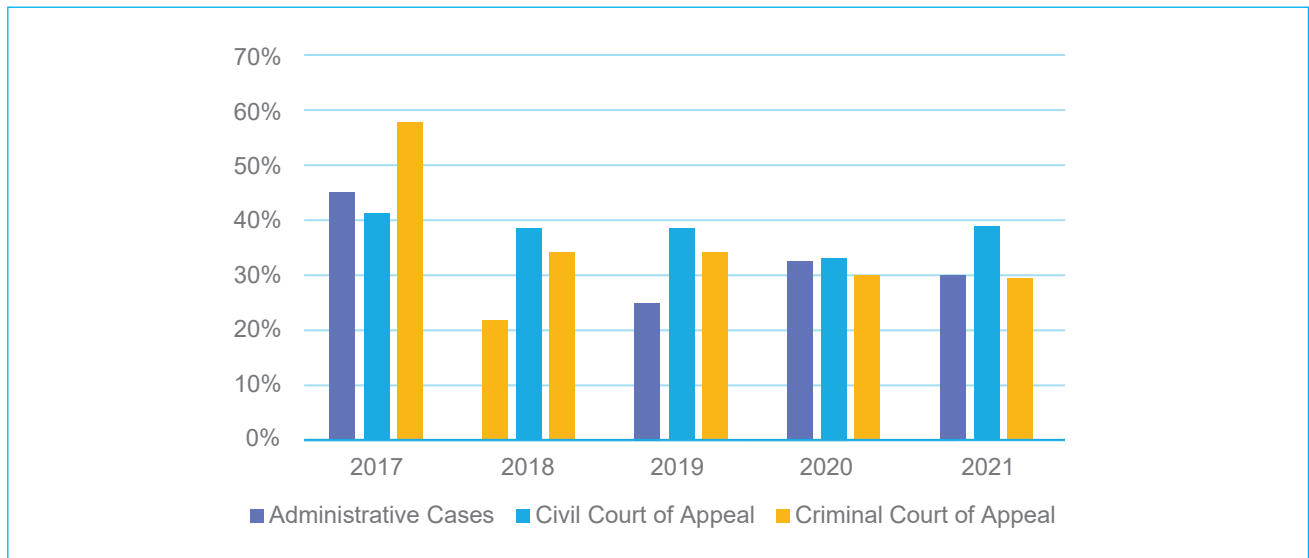
Source: court.am and WB calculations

* Data on reversed decisions in bankruptcy cases was unavailable.

131. The number of legal remedies filed to the Court of Cassation declined over the years in the three appellate courts but remained at around 30 percent (see Figure 28). The decrease was most significant at the Criminal Court of Appeal, where 58 percent of the decisions were appealed at the Court of Cassation

in 2017, 34 percent in 2018 and 2019, 30 percent in 2020, and 29 percent in 2021. Both the Administrative and the Civil Court of Appeal reported overall declines from 2017 to 2021, by 15 and 2 percentage points, respectively, but with variations over the observed period.¹⁰⁶

Figure 28. Legal Remedies filed to the Court of Cassation from 2017 to 2021



Source: court.am and WB calculations

132. Relatively high levels of appeals indicate that some “tactics” are likely at play when it comes to the appeal rate. To achieve and maintain a satisfactory level of quality in decision-making, as indicated by “healthy” appeal and reversal rates, judicial systems deploy several measures. These include education of judges, introduction of case law harmonization tools, and better use of existing mechanisms. Departmental meetings of judges to discuss legal issues have become the norm in some jurisdictions to facilitate coherent decision-making and are a tool Armenia’s judiciary may wish to explore. Some jurisdictions have also explored the procedural possibility to replace an appealed decision with their own if procedural laws permit this. In these cases, precise legal reasoning is provided when decisions are reversed so the lower instance judge understands and can avoid such mistakes in the future.

B. CONCLUSION AND RECOMMENDATIONS

133. There is clear mounting pressure, as shown by increased backlogs in first instance courts, that needs to be addressed in the short-term, as well as to prepare the ground for meaningful, evidence-based decision-making moving forward. Backlog reduction plans will support the judiciary and management to tackle this. Better data collection and analysis will support meaningful, evidence-based decision-making in the short- to medium-term. Armenia’s judiciary needs to move beyond manual data collection and analysis to improve monitoring and management of court performance. While numerous data points are reported, specific areas/case types need more attention as they represent the bulk of the work. Existing ICT applications would need to be strengthened to facilitate such efforts. The following outlines recommendations for judicial stakeholders to consider.

¹⁰⁶In the Administrative Court of Appeal, remedies were filed with the Court of Cassation in 45 percent of the decided cases in 2017, 21 percent in 2018, 25 percent in 2019, 32 percent in 2020, and 30 percent in 2021. In the Civil Court of Appeal, the same was done in 41 percent of the decided cases in 2017, 38 percent in 2018, 38 percent in 2019, 33 percent in 2020, and 39 percent in 2021.

Recommendation 1	Strengthen data collection and statistics.
Possible actions	<ul style="list-style-type: none"> ■ Revise statistical reports to be a better insight to the most common case types that take up the majority of the caseloads and workloads. It is advisable to start with monetary compensation cases in courts of first instance and disputed decisions from local/central government in the Administrative Court. ■ Start immediately to disaggregate civil case types in statistical reporting per most significant procedures; in particular, make sure that cases falling under the simplified procedure and under the expedited procedure can be separated from the other cases in order to monitor and evaluate streamlining efforts and procedural bottlenecks.
Recommendation 2	Adopt backlog reduction plans.
Possible actions	<ul style="list-style-type: none"> ■ Define an age limit for when a case is considered as backlogged in line with CEPEJ guidelines. ■ Adopt backlog reduction plans, both national and per court and agree on actions for backlog reduction such as scheduling hearings regularly and frequently for cases that are considered “old”.
Recommendation 3	Review the SJC indicative timeframes to ensure their feasibility.
Possible actions	<ul style="list-style-type: none"> ■ Undertake a case sample study to determine feasible time standards. ■ Establish a monitoring system to identify court excellence and in-country good practice examples.
Recommendation 4	Review and adjust the scope and applicability of the simplified procedure, the expedited procedure, and the orders for payment procedure.
Possible actions	<ul style="list-style-type: none"> ■ Align the decision time limits for applying the simplified procedure and the expedited procedure to avoid pre-emption of the simplified procedure by the expedited one as is currently the case. ■ Remove procedural impediments which cause the parties to directly file a general civil claim rather than opting for the order for payment route, including bulk filing and bulk payment.
Recommendation 5	Identify (and eventually remove) procedural obstacles to timely case resolution and implement remedies.
Possible actions	<ul style="list-style-type: none"> ■ Compose joint working groups among judges and private attorneys to reach mutual understanding and identify bottlenecks as well as underlying causes. Resolution of these procedural bottlenecks could then be prioritized. ■ These working groups should be supported and backed up by using surveys and – to the extent available – statistical data to confirm findings and test remedies in practice (feedback loop).

V. BUDGETING, FINANCIAL MANAGEMENT, AND EXPENDITURE

134. This chapter analyzes the existing legal and institutional framework related to budget management, by reviewing the main entities involved in budget design, planning, execution, control, and reporting; and reviews the main judicial expenses in the Armenian judiciary. In comparison to CEPEJ member states, Armenia ranks low both in justice spending per GDP as well as in its real per capita justice spending. The SJC approves its own and courts' budget applications and medium-term expenditure plans but has little influence on the final budget decisions of the NA. As public pressure for improved performance, service delivery, and integrity in the judicial system mounts there is a general need for better financial coordination and planning and enhanced budgetary skills at all levels.

A. KEY CHALLENGES

135. The first challenge concerns financial preparation, decisions, and execution of budget. The SJC prepares and submits the judicial budget but there is a lack of openness regarding NA decisions to reduce or reject SJC budget application requests. Despite direct discussions between the SJC and the NA, the latter frequently leans toward the Government's more stringent position on judicial budget.¹⁰⁷ Recommendations include enhancing the legislative guarantee for sufficient judicial budget to move beyond the bare minimum, allowing the SJC to better target its initial requests and better defend those identified for change/reallocation in the approved budget (including requiring the greater clarity of the legislative grounds that allow the NA to reject budget application requests).

136. Limited capacities at the court-level and the JD-level further hamper the budget preparation and adoption process. Court staff and staff at the JD currently receive no training on court budget preparation,¹⁰⁸ and there is insufficient methodology applied to preparing new budget applications. Recommendations include upskilling court staff and staff at the JD, who currently receive no training on court budget preparation, and an improved methodology for preparing new budget applications should be implemented.

137. The second challenge is a declining budget where wages dominate expenditure. Labor costs are crowding out other expenditure. Without appropriate complementary capital and operating expenditure, labor is likely being deployed inefficiently, for example undertaking manual processes which could be digitalized. What remains of the allocated budget after labor costs is used for all other expenditure, including, for example, provision and maintenance of ICT and building repairs, but in an apparently reactive way in response to urgent need and without an overall plan or timeframe. The ambitious reform agenda is unlikely to produce tangible results if the issues of expenditure and resource distribution remain unaddressed. Recommendations include enhanced collection and use of data on the allocation and use of the budget. Improved planning is needed to ensure important physical infrastructure and ICT projects can be implemented.

(i) Challenge 1: Preparing, Deciding, and Executing Budget where Skills are Limited

(a) Legal Framework and Institutional Responsibilities

138. Courts and the SJC are financed from the state and should be funded to cover the costs necessary for their normal functioning.¹⁰⁹ Article 175 of the Constitution outlines the budget formation process and the entities involved, which is further fleshed out in the Judicial Code of 2018.¹¹⁰ Each court and the SJC receive a separate line in the budget.

139. Armenia's courts and the SJC have been assigned a central role in the budgeting process, but budgetary skills are limited. The constitutional changes of 2015 and the introduction of the Judicial Code in 2018 brought Armenia's judiciary in line with international standards (see Box 29). In accordance with Article 89, part 1 of the Judicial Code, and within the timeframe established at the initiation of the judicial budget process, the SJC submits its own as well as the courts' budget request and medium-term expenditure plan to the Government to be included in the draft state budget (see Box 30). When the Government approves the request, it is submitted to the NA. (Figure 51 depicts the budget

¹⁰⁷Lalayan, Lusine. 2022. *The Insurance of Judicial Independence through Financial Allocations*.

¹⁰⁸ibid

¹⁰⁹Article 38 of the Judicial Code.

¹¹⁰<https://www.arlis.am/>, Constitution of the Republic of Armenia of 2015, Article 175, point 9 of part 1; <https://www.arlis.am/>, Judicial Code of the Republic of Armenia of 2018, Articles 38 and 98.

process.) If the Government objects (fully or in part) to the request and plan, the Government submits, to both the NA and the SJC, the draft state budget and the draft judicial request and plan together with a substantiation of the Government's objections. However, details in the

substantiation are vague and do not enable the SJC to improve the drafting of the next year's budget request. In a competitive environment where resources are scarce government-wide preparing sound budget proposals is a critical skill, but staff receive no specific training on this.

BOX 29. BUDGETING IN THE JUDICIARY - INTERNATIONAL PRACTICES

Bulgaria. The Supreme Judicial Council draws up a draft annual budget, which is submitted to the Council of Ministers for incorporation into the draft State Budget Act. The Council of Ministers submits this to Parliament, together with the report on the execution of the republican budget and the report on the execution of the judiciary's budget proposed by the Supreme Judicial Council (along with detailed explanatory notes). The Council of Ministers is not entitled to amend the Supreme Judicial Council budget, but only express an opinion on it when it comes before Parliament.

California (USA). The Judicial Council sets budget policy for the courts, in line with state requirements and workload and performance standards. The Administrative Office of the Courts analyzes requests by the courts, collates them into program requests and recommends amounts to the Council. The trial court budget is submitted as an integrated budget; requests are made to the governor and legislature on the basis of programs (e.g., interpreters) rather than for individual courts. Representation of the judiciary to both branches of government is performed by the Council and Administrative Office of the Courts. The Judicial Council has the authority to allocate and reallocate funds.

Estonia. The Council of Court Administration provides an early opinion on the principles of formation and amendment of annual budgets of courts to the courts. The Ministry of Justice approves budgets for 1st and 2nd instance courts after two weeks of the state budget being passed, considering the opinion. With prior approval of court chairperson, for the 1st and 2nd instance courts, the Council of Court Administration prepares and submits the draft budget to Ministry of Justice. Jointly, judges from the respective courts make recommendations to the respective court chairperson on the preparation of the draft budget and use of budget funds. During the year, the Ministry of Justice may amend the budget of an individual court after considering the opinion of the court chairperson and according to the principles formulated by Council of Court Administration.

Source: [World Bank](#)

BOX 30. BUDGETING PROCESS AND TIMELINE

Draft budgets are prepared by state and local authorities and consist of two components: (a) the three-year medium-term expenditure framework (MTEF), and (b) the annual budget. Chronologically, the annual budget follows the MTEF, which covers a three-year period and serves as a basis for the annual budget.

By July 10, the Government approves the MTEF, and by July 20 submits it to the NA. The preparation of the annual budget starts no later than the approval of the MTEF.

Ninety days before the beginning of the budget year, the government submits the draft annual state budget (including the capital investment program approved by the Central Bank's board) to the NA for further discussions.

If the state budget is not approved before the beginning of the budget year, appropriations are made in proportion to the previous year's budget.

Given limited capacities and an absence of staff budget training, the existing practice for the judicial system is to apply a no-costs assessment mechanism to compare expenditures of different years, the findings of which feed into the preparation of new budget applications – despite the fact that the budget applications and plans stretch over a total of four years (two previous, two forthcoming years).

Tight deadlines further constrain budget preparation. At the court level, staff have to draft budget applications and medium-term expenditure plans by February 10 of a given year (i.e., roughly a month following the end-of-the year holidays and public life resuming around January 10). The JD then has to review and finalize the consolidated court (and SJC) budget application and medium-term expenditure plans by March 1, including approval of the SJC.

Source: RA Law on the Budgetary System

140. The SJC has the authority to present its position and justify its budget request during the annual budget hearing at the NA.¹¹¹ The position of the SJC on the budget request or medium-term expenditure plan is presented to the NA by the Chairman of the SJC or delegated to the Head of the JD. A separate budget line to cover any unforeseen expenses is also

included. The amount of this reserve fund equals two percent of the expenses provided for the judiciary for the given year. In case of insufficient funding through the regular budget and the reserve fund, the SJC applies to the Government.¹¹² The MoF fills the identified gap from the Government reserve fund to ensure the normal functioning of the judiciary.¹¹³

Table 4. Fiscal Authorities in the Judiciary

Authorities	Direct or under SJC?
External Financial Oversight	
Ministry of Finance	
Audit Chamber	
Administrative/Oversight Units	
Ministry of Justice	Direct
Supreme Judicial Council	Direct
Courts of General Jurisdiction	SJC
Court of Cassation	SJC
Civil Court of Appeal	SJC
Criminal Court of Appeal	SJC
Court of General Jurisdiction (Yerevan and 10 <i>marzes</i> [regions])	SJC
Courts of Specialized Jurisdiction	
Constitutional Court	Direct
Administrative Court of Appeal	SJC
Administrative Court	SJC
Court of Bankruptcy	SJC

¹¹¹Article 38 of Judicial Code.

¹¹²Article 38 of Judicial Code, part 10.

¹¹³Article 38 of Judicial Code, part 11-12.

(b) Budget Development Process

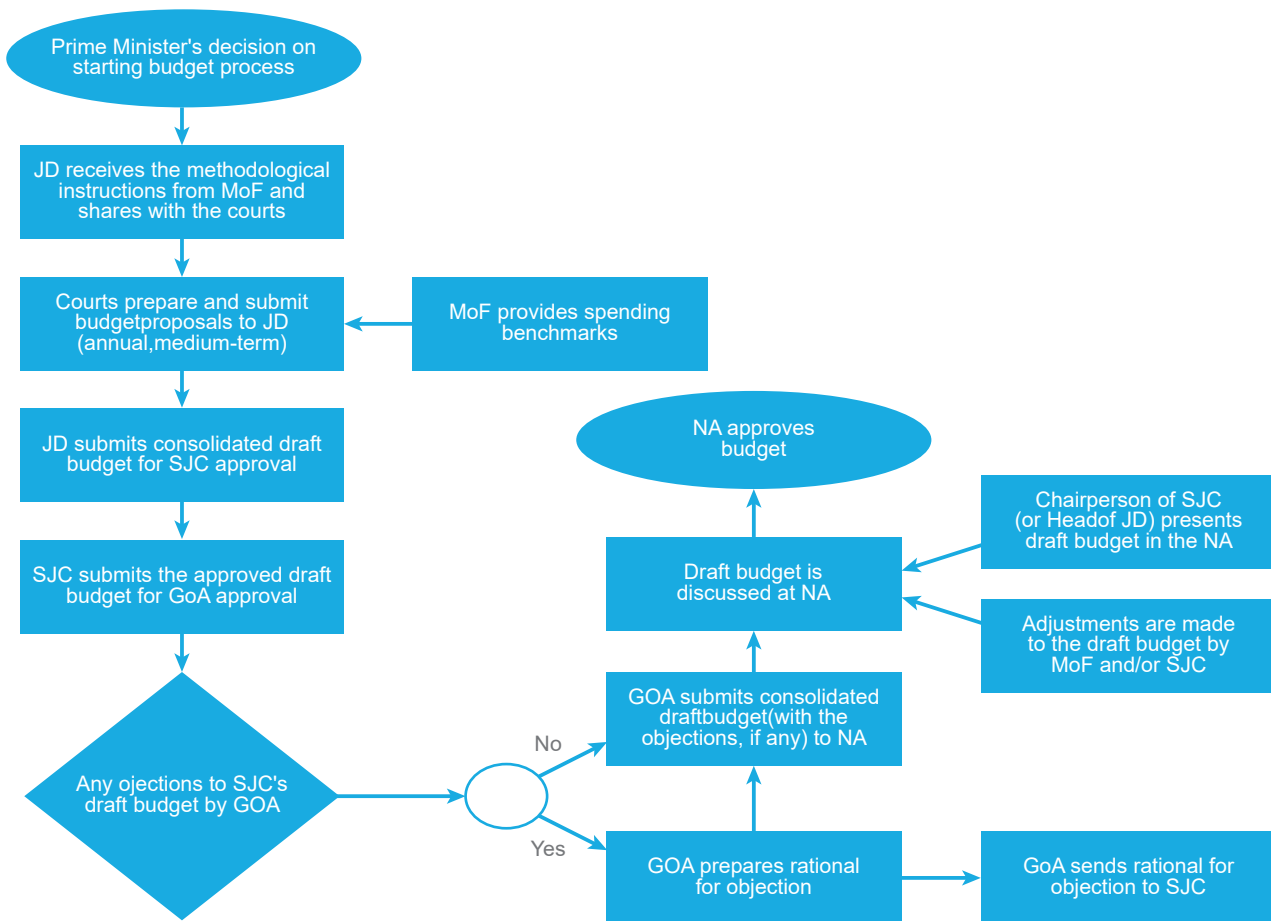
141. The budgetary system is composed of the state budgets and community budgets.¹¹⁴ These are built upon the unified fiscal, monetary, and tax policies of the state. The budget policy authority is organized according to the Law on Budgetary System.¹¹⁵

142. Courts present their budget applications and medium-term expenditure plans in an excel format to the JD. These court budgets comprise current/ongoing costs and expenses for non-financial activities. Costs include salaries of judges and court staff, utilities, computers, maintenance of buildings, infrastructure, and vehicles, technical materials necessary for justice delivery, business trip expenditure, and so forth. Expenses for non-financial activities include construction

of buildings, and renovations and rehabilitations of physical infrastructure, etc.

143. Upon receiving these individual court budget applications and medium-term expenditure plans, the JD forms the overall judicial budget application and medium-term expenditure plan, which it then presents to the SJC for its approval under Article 89 of the Judicial Code. The JD has the power to amend the draft applications and plans brought forward by the courts, including technical/calculation mistakes, non-alignment with normative acts, or where budget requests deviate from past/usual expenditures.¹¹⁶ The JD also prepares the draft budget application of the SJC itself. The final budget provides information from the previous two years and projections for the forthcoming two years, which enables tracking of court expenditure.

Figure 29. Budget Preparation Process



Source: Law on RA State Budget Systems

¹¹⁴According to the Law On the Budgetary System and the Tax Code, the revenue of community budgets is formed from tax revenues (land tax, property tax, income tax deductions, profit tax deductions, environmental fees deductions, fines and penalties for breaches of land and property tax legislations collectable to the community budgets), stamp duties, local stamp duties, non-tax revenues (leasing and use of community lands, property, local fees, income from penalty measure, etc.), capital inflows, official transfers (subsidies, subventions, etc.).

¹¹⁵<https://www.arlis.am/documentview.aspx?docid=75497>.

¹¹⁶Lalayan, L. 2022. "The Insurance of Judicial Independence through Financial Allocations."

144. However, there are only infrequent meetings between SJC and the Government on budget planning. More frequent inter-institutional technical level meetings could facilitate budget planning, increase the efficacy of budget execution, and help to deepen understanding of budget processes and strengthen currently limited budgetary skills within judicial management.

145. The NA is able to reject or revise budget application requests but the legislative grounds on which this is allowed is not always clear. This makes it harder for the SJC to target or defend its requests. Strengthening inter-institutional communication and collaboration and increasing the frequency of meetings would facilitate mutual understanding of involved stakeholders' needs for information, justification, and also challenges to the distribution and allocation of scarce resources.

146. There is little stakeholder or public engagement on judicial budget allocations. The needs of courts, judges, and court personnel and the needs of court users are not well articulated publicly. There may be limited awareness of the challenging working conditions under which Armenia's judiciary operates which likely adds to mounting public pressure and increasingly difficult to manage public expectations.

(c) Budget Execution

147. According to legislation and the annual Government Decree on Budget Allocation,¹¹⁷ the budget is distributed by spending unit (individual courts).¹¹⁸ The budget for each court is disaggregated by lines and types of expenditures, such as salary, administrative costs, etc. At the court level, the JD organizes and oversees expenditure of the allocated budget, on behalf of the courts. Expenditure for construction and other significant costs/expenditure are handled by the SJC through the JD. Courts and SJC/JD also follow the Law on Public Procurement. Hence, public procurement can only take place where plans have been approved in advance.¹¹⁹ In case of single bidding/direct contracting, the expenditure/procurement would need to be approved beforehand by the MoF. This additional

requirement in cases of limited competition is intended to mitigate potential conflicts of interest and corruption risks.

148. Budget execution is regularly monitored by courts, the SJC (to whom the JD reports), the MoJ, and ultimately by the NA. At court level, expenditure is executed and monitored by budget line through an electronic system to which only JD and the MoF have access.¹²⁰ On a quarterly basis, courts present expenditure reports to the JD where they are aggregated.¹²¹ However, there are currently no 'smart' indicators (i.e., indicators that are specific, measurable, achievable, relevant, and time-bound) in place that would inform budget execution and strengthen medium-term budget planning, as well as improve communication with other stakeholders and lobbying for the judiciary's budget needs.

149. Courts and SJC/JD follow the budget execution methodology approved by the MoF. Based on the Law on RA State Budget System, the judiciary, represented by the Chairman of the SJC, presents the annual expenditure report to the NA in June of the following year. In case of no objections, the NA adopts the expenditure report. The judicial budget is assigned a dedicated line in the annually approved budget, which is publicly available.¹²² Courts are independent in the use of budget allocated under each budget line, although the budget execution methodology sets limits for expenditure under each category. During execution, amendments are permitted under each category.¹²³ Reallocations between categories above certain thresholds require justification and approval by the Government (MoF).¹²⁴

150. A small staff in the JD Budget and Financial Department handle the internal budget process as part of support to the SJC. This Department, which maintains communication with the MoF, collects, finalizes, and submits the court budget, including comparison of expenses in relation to the previous year disaggregated by court and salaries. The Department is also responsible for addressing any Government concerns regarding the budget request and plan, for

¹¹⁷Example: Government Decree 2215-N of December 30, 2020.

¹¹⁸See <https://www.arlis.am/DocumentView.aspx?docid=149033>, Annex 4.

¹¹⁹See <https://gnumner.am/en/>.

¹²⁰Information on the general annual budget execution, including the budget of the judiciary is accessible at: https://minfin.am/hy/page/byujei_hashvetvutyun1/?fbclid=IwAR3HDh-bll-7W82MlIcBoD1_v2DwA7ShjeUs_MCT-axZWcWqyaGMoET8gE.

¹²¹Per Article 15 of the Law on State Budget System. This Law prescribes the principle of transparency in Article 8: mandatory publication of reports on approved budgets and execution, availability of information on the implementation of budgets, and transparency of discussion on draft budgets and decision-making process. See https://minfin.am/hy/page/hh_petakan_byujei_ereq_tarineri_kataroghakan_hayeren_ev_angleren_lezunerov.

¹²²See <https://www.gov.am/files/docs/4337.pdf>.

¹²³State budget execution reports available on the website of the MoF include a dedicated line (1080) for the judiciary (SJC, courts, etc.), where judicial budget execution can be accessed. See https://minfin.am/hy/page/petakan_byujei_hashvetvutyun_2021_t_inn_amisner.

¹²⁴Article 23 of the Law on Budgetary System: During the execution of the state budget, the head of the relevant state administration body may make internal redistributions not exceeding 15 per cent of the total amount of allocations defined by the Law on the State Budget for each project implemented by that body following the procedure established by the Government (unless otherwise stipulated by the Law on the State Budget of the given year).

articulating the official opinion of the SJC on the budget, and for more general financial and economic analysis, including of budget performance. Despite the scope and importance of its tasks, the Budget and Financial Department at the JD has only four staff positions.

151. The JD Accounting Department is responsible for financial, budgetary, tax, and other mandatory accounting reports. Payment of salaries at the central level is also organized by this Department. Each court has one accountant position (except the first instance court in Yerevan, which has three) responsible for financial, accounting, and budgeting processes, including the calculation and actual payment of each court's salaries. The calculation process is undertaken manually, as there are no supporting e-tools.

(d) Budget Control and Reporting

152. The SJC Internal Audit Department conducts checks and controls of budget expenditure.¹²⁵

Findings are reported to the Head of the SJC. External oversight (audit) is conducted by the State Audit Chamber on an annual basis.

(ii) Challenge 2: Addressing a Declining Budget where Wages and Salaries Dominate Expenditure

(a) Overall Trend

153. While the overall justice sector budget saw a small increase in recent years, both as a percent of GDP and in total expenditure, that allocated to courts under the SJC declined from 2019 to 2021 (see Table 5)

Table 5. Justice Spending as Ratio of GDP and Total Government Expenditure, 2018-2021 (in Thousand AMD)

Authorities	2018	2019	2020	2021
Supreme Judicial Council		12,380,668	12,662,336	12,165,313
Police		64,357,631	65,262,218	64,652,456
Ministry of Justice		16,916,251	17,629,549	20,664,947
Investigative Committee		7,839,639	7,748,575	8,377,759
Prosecutor's Office		5,340,905	5,443,349	6,145,627
Special Investigation Service		739,524	737,870	831,711
Staff of the Human Rights Defender		452,645	515,412	532,480
Constitutional Court		725,473	721,247	683,878
Total	73,542,502	108,752,735	110,720,557	114,054,171
Total State Budget (exp.)	1,465,200,573	1,648,063,122	1,855,697,119	1,850,877,541
Ratio Justice Sector/ State budget (expenditures)	5.0%	6.6%	6.0%	6.2%

Source: Law on Budget, 2018-2021

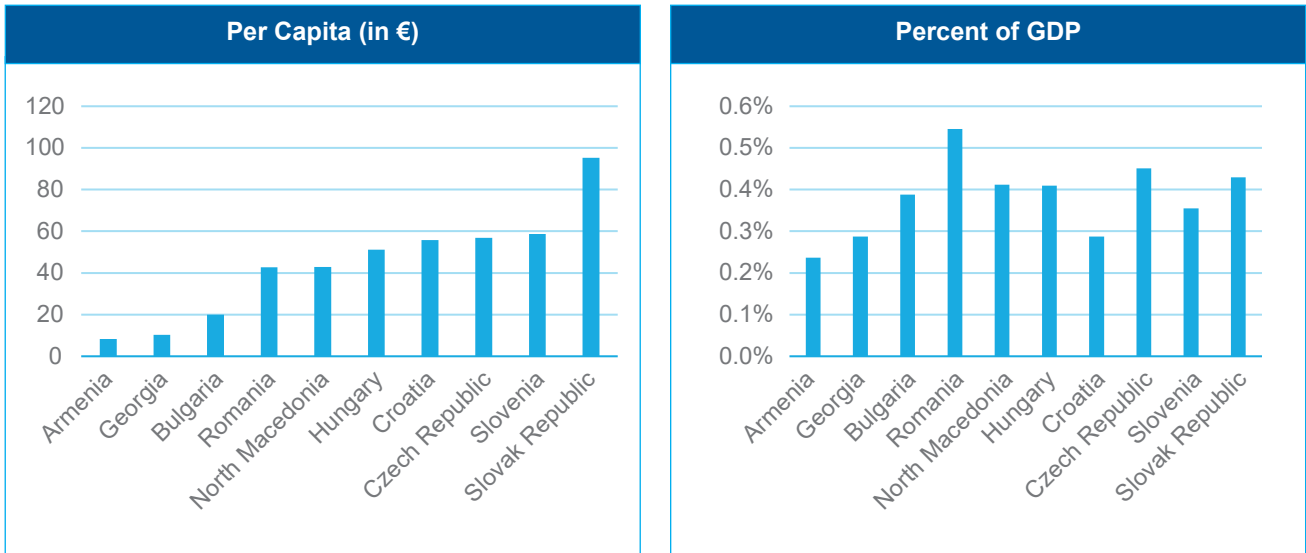
*Figures in this table come from the state budget, which reconciles with SJC's initial budget (both capital allocation + expenditures) at the beginning of the year. No comparative figures for 2018 were available, thus justice sector expenditures, "Public security and Judicial activities", were taken from the Law of Budget 2018 (except for National Security and Rescue Services).

154. Armenia ranks low in both justice spending per GDP as well as in its real per capita justice spending among CEPEJ member states (see Figure 30). Per 2018 data, Armenia had the lowest per capita

spending (€8.93 compared to the CEPEJ average of 70.40), and comparatively low spending per share of GDP (with 0.237 percent against the CEPEJ average of 0.305 percent).

¹²⁵ 126 Introduced according to the SJC's Charter Decision on Status and Structure of the JD (2018), amended in 2021 and 2022. See <https://court.am/storage/uploads/files/service-page/pf954IUJCpyWvBkGF74BhROQph0kKY04R0n3dEoB.pdf>; <https://www.irtek.am/views/act.aspx?aid=110500>; <https://court.am/storage/uploads/files/bdx-decisions/6idVtm4Lz9Fc4CDrEFdOr5KyLcPlfkorMOJ6FJ19.pdf>.

Figure 30. Spending on Court Systems: CEPEJ Comparisons

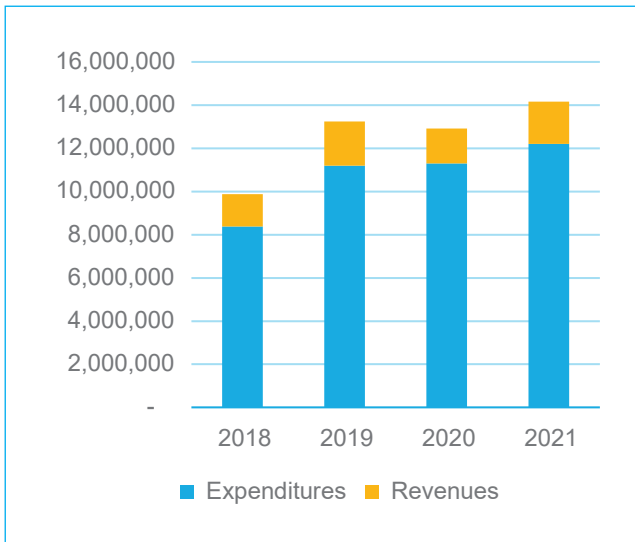


Source: CEPEJ 2020 Report (2018 data)

155. All courts in Armenia - except the Constitutional Court - are funded through the SJC budget, which comprises both state budget allocations and revenues (see Figures 31, 32). The share of revenues

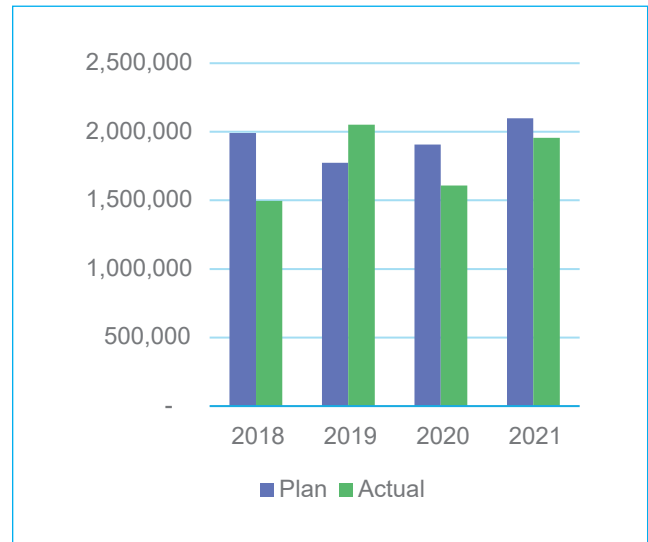
(income received from lawsuits, complaints, appeals, and for providing copies of court-issued documents) remains comparatively small, and – except for 2019 – has stayed below planned amounts (see Figure 32).

Figure 31. Court Budget: Expenditures and Revenues, 2018-2021 (in Thousand AMD)



Source: JD

Figure 32. Court Revenues: Planned vs. Actual (in Thousand AMD), 2018-2021



Source: JD

156. Courts of first instance account for the bulk of court expenditure, followed by expenditure for judicial management (i.e., the SJC). Around 45 percent of all expenditure occurs at the first instance court level,

which also handles the bulk of the caseload (see Chapter IV on Performance Measurement and Management). Adding in expenditure for court management, the share rises to just above 70 percent in 2019-2021.

Table 6. Expenditure by Entity/Court Type (Total in Thousand AMD, Percent of Total Expenditure) 2019-2021

	2018 *	2019		2020		2021	
		Total	In %	Total	In %	Total	In %
First Instance Court of General Jurisdiction		5,063,611	45.2	5,257,167	46.5	5,522,213	45.3
Supreme Judicial Council and Judicial Department		2,983,006	26.7	2,848,378	25.2	3,282,852	26.9
Court of Cassation		718,738	6.4	734,733	6.5	707,461	5.8
Administrative Court		692,680	6.2	699,680	6.2	741,059	6.1
Criminal Court of Appeal		552,527	4.9	543,918	4.8	580,015	4.8
Civil Court of Appeal		488,858	4.4	498,373	4.4	537,895	4.4
Court of Bankruptcy		370,170	3.3	400,492	3.5	440,767	3.6
Administrative Court of Appeal		321,116	2.9	321,935	2.8	384,364	3.2
Total		11,190,705	100	11,304,677	100	12,196,626	100

Source: JD

*No data available.

157. The limited data available showed a reduction in expenditure per judge by court and by region with only two exceptions (the Administrative Court and the First Instance Court of Ararat and Vayots Dzor) (see Table 7). Data was only available for 2020 and 2021

but showed variability among courts and for individual courts from one year to the next. This suggests variability in the level of non-labor inputs. More data points are required to confirm whether this volatility in expenditures is common and how it is addressed at the court-level.

Table 7. Expenditure per Judge by Court, 2020-2021

Courts	Number of judges		Expenses (in thousand AMD)		Per judge expense	
	2020	2021	2020	2021	2020	2021
Administrative Court	23	23	699,680	741,059	30,421	32,220
Administrative Court of Appeal	9	12	321,935	384,364	35,771	32,030
Civil Court of Appeal	15	18	498,373	537,895	33,225	29,883
Court of Bankruptcy	11	15	400,492	440,767	36,408	29,384
Court of Cassation	16	16	734,733	707,461	45,921	44,216
Criminal Court of Appeal	17	20	543,918	580,015	31,995	29,001
First Instance Court Aragatsotn	5	6	246,303	263,597	49,261	43,933
First Instance Court Ararat and Vayots Dzor	11	12	418,907	461,695	38,082	38,475
First Instance Court Armavir	8	9	341,244	355,216	42,655	39,468
First Instance Court Gegharkunik	8	9	363,457	358,877	45,432	39,875
First Instance Court Kotayk	9	10	362,080	386,794	40,231	38,679
First Instance Court Lori	11	12	405,894	424,989	36,899	35,416
First Instance Court Shirak	11	12	415,982	409,062	37,817	34,089
First Instance Court Syunik	8	9	297,373	316,760	37,172	35,196
First Instance Court Tavush	5	6	245,745	275,695	49,149	45,949
First Instance Court Yerevan	61	69	2,160,184	2,269,526	35,413	32,892
Total	228	258	8,456,299	8,913,774		

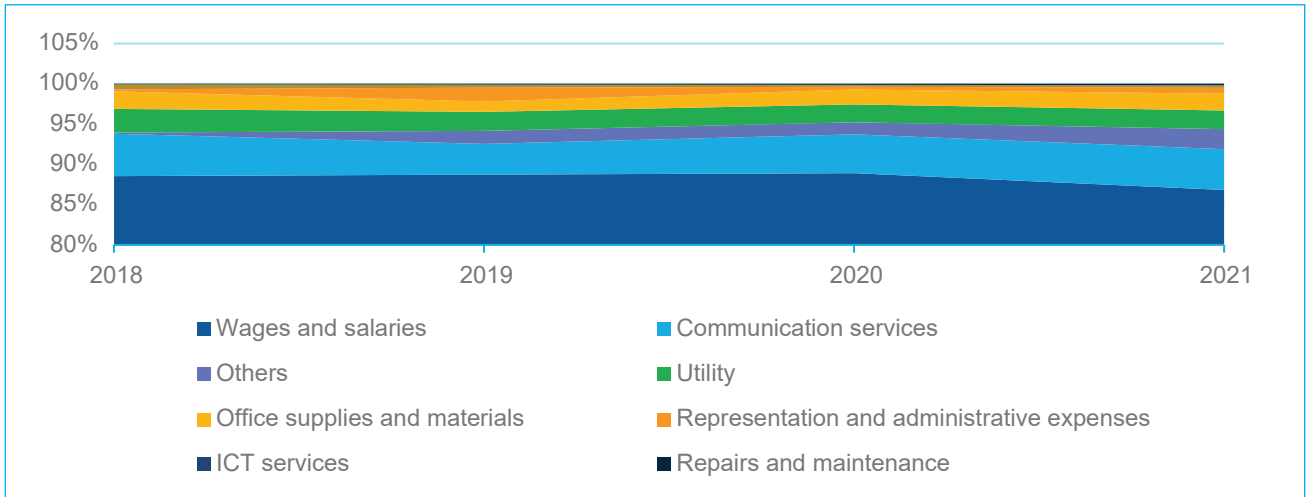
Source: JD

(b) By Category

158. Wages and salaries dominate court expenditure in Armenia, as they do in other countries. Historically, the wage bill is the most significant expenditure item,

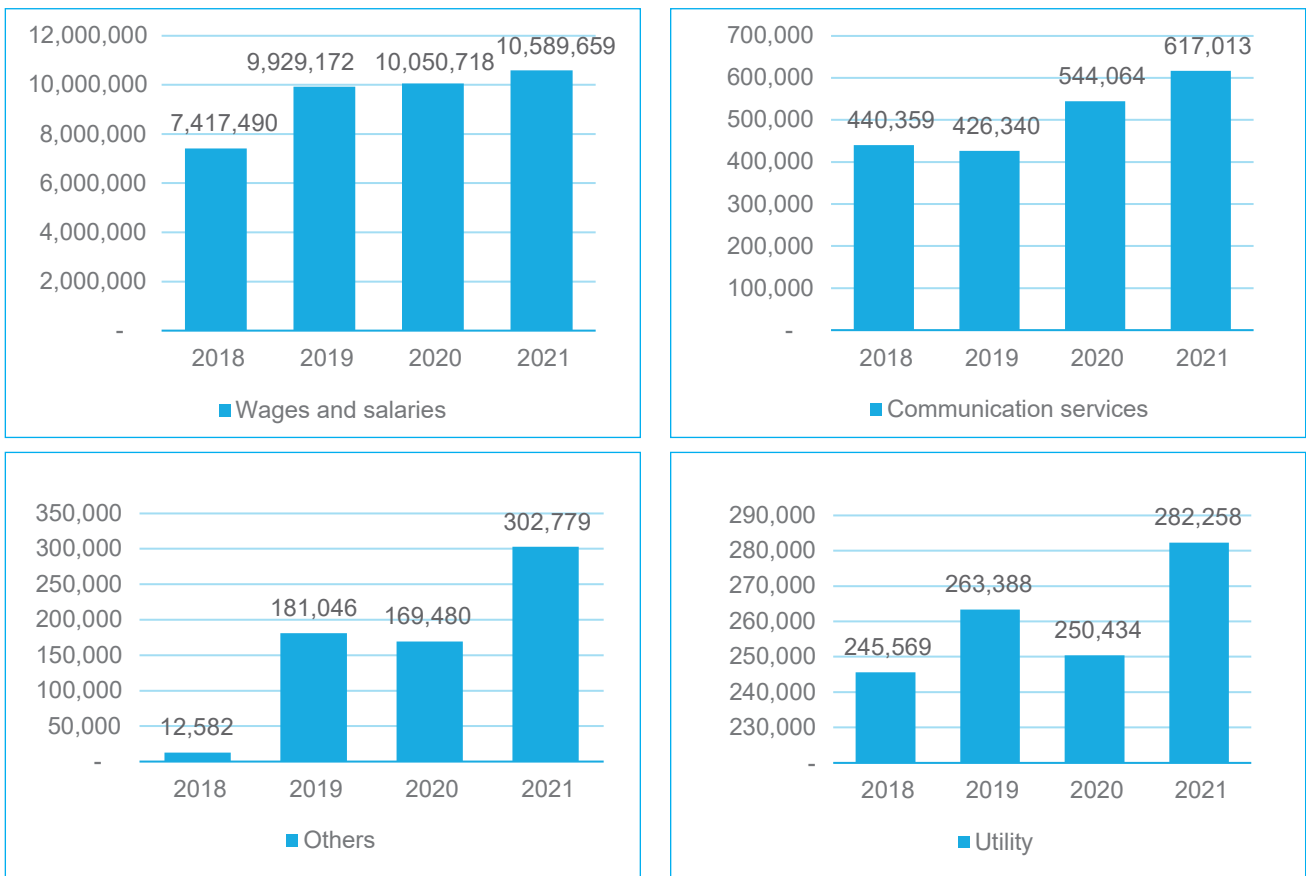
accounting for close to 90 percent of spending. Capital and maintenance allocations have been meager and seem to have responded only to critical needs despite the needs on the ground (see Figures 33 and 34).¹²⁶

Figure 33. Court Expenditures by Category, 2018-2021 (in percent of total expenditure)

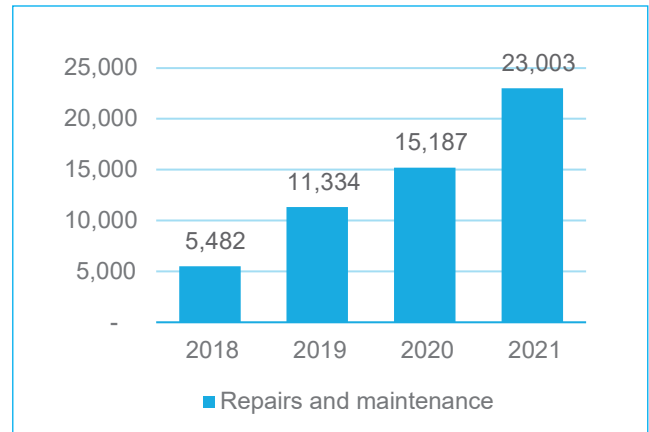
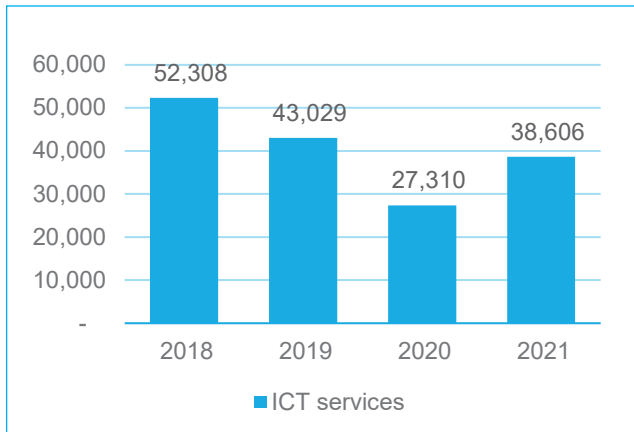
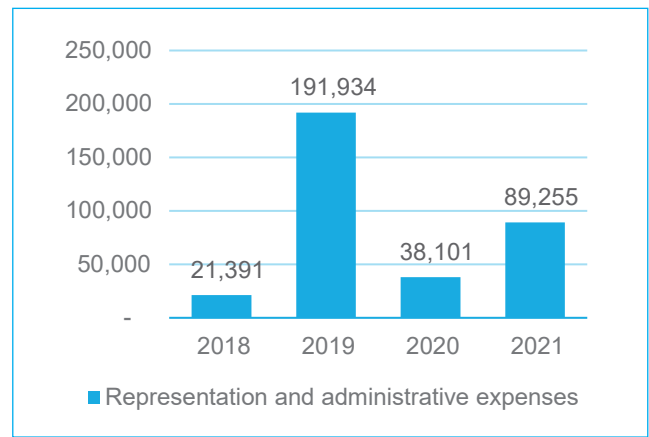
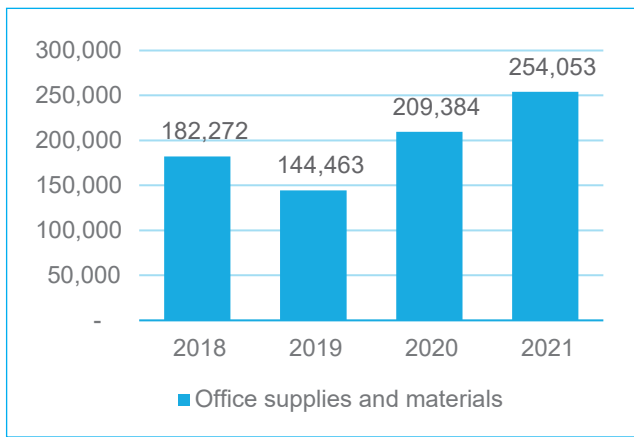


Source: JD

Figure 34. Court Expenditure by Category (total), 2018-2021



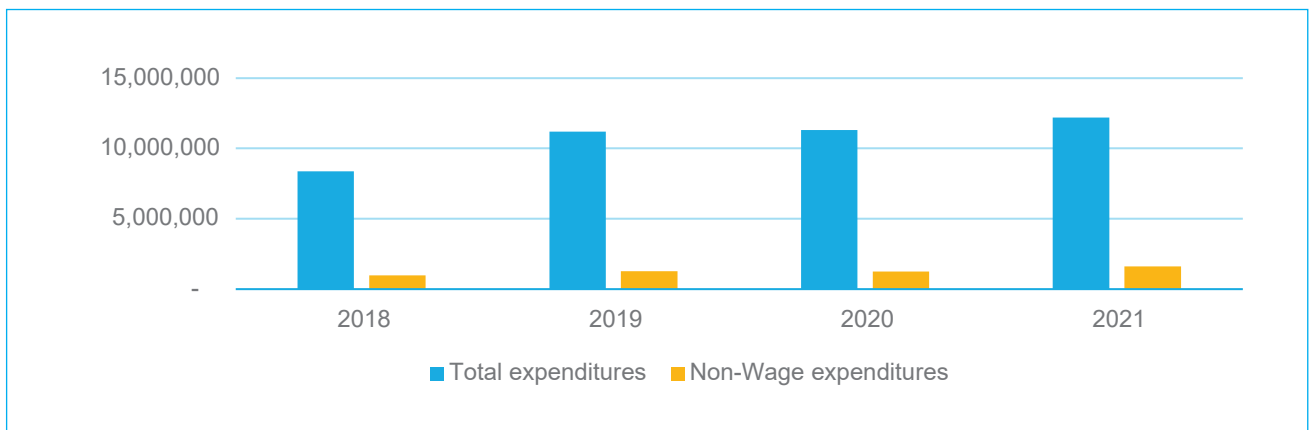
¹²⁶See Chapter VIII on Physical Infrastructure.



159. Non-wage expenditure has increased both in amount and as a share of total expenditure (see Figure 35) and in all individual courts (except for the **Criminal Court of Appeal** (see Table 8). This plausibly suggests that, in part, allocation of non-wage expenditure reflects the urgency of needs rather than long-term planning, in a context of a long-term trend of labor costs crowding out

maintenance spending, resulting over time in deteriorating infrastructure leading to operating inefficiencies and constrained service delivery (see also Chapter VIII on Physical Infrastructure). The increase in repairs and maintenance in 2021, for example, is likely associated with adding new judge positions which triggered refurbishment and minor civil works in select court buildings.

Figure 35. Non-wage expenditure (in AMD), 2018-2021



Source: JD

Table 8. Non-wage Expenditure by Court Type (in Thousand AMD), 2019-2021

Courts	2019	2020	2021
Supreme Judicial Council and Judicial Department	390,944	336,154	463,590
Court of Cassation	28,490	24,486	31,097
Civil Court of Appeal	24,643	26,135	28,810
Criminal Court of Appeal	36,967	29,710	34,468
Administrative Court of Appeal	9,570	10,477	14,954
Administrative Court	50,146	41,362	55,594
First Instance Court of Yerevan	208,725	235,842	267,075
First Instance Court of Aragatsotn	24,471	23,279	31,643
First Instance Court of Ararat and Vayots Dzor	47,990	57,870	66,937
First Instance Court of Armavir	38,814	42,042	48,780
First Instance Court of Gegharkunik	35,756	44,626	43,135
First Instance Court of Lori	44,953	53,769	59,474
First Instance Court of Kotayk	37,705	52,969	52,757
First Instance Court of Shirak	49,769	51,452	63,853
First Instance Court of Syunik	27,624	26,790	33,106
First Instance Court of Tavush	24,630	24,367	33,002
Court of Bankruptcy	24,597	45,884	47,804
Reserve Fund	155,742	126,747	230,890
Total	1,261,533	1,253,960	1,606,968

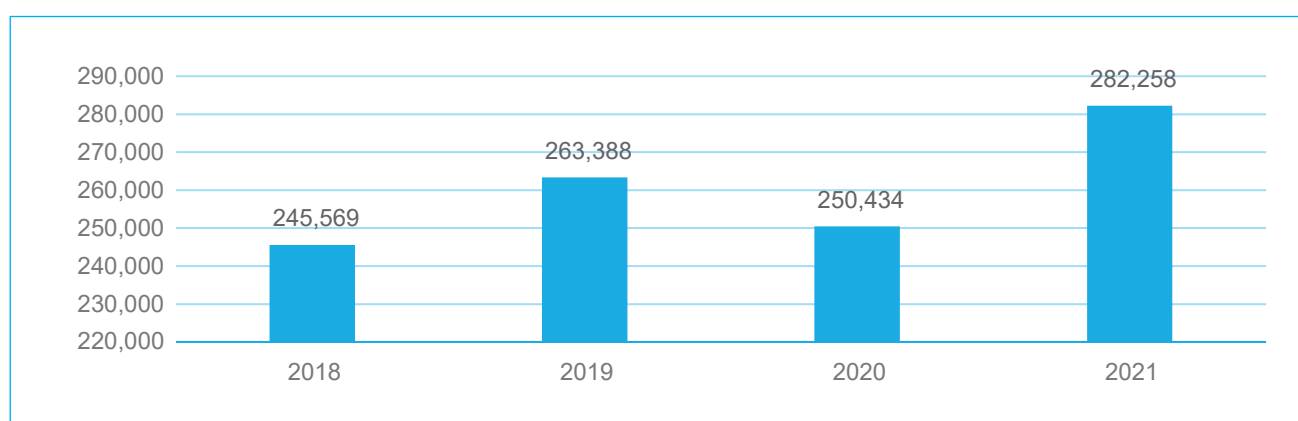
Source: JD

*No disaggregated, i.e., court level data is available for 2018.

Aggregated figures have been reflected in earlier analysis in this chapter.

160. The already tight financial environment in which courts are operating today might become even more stringent. In light of rising prices for utilities (see Figure 36) and given the status of Armenia's judicial

infrastructure, spending in these areas is likely to increase, both absolutely and as a share of total spending. There are also plans to create a new anti-corruption court which would add to operating costs of utilities.

Figure 36. Judicial Spending on Utilities (in AMD)

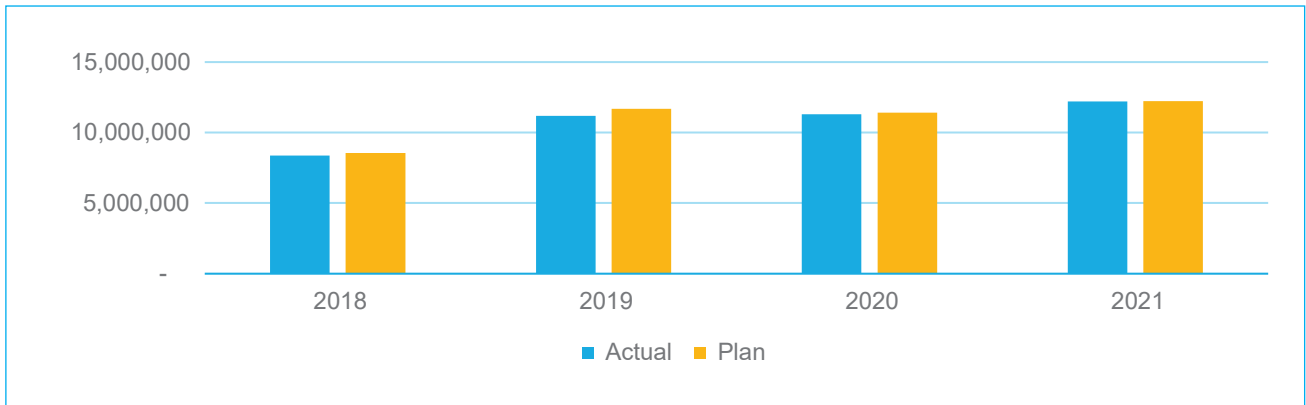
Source: JD

(c) Budget Implementation

161. In Armenia, judicial entities manage their annual budgets so as to either meet or stay just below the planned expenditures (see Figure 37). However,

when taking a closer look at budget preparation, i.e., the consolidated request, adjusted after parliamentary approval, it becomes clear that there are variances among categories and over time (see Figure 38).

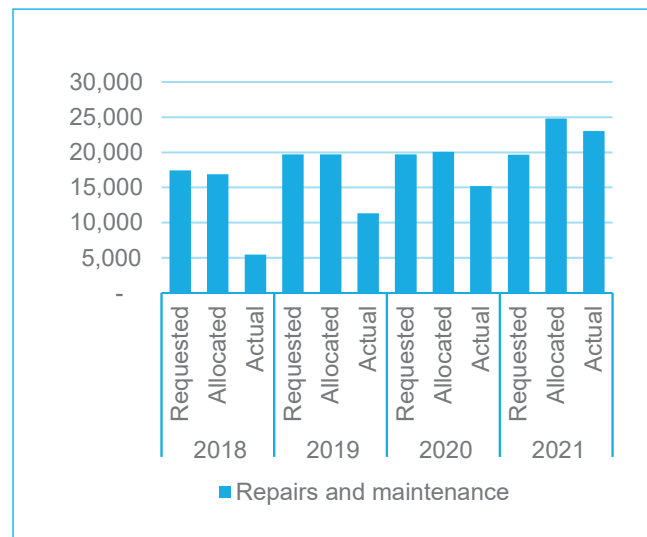
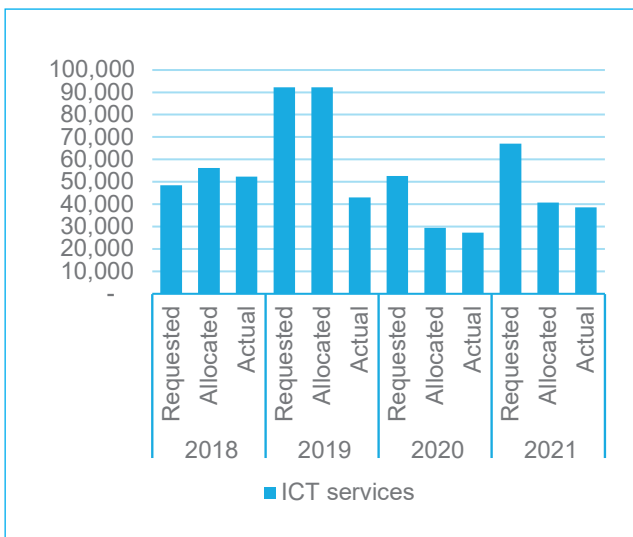
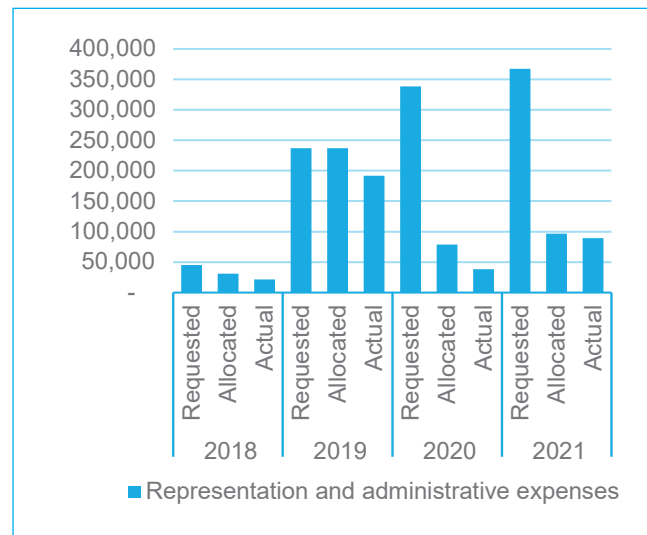
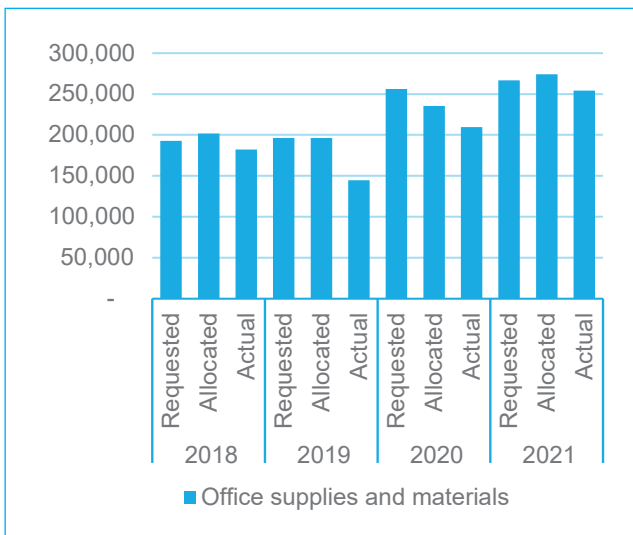
Figure 37. Planned vs. Actual Expenditures Overall, 2018-2021 (in Thousand AMD)



Source: JD

Figure 38. Requested, Allocated Budgets vs. Actual Expenditures by Category, 2018-2021 (in Thousand AMD)





Source: JD

*Category "Other" comprises social payments and allocations from the reserve fund.

162. First instance courts have consistently received allocations below the level requested, which they have fully spent. First instance courts are responsible for approximately 45 percent of all expenditure (and most of the caseload and workload) but allocation has remained consistently below requests at this level (see Table 9). Looking at budgets received and actual execution, courts have managed to fully spend annual allocations.

163. The bulk of budget execution is undertaken to pay staff salaries; relevant staff in the SJC, JD, and in courts currently lack key skills to effectively manage the limited budget environment. Managing

limited budgets, maintaining statistics, and planning for infrastructural improvements require skilled staff that can support courts to reduce backlogs and improve service delivery in line with the Government's Strategy and vision for a strong, independent judiciary.

164. Moving from a system that focuses largely on executing salary payments to a performance model that gathers reliable budgeting, allocation, and spending data to inform spending will be critical. A performance model that is aligned with the reality of scarce resources can guide budgetary decisions taking account of the critical nature of all elements in the delivery of judicial services.

Table 9. Requested and Allocated Budgets vs. Actual Expenditures by Court Type, 2018-2021 (in Thousand AMD)

Courts, JD, SJC	2019			2020			2021		
	Requested	Allocated	Actual	Requested	Allocated	Actual	Requested	Allocated	Actual
Administrative Court	709,195	697,181	692,680	718,004	702,346	699,680	725,600	741,527	741,059
Administrative Court of Appeal	317,832	322,448	321,116	320,906	322,982	321,935	322,846	384,429	384,364
Civil Court of Appeal	499,125	490,821	488,858	502,648	498,683	498,373	508,760	537,974	537,895
Court of Bankruptcy	358,621	383,560	370,170	401,541	401,548	400,492	400,648	440,768	440,767
Court of Cassation	739,411	730,039	718,738	734,844	738,661	734,733	723,551	707,477	707,461
Criminal Court of Appeal	561,754	562,057	552,527	571,723	548,815	543,918	574,491	580,016	580,015
Reserve fund	242,758	242,758	155,742	248,281	148,281	126,747	238,536	232,371	230,890
Supreme Judicial Council and Judicial Department	2,768,118	2,994,298	2,827,263	3,097,339	2,771,834	2,721,631	3,249,648	3,082,136	3,051,962
First Instance Court of Aragatsoth	272,251	246,875	237,185	275,161	248,758	246,303	262,354	263,620	263,597
First Instance Court of Ararat and Vayots Dzor	449,934	397,436	384,247	436,404	421,295	418,907	438,798	461,883	461,695
First Instance Court of Armavir	341,713	335,068	326,108	338,230	341,948	341,244	337,167	355,565	355,216
First Instance Court of Gegharkunik	372,571	365,022	340,461	364,793	366,020	363,457	363,986	359,645	358,877
First Instance Court of Kotayk	370,399	363,326	349,322	372,479	362,878	362,080	365,367	387,113	386,794
First Instance Court of Lori	438,556	418,387	403,005	435,132	406,418	405,894	437,446	425,798	424,989
First Instance Court of Shirak	447,023	408,519	391,368	432,628	419,086	415,982	428,906	409,101	409,062
First Instance Court of Syunik	339,144	311,307	297,802	340,853	298,833	297,373	341,427	316,901	316,760
First Instance Court of Tavush	268,760	269,766	256,190	267,485	246,116	245,745	266,430	275,707	275,695
First Instance Court of Yerevan	2,179,550	2,137,847	2,077,924	2,174,365	2,172,898	2,160,184	2,179,355	2,269,882	2,269,526
Total	11,676,715	11,676,715	11,190,705	12,032,815	11,417,397	11,304,677	12,165,313	12,231,912	12,196,626

Source: JD

B. CONCLUSION AND RECOMMENDATIONS

165. Armenia ranks low in justice spending compared to CEPEJ member states and there is a lack of professionalization of budget planning and execution in courts and the justice system. Limited capacities at the court-level and the JD-level hamper the budget preparation and adoption process. As public pressure for improved performance, service delivery, and integrity in the judicial system mounts, there is a general need for better financial coordination and planning and enhanced budgetary skills at all levels.

166. Labor costs are crowding out other expenditure. Improved planning is needed to ensure important physical infrastructure and ICT projects can be implemented. Without appropriate complementary capital and operating expenditure, labor is likely being deployed inefficiently, for example undertaking manual processes which could be digitalized.

167. The following recommendations are proposed for consideration by stakeholders to address the identified issues.

Recommendation 1	Further define the legislative framework.
Possible actions	<ul style="list-style-type: none"> Define the legislative grounds on which the NA is allowed to reject budget application requests to allow the SJC to better target and defend its requests. Enhance the legislative guarantee for sufficient judicial budget to eventually move beyond the bare minimum.
Recommendation 2	Strengthen coordination and planning mechanisms between the SJC and the Government.
Possible actions	<ul style="list-style-type: none"> Instigate a mechanism for more frequent meetings between SJC and the Government at the technical level to facilitate budget planning. Introduce 'smart' indicators (i.e., indicators that are specific, measurable, achievable, relevant and time-bound) to improve budget execution and strengthen medium-term budget planning.
Recommendation 3	Lobby for judicial budget and foster evidence-based decision-making.
Possible actions	<ul style="list-style-type: none"> Improve the quality, reliability, and coverage of budget related data to be used for internal discussion and decision-making. Articulate more clearly the background to requests for (additional) budget allocations (needs of courts, judges, and court personnel and the needs of court users). Raise public awareness of the challenging working conditions under which Armenia's judiciary operates.
Recommendation 4	Strengthen budgetary skills at the SJC, JD, and courts.
Possible actions	<ul style="list-style-type: none"> Implement an interoperable financial management system for the courts and JD. Conduct periodic needs assessments with financial estimates (needs for technical assistance, operational expenses, capital expenditure etc.). Build skills and capabilities of current and future staff to facilitate meaningful conversations around court budget needs for tangible change. Develop and maintain statistics and evidence-based cost estimates for investments to better enable the SJC to argue for increased judicial budget in the short-, medium-, and long-term.
Recommendation 5	Introduce a flexible performance model based on reliable budgeting, allocation, and spending data and information.
Possible action	<ul style="list-style-type: none"> Introduce a performance model that is aligned with the reality of scarce resource and reflects all key elements in the delivery of judicial services.

VI. HUMAN RESOURCES

168. This chapter seeks to analyze the adequacy of HR levels, allocation, and management in Armenia's judicial system. It is based on interviews with JD staff, recent statistics and legislation, information from external sources (including the Venice Commission and the EU), and material from other chapters of this report, notably on budgeting and performance. It focuses on three specific issues: (a) whether levels of staffing for judges and auxiliary staff are appropriate; (b) whether wage levels are sufficient to attract and retain qualified staff, and (c) whether the systems of recruitment, evaluation, and promotion are effective to ensure the hiring of appropriately qualified staff and progression and promotion of suitable candidates.

169. HR management in Armenia's court system has improved following the 2018 reforms.¹²⁷ The process to evaluate candidates for judge positions strikes a good balance between objective and subjective approaches. Salaries for judges are among the highest in the public sector and the level of vacancies in the judiciary is low. Salaries for higher level managerial and professional support staff positions also seem to compare favorably with those in the private sector. Although staff levels for judges and judicial assistants are below the level of most European countries, this low ratio of judges to population in Armenia does not necessarily imply the need for more judges, it may be sufficient to reduce the current workload of judges by streamlining procedures.

A. KEY CHALLENGES

170. The first challenge is ensuring appropriate levels of staffing and pay. Current levels of both judges and assistant judges are far below European comparators. It is reported that staff experience high

levels of stress due to overwork, making it difficult to attract and retain qualified personnel. There is a pressing need to support the judiciary to address the backlog of court cases. Recommendations include making better use of the existing staff, for example increasing the use of tools such as the simplified procedure, the expedited procedure, and the OfP, could quickly have an impact in efforts to reduce the backlog and finalize many cases.

171. The second challenge is to improve personnel management. Reforms introduced in 2018 to laws, regulations, and processes are not yet fully implemented. Recommendations include addressing this. Despite progress, it is not clear how well the written procedures for recruitment and evaluation of judges are implemented in practice. The JD proposes separating the judicial service from the civil service system, but this is not recommended.

(i) Challenge 1: Getting Staffing Levels Right (a) Staffing Levels

JUDGES

172. The minimum number of judges per courts is provided by the Judicial Code. However, the SJC has the authority to determine the number of authorized positions for judges, subject to Government approval.

173. There are over 2,500 staff employed in the court system.¹²⁸ Of these, approximately 260 are judges and the remaining 2,249 are support staff, including judges' assistants, courts registrars, trial clerks, office staff, and accountants. The total also includes 129 staff at the central authority of the JD and 652 staff in the bailiff's service. Both are included under support staff in Table 10. A detailed breakdown of staffing, by court, is provided in Annex 8.

¹²⁷The EU developed a report in February 2022 on the human resources management system in the Armenian judiciary, which highlights various challenges of the current court system and makes several recommendations for reform. The report also includes a discussion of HR management in the prosecutor's office and extensive recommendations for the use of electronic systems. For specific information on the challenges and recommendations provided by the EU in this report please refer to Annex 7.

¹²⁸Data on staffing used in this chapter was provided by the JD however there was some variation of figures within the data. "Summary Data on the Staff of the Structural Units of the Judicial Departments" states 262 judges. This is the only source that provides data on both the number of judges and the number of support staff but does not indicate whether it refers to authorized positions or positions actually filled. "Number of Judges of the Republic of Armenia Segregated by the Regions and Types of Courts" provides this disaggregation (259 authorized and 233 filled), but both figures differ from the total reported in "Summary Data". Neither source identifies the year to which it applies. A third source—provided in response to a specific World Bank data request—based on budget data reports yet another figure of 243 excluding 45 judges reportedly hearing administrative cases in the Court of Appeal. The figures from all three sources are fairly close. Depending on the context, different figures are used in different parts of this chapter. In each case, the specific source is identified.

Table 10. Current Staffing Levels

Court	Judges	Support staff	Total
First instance	153	985	1138
Appeal	52	201	253
Specialized	40	194	234
Cassation	17	88	105
Central administration	0	781	781
Total	262	2249	2511

Source: JD, Summary Data on the Staff of the Structural Units of the JD

174. The number of judges has increased only slightly since the current system was put in place in 2018. Table 11 compares the number of judges as of 2018 with the number as of 2021. As shown, the number of judges in courts of first instance has increased by about 9 percent, largely due to increases in Yerevan. The

number of judges in specialized courts has increased by 30 percent, largely due to staffing increases in the Bankruptcy Court. In addition, a total of 15 positions have been authorized for the Anti-corruption Court and another ten for a new chamber in the Court of Cassation that is responsible for hearing appeals from those courts.

Table 11. Trends in Number of Judges by Court, 2018 vs 2021

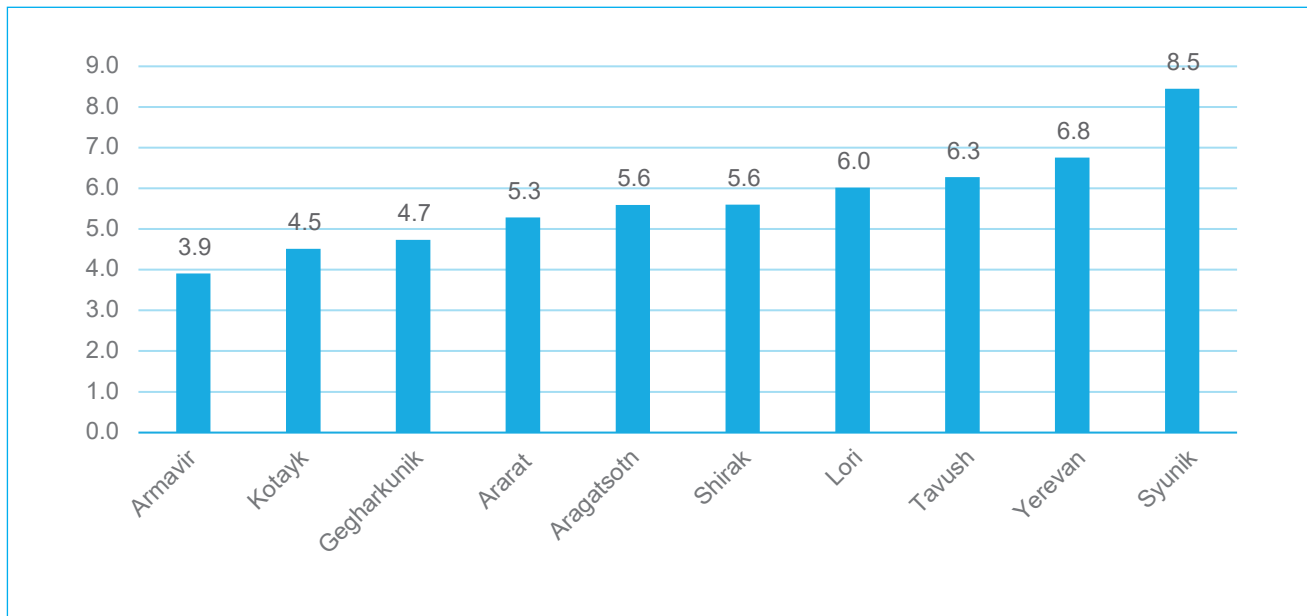
	2018	2021
Specialized Courts		
Administrative Court	23	23
Administrative Court of Appeal	9	12
Civil Court of Appeal	15	18
Court of Bankruptcy	0	15
Court of Cassation	16	16
Criminal Court of Appeal	17	20
Courts of First Instance (general jurisdiction)		
Aragatsotn	5	6
Ararat and Vayots Dzor	10	12
Armavir	7	9
Gegharkunik	8	9
Kotayk	9	10
Lori	12	12
Shirak	12	12
Syunik	8	9
Tavush	5	6
Yerevan	65	69
Total	221	258

Source: MOJ budget data provided to WB June 2022

175. There are substantial variations in the ratio of judges to population within Armenia. Figure 39 illustrates the number of judges per capita in each

region and in Yerevan. As shown, the ratio ranges from 3.4 judges per 100,000 in Armavir to 6.5 in Syunik.

Figure 39. Number of Judges in the Provinces Per 100,000 Population (Marz)



Source: Distribution of population by administrative-territorial division and structure:

<https://armstat.am/file/doc/99486113.pdf>

176. Staffing levels for judges and judicial assistants are, in per capita terms, far below the level of comparable European countries (see Table 12). This conclusion is based on ratios of judges, judicial assistants, and administrative and technical staff from

CEPEJ (2018 data). Armenia had only eight professional judges per 100,000 population at that time, as opposed to an average of about 29 in the comparators.¹²⁹ Armenia had 26 judicial assistants per 100,000 population, compared to an average of 45 in the comparators.¹³⁰

Table 12. Staffing Levels in Comparator Countries per 100,000 Population

	Professional Judges	Judicial Assistants	Administrative, Technical Staff
Armenia	8	26	67
Bulgaria	32	67	22
Croatia	41	101	28
Czech Republic	28	43	25
Georgia	8	17	23
Hungary	30	10	NA
North Macedonia	25	29	70
Poland	25	58	27
Romania	24	33	17
Serbia	37	53	74
Slovakia	25	40	NA
Slovenia	42	47	92
Comparator Average	28.8	45.3	42

Source: CEPEJ [Explorer 2020](#)

¹²⁹The comparator countries are: Bulgaria, Croatia, Czech Republic, Georgia, Hungary, N. Macedonia, Poland, Romania, Serbia, Slovakia and Slovenia. The data (including the figures for Armenia) are 2018. In 2021, Armenia had 8.8 judges per 100,000 population.

¹³⁰Source: CEPEJ https://public.tableau.com/app/profile/cepej/viz/CEPEJ-Explorev2020_1_0EN/Tables. Note that the number of administrative and technical staff in the judicial system, however, is higher in Armenia than in the comparators: 67 per 100,000 population as compared to 42.

177. The low ratio of judges to population in Armenia does not necessarily mean that the judiciary is understaffed. International comparisons should be used with caution as such figures are not strictly comparable across countries. The responsibilities of judges vary from one country to another, and the tasks performed by judges in one country may be performed by assistant judges in another. Additionally, a low ratio of judges to population does not necessarily mean that there are too few judges. It may mean that too many cases reach judges. This happens, in part, because there is no ‘filter’ for administrative or civil cases in Armenia (see discussion on OfP in Chapter IV on Performance Measurement and Management).^{131, 132} Issues concerning budget constraints and HR crowding out other functions make financing additional judicial positions not feasible. A meaningful conversation among various stakeholders across executive and legislative branches of government would be required to agree on priorities and follow suit in budget allocation to implement an ambitious reform agenda.

SUPPORT STAFF

178. The Judicial Code (Article 61) specifies that each judge (in courts of first instance and courts of appeal) shall have an assistant and a secretary. For each judge in the courts of first instance the position of a clerk is also foreseen and usually filled. According to the Judicial Code, the SJC has the authority to add additional support positions based on the workload of each judge—although this power may be circumscribed by the provisions of the Civil Service Law.

179. At the time of this *Forward Look*, the court system employs roughly 2,250 staff below the level of judges. They occupy a wide range of positions. As shown in Table 13, a total of 276 are judicial assistants, another 450 are classified as court registrars or trial clerks, roughly 650 are bailiffs. Most of the remainder are classified only as ‘support staff.’ As shown earlier in Table 12, the number of judicial assistants (per 100,000 inhabitants) is far below most comparable European countries. The number of other support staff per 100,000 inhabitants, on the other hand, is far above it.

Table 13. Number of Support Staff

Positions	First Instance	Specialized	Appeal	Cassation	Total
Judicial assistants	159	35	50	32	276
Court registrars	152	36	50	0	238
Trial clerks	153	40	19	2	214
Office staff	8	21	40	9	188
Support staff	361	55	25	32	473
Archivist	14	2	0		16
Chief of staff	12	2	3	1	18
Chief accountant	13	3	3	1	20
Legal expert examination	3	0	11	11	25
Judicial dept.					129
Bailiff’s service					652
Total	985	194	201	88	2249

Source: Summary Data on the Staff at the Structural Units of the JD

¹³¹World Bank. 2020. *Enhancing the Efficiency of Court Processes in Armenia: Ways to Improve the Simplified Procedure and Order for Payment Procedure for Better Justice System Performance*, available at: <https://documents1.worldbank.org/curated/en/98003160862888810/pdf/Governance-and-Justice-Enhancing-the-efficiency-of-Court-Processes-in-Armenia-Ways-to-Improve-the-Simplified-Procedure-and-Order-for-Payment-Procedure-for-Better-Justice-System-Performance.pdf>.

¹³²While there is no fast-tracking foreseen in criminal cases, the recent introduction of two specializations (i.e., pre-trial proceedings and anti-corruption procedures) with additional positions should facilitate criminal case proceedings (see also Chapter IV on Performance Measurement and Management for further details).

(b) Salaries

JUDGES

180. The salaries of judges at all levels are set according to the Law on the Remuneration of Persons Holding State Positions. Under this Law, the salary of a judge is a product of (a) a basic salary set out annually in the State Budget Law, (b) a fixed coefficient, and (c) an annual increase based on length of service.¹³³

181. For 2021, the base monthly salary for judges in courts of first instance was fixed at €140 (₴66,400).

This was equivalent to an annual salary of €13,700 at mid-year €/₴ exchange rates. Table 14 shows the coefficients that are applied to the base salary for judges at each level of the court system, and the resulting starting salary and the maximum salary (which is based on length of service, subject to a cap of 30 percent). Box 20 describes the criteria for ‘horizontal’ transfers. The maximum salary for the position (after 15 years of service) was about €17,800 (annually). Salary scales for judges in Courts of Appeal were 10 percent higher. The salaries of judges in the Court of Cassation were another 4.5 percent higher.

Table 14. Annual Salaries of Judges, 2021

Court	Coefficient	Monthly starting salary (AMD)	Monthly maximum salary (AMD)
Court of Cassation	11.5	760,610	988,793
Court of Appeal	11	727,540	945,802
Court of first instance (general jurisdiction)	10	661,400	859,820
Administrative court	10	661,400	859,820

Source: Law on Remuneration of Persons Holding State Positions

182. This level of wages appears to be high enough to attract and retain qualified judges. Wages for judges are now among the highest in the public sector. The salary of a judge in a court of first instance is equal to that of a Deputy in the NA, a Provincial Governor, or the First Deputy Chief of the Armed Forces. The salary of a judge in the Appeal Courts or the Court of Cassation is only 4 percent below the salary of a government minister, although unlike ministers and government staff judges do not receive monthly bonuses (which in the case of ministers is usually 100 percent of the monthly salary). According to the Civil Service Office, judges’ salaries are higher than average wages for lawyers in the public sector, the average annual salary of a lawyer in the private sector in Yerevan (equivalent to €6,600 annually in 2021) was less than half the starting salary of a judge in a court of first instance and in outlying provinces such as Ararat it was less than one-third (equivalent to €4,150 annually in 2021).¹³⁵

183. The level of vacancies in the judiciary is low. Of the 274 authorized positions for judges at the end of 2021, only 11 (4 percent) were vacant.¹³⁶ This rate differed slightly across court tiers and court locations. At the end of 2021, the vacancy rate in the Court of Appeal was 2.5 percent, while 10 (6 percent) of the 153 authorized positions for judges in court of first instance were vacant.³⁷ In January 2022, however, the vacancy rate shot up to 12.5 percent. This appears to reflect the large number of judge positions created in 2021, including for pre-trial proceedings and the Anti-corruption Court. The anti-corruption judges have yet to be appointed at the time of the drafting this *Forward Look*.

SUPPORT STAFF

184. The salaries of support staff are governed by the Law on the Remuneration of State Employees. This was originally enacted in 2013 and slightly revised in 2018 to harmonize with the new Civil Service Law. As

¹³³Judges receive an additional payment equal to two percent for each year of service as a judge up to a ceiling of 30 percent of the base salary. Annual salary increases may be suspended in the event of adverse performance evaluations. Staff receiving positive performance evaluations may be granted bonuses.

¹³⁴The Action Plan proposes raising the salaries of judges and their staff, arguing that ‘remuneration currently offered to judges is not proportionate to their workloads, endangering their impartiality, prompting corruption, and making it difficult to attract ‘leading lawyers’ to serve in the judiciary’. As this conclusion was based on the 2019 Strategy, it appears to have been overtaken by events. Time series data on the salaries of judges is not available.

¹³⁵See <https://cso.gov.am/news/267?fbclid=IwAR3mSmK7P0DNXfH0rcOaYK0LDbA5nePEw6nkE-Q5VeWZXqwtNPVtMHYawHU>

¹³⁶Source: JD email dated May 31, 2022.

¹³⁷Source: Number of Judges of the Republic of Armenia Segregated by the Regions and Types of Courts. The source data excludes judges in the Court of Cassation. Note that the figures for other courts differ slightly from those reported in the source for Tables 10 and 11.

in the case of judges, individual salaries are a product of (a) the basic salary, (b) a coefficient, which applies to a specific grade, and in some cases, (c) an increment of up to 30 percent based on length of service. According to the Law, the base salary is to be adjusted periodically in line with changes in the minimum wage: the base salary must be no less than 80 percent of the minimum wage and no greater than 120 percent of it.

185. As a result, salaries for higher level managerial and professional positions seem to compare favorably with those in the private sector. In 2021, the annual

starting salary for a judicial assistant in Yerevan was equivalent to €5,750 annually. This was 15 percent below the average salary of a private sector lawyer in the city, regardless of years of experience. The annual starting salary for a clerk or secretary in the justice system was €2,770 annually, 17 percent below the average salary of workers engaged in “administrative and support service activities” in Armenia as a whole (again, regardless of years of experience), whereas salaries for these positions can range as high as €3,650 annually – 6 percent above the national average for administrative and support staff.

Table 15. Salary Coefficients for State Service, Excluding Discretionary Positions

Salary Levels	Junior Positions			Leading Positions			Chief Positions			Highest Positions	
	Scale for the third sub-group	Scale for the second sub-group	Scale for the first sub-group	Scale for the third sub-group	Scale for the second sub-group	Scale for the first sub-group	Scale for the third sub-group	Scale for the second sub-group	Scale for the first sub-group	Scale for the second sub-group	Scale for the first sub-group
11	1.68	1.95	2.28	2.66	3.11	3.64	4.40	5.34	6.49	7.91	9.65
10	1.63	1.90	2.21	2.58	3.01	3.53	4.27	5.17	6.29	7.65	9.33
9	1.58	1.84	2.14	2.50	2.92	3.42	4.13	5.01	6.09	7.41	9.03
8	1.54	1.79	2.08	2.42	2.83	3.31	4.01	4.85	5.89	7.17	8.74
7	1.49	1.73	2.02	2.35	2.75	3.21	3.88	4.70	5.71	6.94	8.46
6	1.45	1.68	1.96	2.28	2.66	3.11	3.76	4.55	5.52	6.72	8.18
5	1.41	1.63	1.90	2.21	2.58	3.02	3.64	4.41	5.35	6.50	7.92
4	1.37	1.59	1.84	2.15	2.50	2.92	3.53	4.27	5.18	6.29	7.66
3	1.33	1.54	1.79	2.08	2.43	2.83	3.42	4.14	5.01	6.09	7.41
2	1.29	1.49	1.73	2.02	2.35	2.75	3.31	4.01	4.86	5.89	7.17
1	1.25	1.45	1.68	1.96	2.28	2.66	3.21	3.88	4.70	5.71	6.94

Source: Law on Remuneration of Persons Holding State Positions

(ii) Challenge 2: Improving Personnel Management

(a) Management

JUDGES

186. The recruitment, appointment, and secondment of judges is organized with the help of the Department for Judges and Candidates at the JD. The Department is split into two divisions: the Division on Candidates and Promotion of Judges and the Division on Disciplinary

Sanctions against Judges. Eight staff positions are available for this Department in total, one Head of the Department, four in the Division on Candidates and Promotion of Judges, and three in the Division on Disciplinary Sanctions. It is the Division on Candidates and Promotion of Judges that organizes the qualification exams for judge candidates, checks the applications of candidates and validity thereof, and maintains the lists of candidates of judges, nominees for candidates of judges, judges subject to promotion, and other activities related



to recruitment and promotion of judges. The Department for Human Resource Management at the JD is mostly engaged in management of support staff and conducts only limited administrative functions related to judges, such as maintaining their HR files. In the absence of an electronic HR management tool, most of the work is organized manually in all departments and divisions.

SUPPORT STAFF

187. The JD's Department for Human Resource Management is responsible for managing judicial support staff. There are a total of 13 positions in the Department for Human Resource Management: one Head of the Department, seven judicial staff, and six staff supporting HR management of bailiffs. At the time of writing, however, the Department currently has seven positions vacant. As with the Department for Judges and Candidates, most HR management functions are conducted manually and ICT support is limited. All personnel files and related data are kept in a paper-based format and the absence of smart and comprehensive HR e-tools undermine the efficiency of processes and put sensitive data at risk. Inadequate skills and capacities paired with the lack of a strong mandate to actively manage HR results in the focus of the Department being on administrative tasks related to documentation and filing. The performance evaluation system in place for support staff shows similarities to the general evaluation system in the civil service which lacks deep and comprehensive evaluation mechanisms.

188. Managerial and professional support staff are currently governed by the Law on Civil Service and the Law on the Remuneration of Public Officials. Both laws were substantially revised as part of a wider reform in the system of public employment, which broadened the reach of the civil service system to include the judiciary as well as other government agencies that formerly had separate HR systems.¹³⁸ The civil service reform began with a re-classification of all civil service positions. This was done on the basis of factors such as scope of responsibility and decision-making authority, impact, complexity, and professional knowledge required for the position. On this basis, the positions were divided into two broad groups: "managerial" and "professional". Managerial positions were in turn divided into five sub-groups; professional positions into eight. While broadening the reach of the civil service system, the reform left several HR functions to individual agencies and departments, including the recruitment of staff and training.

189. The JD proposes to again separate the judicial service from the civil service system which would, in effect, restore the JD's control over the management of judicial support staff (Box 31). The JD argues this is necessary because: (a) the civil service grading system does not permit promotions in parts of the judiciary,¹³⁹ thus undermining morale;¹⁴⁰(b) civil service salaries are too low impeding recruitment and retention; and (c) the civil service recruitment process is slow and cumbersome.

BOX 31. CIVIL SERVICE REFORM AND RESTORING THE JUDICIAL SERVICE

The JD's draft legislation proposes two forms of service in the judiciary: the judicial service and the bailiff's service with the JD operating its own personnel management system. The judicial service would be defined as the professional activity carried out by law to ensure the full and effective implementation of the powers and functions assigned to the officials of the judiciary, the SJC, and the courts. Under the proposal, the chairman of the SJC would appoint and dismiss the deputy heads of the JD, heads of court staff, internal auditors, and the head of the bailiff's service and the SJC would approve the structure, positions, and posts in the JD. Judicial power would be removed from the 2018 Law on Civil Service and a separate set of salary coefficients would be added to the Law on Remuneration of Persons in Public Service Positions for the bailiff's service and judicial service.¹⁴¹

190. It is not obvious that restoring the former judicial service would give the JD more control over the number of managerial and professional positions in the judiciary given that constraints on staffing

levels are imposed by the central government's budget process.¹⁴² Moreover, there is some risk that creating a separate judicial service could eventually have a snowball effect, balkanizing the entire system of

¹³⁸This reform was supported by a number of donor organizations including the World Bank and the EU/OECD joint SIGMA initiative. In particular, the SIGMA Public Sector Baseline Assessment Report highlighted the importance of this reform as did the World Bank Civil Service Strategy (2008-2009).

¹³⁹Judges do not fall under the Law on Civil Service given their status.

¹⁴⁰Positions in the judiciary have yet to be classified according to the civil service structure--four years after the reform was enacted.

¹⁴¹The coefficients for positions in these two services are set out in the proposed law and range from 1.4 to 9.65 in the judicial service and from 1.96 to 9.65 in the bailiff's service.

¹⁴²See Chapter V on Budgeting, Financial Management and Expenditures.

public employment and leading to arbitrary differences in the terms of employment in different departments—a problem that the 2018 reform was intended to resolve. This suggests that the Government should continue to integrate the HR management system for support staff in the judiciary with the civil service system.

(b) Recruitment

JUDGES

191. Judges for courts of first instance are recruited by the SJC. The procedure for recruiting new judges is set out in the Judicial Code.¹⁴³ In the case of first instance courts, each year the SJC will estimate the number of positions expected to fall vacant in the upcoming two years in each area of specialization (criminal, civil, administrative, and anti-corruption). The SJC publishes how to apply for these positions and the minimum qualifications required.¹⁴⁴ Information in applications is verified by the SJC,¹⁴⁵ however, the Judicial Code does not specify the procedure for this. It instead requires the SJC to establish these procedures in separate regulations.

192. Candidates sit a written examination¹⁴⁶, which is evaluated by a commission consisting of five judges and two academic lawyers in the relevant field of law. The evaluation commission is convened by the SJC, which determines the evaluation criteria and scoring system. Individual scores on the exam are published on the website for state official notifications and announced in a live broadcast. The candidates with the highest scores are invited for an interview with the SJC.¹⁴⁷ The SJC then discusses, votes, and finalizes a list of successful candidates.

193. Once approved, the candidate joins a training program at the Judicial Academy for six to eight months followed by a written examination. The Academy, established in 2014, offers both onboarding and continued learning to judges, investigators,

prosecutors, and other criminal justice personnel.¹⁴⁸ If training is successfully completed, the SJC proposes the candidate to the President of the Republic, based on prioritization criteria set forth by the law. If the President rejects the candidate, the SJC must convene a session to consider the President's objections. The SJC may choose to nominate the candidate anyway, in which case the President is obliged to accept the decision.

194. It has not been possible to assess whether the applied criteria are having the intended effect of ensuring merit-based recruitment and attracting high quality personnel nor is it clear whether the recruitment process is meeting the established criteria for applications and the exam. The Judicial and Legal Reforms Strategy for 2022-2026, building on the narrative of the previous claim that problems remain, suggests that the system should be made more objective and trustworthy. The Government's Action Plan for Judicial Reform 2021-2023 (based on the 2019 *Strategy for Judicial and Legal Reforms*), while recognizing the reforms embodied in the 2018 Judicial Code, also cited problems in its "legislative and practical application" including a weak reasoning behind written evaluations and problems in the procedures for interviews and examinations. To address these problems, it proposes a change in the procedure for forming evaluation commissions, the adoption of international best practices (including psychological tests), and the direct involvement of international experts in the selection of judges.¹⁴⁹

195. The 2022-2026 Strategy and accompanying Action Plan focus on a single remaining problem in the candidate evaluation process: the disconnect between the written and oral examinations. According to the Action Plan the results of the written exam are not taken into account in the course of the oral evaluation—despite amendments to the Judicial Code in 2020 that require this. The Strategy suggests establishing a system where the written and oral exam results could be combined in a unified evaluation system.

¹⁴³The relevant sections consist of 20 Articles (604 lines of text in the English translation).

¹⁴⁴Candidates must be citizens of Armenia and must have a BA or MA in law, at least five years of professional work experience and proficiency in Armenian and at least two other languages (English, German, Russian, or French). They must be between the ages of 25 and 60.

¹⁴⁵The applications must include evidence of compliance with the minimum qualification requirements, additional biographical information, and (optionally) letters of recommendation.

¹⁴⁶Exam questions seek to check theoretical legal knowledge and ability to analyze and apply the law. According to the Judicial Code, questions may include hypothetical legal problems in the relevant field of specialization, requiring the candidate to choose a solution and describe the procedures and documents required to try the case. When the revised Code was first introduced, the written examination took the form of an essay, but it is now a multiple choice format, which reduces subjectivity of test scoring (an answer is either right or wrong) but provides no opportunity to assess the candidate's skills at analyzing and applying the law.

¹⁴⁷Candidates who pass this stage are subject to an integrity check to identify any questionable financial backgrounds. The check is performed by the CPC, consisting of members appointed on the basis of a competitive process overseen by a board consisting of members appointed by the Chairperson of the Constitutional Court, the Human Rights Defender, the opposition factions of the NA, the Public Council and the Chamber of Advocates.

¹⁴⁸According to its website, the main goals of the Academy are to "foster the skills and professional knowledge of persons included in the candidate list of judges and prosecutors and to continuously improve the competence and the professional knowledge of judges, prosecutors, judicial officers, and civil servants of the Staff of the Prosecutor's Office." The Academy's most recent web-available report on its activities dates from 2019.

¹⁴⁹These reforms reportedly went into effect in October, 2021. This claim could not be verified.

196. The system of evaluating candidates for judge positions is moving in the right direction. Any system of candidate evaluation must trade off the benefits of a narrow mechanical approach which ensures objectivity with a more subjective approach which allows wider ranging and nuanced evaluation, but is vulnerable to personal favoritism and political pressure. The current system, at least as it is written, strikes a reasonable balance between the two. The first two steps in the evaluation process are essentially mechanical: candidates must meet the minimum academic and work experience thresholds and pass a multiple-choice written test—although there is no minimum threshold for passing in the latter case. The integrity check is also essentially mechanical: candidates' financial status must satisfy the criteria set out by the CPC. These tests are imposed sequentially, such that no candidate can reach the next stage of the evaluation process unless she or he has satisfied the one before it. The oral evaluation is deliberately more subjective and provides an opportunity for candidates to be evaluated based on their ability to reason and apply the law. Whether the intention of these laws is observed in practice is not yet clear given its novelty, albeit the 2022-2026 Strategy suggests that problems remain.

197. The Government may also wish to rebalance the panel that evaluates candidates to increase representation of judges and non-governmental sectors. There has been some criticism of the composition of the evaluation panel, notably that judges seem to be underrepresented.

SUPPORT STAFF

198. The Civil Service Law sets out the minimum level of education and professional experience required in each subgroup. All positions require higher education, except for the lowest three professional grades where a high school degree is sufficient. Requirements for professional work experience range from none (in the case of the lowest three professional grades) to at least seven years of professional work for the positions of the first and second subgroups of managerial positions.

199. According to the Civil Service Law, all managerial and professional positions of the judiciary are to be filled through a competitive process conducted by

the JD. The competition is held in two stages: a written test and an interview. The written test must be based on the professional knowledge and competencies required for the position. The five highest-scoring candidates then proceed to interview. The interview is conducted by a commission appointed by the official responsible for filling the position. The winning candidate is then appointed for a probationary period, which is converted into a permanent position if performance is satisfactory.

200. The Civil Service Commission and the judiciary have so far failed to align judicial support staff job descriptions with civil service methodology. Without job descriptions, candidates for civil service positions are being recruited through alternative mechanisms usually used to fill temporary positions.

201. The JD claims that, because of civil service requirements, it takes three months to recruit an assistant judge, forcing the judiciary to hire such staff on a contractual basis. But it is not clear that this is an inherent problem in the civil service system or whether it could be resolved by making the civil service system more responsive to the needs of the judiciary. The claim itself is debatable. But the average time required to recruit in the civil service as a whole is only half that time.

(c) Performance Evaluation and Disciplinary Measures

JUDGES

202. The Judicial Code sets out a clearly defined procedure for the evaluation of judges.¹⁵⁰ Judges are to be evaluated based on quality and professionalism,¹⁵¹ effectiveness,¹⁵² and ethics.¹⁵³ The law authorizes the SJC to prescribe the specific methodology to be used, including the procedure for collecting data necessary for the evaluation. The evaluations are to be conducted by the SJC at four-year intervals and apply to all judges.¹⁵⁴ Once completed, the draft evaluation is forwarded to the judge, who may choose to send a response. The SJC then considers the judge's response and renders a final evaluation, including a decision on need for additional training or to pursue disciplinary proceedings where applicable.¹⁵⁵

203. Good performance is rewarded through vertical promotions and one time salary bonuses while bad

¹⁵⁰Judicial Code, Article 138.

¹⁵¹I.e., the ability to justify judicial decisions and to preside over court sessions.

¹⁵²I.e., workload management skill and work planning as well as timeliness of delivery of judicial actions.

¹⁵³I.e., observance of the rules of ethics, contribution to the positive public perception of the court, and attitude toward other judges and court staff.

¹⁵⁴A second type of evaluation prescribed by Article 137 of the Judicial Code refers to extraordinary evaluation that could also take place at the initiation of the individual judge.

¹⁵⁵See Articles 140, 140.1 of the Judicial Code.

¹⁵⁶The relevant articles require 649 lines (7,029 words) in English translation.

¹⁵⁷Out of the six judge members two are from the specialized courts, two from the courts of first instance of general jurisdiction (one with a criminal and one with a civil specialization), one from the Courts of Appeals and one from the Court of Cassation.

performance is discouraged by various disciplinary measures. The Judicial Code has a lengthy section on disciplinary actions that may be imposed on judges.¹⁵⁶ In broad terms, disciplinary actions may be imposed for (a) obvious and gross violations of substantive or procedural laws governing the judiciary or (b) gross violations of the rules of judicial conduct prescribed in the Judicial Code committed with intent or gross negligence.

204. Disciplinary actions may be initiated by the EDC, CPC, or the MoJ. The EDC has eight members: six judges¹⁵⁷ and two lay members. Lay members include two lawyers working in the justice field (Article 77 of the Judicial Code). The CPC has five members nominated through a competitive process and elected by the Parliament. Its purview is limited to financial misconduct. To this end, CPC checks the financial declarations of judges in the same way that it does in the case of other government officials. The third is the Minister of Justice. Each of these entities may bring cases on their own initiative or based on complaints, information in the press, or other sources. Private individuals—such as disappointed plaintiffs—cannot initiate the complaints process on their own, in fact the aforementioned entities are intended to serve as filters to ensure that only valid complaints are subject to evaluation. To this end, they can conduct preliminary factual inquiries into the allegations of misconduct.

205. Cases forwarded by any of these three entities are then examined by the SJC. The SJC has the sole authority to oversee the process and impose disciplinary actions, such as warnings, reprimands, and termination among others. In this capacity, the SJC acts as a 10-person court. Decisions are taken by a simple or qualified majority (depending on the gravity of the sanction) following adversarial proceedings. The 2019 Venice Commission report criticized this approach, arguing that accused judges should be able to appeal the SJC's decision to a higher court; in this case the Court of Cassation. This recommendation has not been acted upon. However, the MoJ has initiated drafting changes to the Judicial Code on this issue.

206. Judges who are found guilty of misconduct by the SJC under either process are subject to a range of disciplinary actions. The SJC is required to terminate

the powers of a judge when they have (a) violated incompatibility requirements,¹⁵⁸ (b) engaged in political activities, (c) failed to perform their official duties for more than four consecutive months, or (d) been convicted of a crime. In addition, criminal proceedings against a judge may be initiated by the Prosecutor General.

207. The Action Plan 2021-2023 suggests problems exist in the implementation of these provisions. It proposes clarifying the criteria for subjecting judges and members of the SJC to disciplinary procedures by defining the rules of conduct for judges and expanding the definition of grounds for discipline to include any action which cast doubt on the judge's independence, impartiality, or integrity.

208. Over time, connected to wider governance reforms, it might be appropriate to limit the MoJ's authority to bring complaints concerning the performance of sitting judges to the SJC, leaving this responsibility to the EDC and the CPC (see Chapter II on Governance and Management). In the short term, however, the influence of the MoJ may be needed to counterbalance the corporate interests of the judges themselves as represented on the SJC which ultimately passes judgment on such cases, until the EDC is sufficiently developed to work efficiently and independently without risk of serving corporate interests.

209. There may also be merit in adjusting the composition of the SJC to increase the representation of judges and non-governmental sectors. Given the key role of the SJC in the appointment and evaluation of judges, widening its membership would help reduce the influence of individuals appointed by the NA and could reduce any potential for political influence in the SJC's operations.

SUPPORT STAFF

210. The Civil Service Law requires performance evaluations for all staff to be conducted twice a year at the end of each semester. High performing staff are eligible for bonuses; salary grade changes come with a change in position, which is not necessarily a function of the performance evaluation. Poor performing staff are subject to warnings, reprimands, and in extreme cases, a 20 percent reduction in salary. Poor performing

¹⁵⁶The relevant articles require 649 lines (7,029 words) in English translation.

¹⁵⁷Out of the six judge members two are from the specialized courts, two from the courts of first instance of general jurisdiction (one with a criminal and one with a civil specialization), one from the Courts of Appeals and one from the Court of Cassation.

¹⁵⁸A judge may not hold any position in a state and local self-government agencies, in a commercial organization, engage in entrepreneurial activities or perform other paid work, except for scientific, educational, and creative work.

staff can also be mandated to compulsory trainings and collection of training credits. Where trainees fail to collect the sufficient credits, twice in a row, they can be subject to dismissal.

(d) Promotion

JUDGES

211. The career path of judges in courts of first instance is limited to advancement to one of the Courts of Appeal: such positions are not subject to a stepwise system of promotion. The Judicial Code specifies that each year the SJC estimate the number of positions on courts of appeals expected to fall vacant in the next two years and then prepare a list of candidates for promotion equal to or greater than the number of expected vacancies. Candidates may include current judges in courts of first instance. Former judges and persons with law degrees and at least eight years of relevant experience are also permitted to apply. Members of the SJC assess and then vote on the candidates (Article 124 of the Judicial Code). The selected candidate is submitted to the Academy of Justice for evaluation and then proposed to the President, who may accept or reject it. As in the case of courts of first instance, the SJC may override a presidential objection. Similar procedures are specified for the promotion of judges to the Court of Cassation (although candidates selected by the SJC must be approved by the NA before their names are submitted to the President).

212. Transfers from one court to another (horizontal transfers) are not seen as a promotion or performance

incentive, although judges in outlying districts might be expected to prefer to work in Yerevan. Judges in courts of first instance may apply for a transfer from one court of first instance to another if there is a vacancy. The Judicial Code (Article 115) does not treat these as promotions. Instead, judges who wish to make horizontal transfers are ranked based on non-performance related criteria, with top priority given to judges with a relevant specialization for the position (and preference to the oldest), second priority to judges in Courts of Appeal and the Court of Cassation, i.e., who have requested a downward ‘promotion’, and third priority to retired judges.

SUPPORT STAFF

213. Promotions for support staff generally follow the same principles as for the rest of the civil service. The civil service system does incorporate a step-wise system of promotion within individual career streams, as does the JD’s proposal (see Box 31 above). This proposal sets out a grading structure for both the judicial service and the bailiff’s service. In the case of the former, the draft law distinguishes four levels of positions (junior, leading, top, and higher positions) each divided into two ladders. However, many of the support staff in the judiciary are in positions that clearly lend themselves to the civil service classification system, with accompanying prospects for promotion. To overcome concerns raised by the judiciary, the Government should seek to address them through changes in the existing system of job classification, remuneration, and recruitment and by improving the performance of the Civil Service Office itself.

BOX 32. JUDICIAL ASSISTANTS ARE HARD TO RETAIN

There is a very high rate of turnover among judicial assistants, particularly in Yerevan. The average tenure of a judicial assistant in a court of first instance in Yerevan is only 1.6 years. Reportedly, this is not because salaries for judicial assistants are particularly low. It is because the position of judicial assistant (particularly in Yerevan) is a reliable stepping stone to more attractive positions – either judgeships or as lawyers in the private sector. Outside of Yerevan, positions for assistant judges are difficult to fill. This is because there are a few qualified candidates living in the marzes (regions) and candidates who live in Yerevan are reluctant to relocate to rural areas.

B. CONCLUSION AND RECOMMENDATIONS

214. There have been improvements in HR management within Armenia’s court system and this trend should be maintained. This is important as it is a sector that relies heavily on its workforce. It is reported that staff experience high levels of stress due to overwork, this can make it difficult to attract and retain qualified personnel. Current levels of both judges and assistant judges are far below European

comparators. In 2021, spending on judges’ salaries in courts of first instance totaled only 0.1 percent of the total budget. Even doubling the number of judges (at current average salary rates) would hardly make a dent. While increasing staff numbers may be one solution, it is not the only approach and there could be better use of available tools.

215. The recent reforms in management processes for evaluating candidates for judge positions appear to be in the right direction. It is now important

to support their full implementation. The Government may need to resist efforts to re-create a separate judicial service, which would risk adding complexities.

216. The following provides a list of actionable recommendations judicial stakeholders may wish to consider.

Recommendation 1	Ensure the best use is being made of existing staff. Adjust the number of judges only as a last resort.
Possible actions	<ul style="list-style-type: none"> ■ Maximize use of streamlined procedures to reduce workloads of judges and assistant judges. ■ Adjust the number of judges and assistant judges to match workloads.
Recommendation 2	Evaluate the actual performance of the system for recruiting, evaluating, and disciplining judges.
Possible actions	<ul style="list-style-type: none"> ■ Evaluate the current practices used to recruit, evaluate, and discipline judges to ensure that actual practices are consistent with legislation. ■ If practices are not consistent with legislation, determine why not, and propose solutions.
Recommendation 3	Reduce the potential for political influence on recruitment and evaluation of judges.
Possible action	<ul style="list-style-type: none"> ■ Adjust the composition of the SJC and increase representation of judges and non-governmental sectors.
Recommendation 4	Implement the HR/Civil Service Reform, remaining under the umbrella of the civil service system.
Possible action	<ul style="list-style-type: none"> ■ Address the judiciary's concerns through changes in the existing system of job classification, remuneration, and recruitment and by improving the performance of the Civil Service Office itself.



VII. ICT RESOURCES

217. Digitalization of the judiciary (and other justice areas) is high on all stakeholders' agendas; but a suitable framework and necessary technical support are not yet in place. Current regulations in Armenia are insufficiently clear and provide little to no guidance on the use of the ICT tools in judicial management. Management, implementation, and maintenance skills are scarce. Even though courts have adequate ICT equipment overall, the systems and policies governing its use are lacking. The EU funded project “*Development and Introduction of E-justice Solutions in Armenia*” (herein forward: E-Justice system) will eventually provide much needed overall architecture. This is scheduled to be implemented from late 2023 and should be given strong institutional and governmental support to become operational. In the meantime, however, there are some important enhancements needed to the existing systems.

A. KEY CHALLENGES

218. The first challenge is the absence of an organizational structure that facilitates long term quality and sustainable ICT governance and management in the judiciary. There is insufficient coordination between MoJ and JD and a lack of clear responsibilities for judicial ICT management which impacts planning and upgrading of the ICT system and likely results in duplication in some areas and unattended areas elsewhere. Work on the E-Justice system is ongoing and needs to meet planned deadlines. Recommendations include enhancing coordination between MoJ and JD and defining clear responsibilities for judicial ICT management.

219. The second challenge is inherent risks in the current ICT system that need quickly to be mitigated. Currently, there are seven different systems that guarantee the main business processes in the judiciary. They are supported by servers located in 18 different server rooms, none of which meets desirable standards of a data center. There is no secondary location for disaster recovery (e.g., earthquake, fire, flood, intentional (cyber) attack) and no security policies have been adopted or implemented. For instance, some workstations do not have antivirus software in place or run on an outdated operating system putting the entire information system at risk. Additionally, these existing systems and applications are not properly

maintained, as not all systems in production are covered by maintenance contracts. Standard operation procedures need to be in place for backup and recovery: backups of all systems and applications should be regularly made and restore procedures tested to mitigate any information loss. There is no regulation regarding access to and use of the case management system, the core of court operations. Recommendations focus on addressing these shortcomings as soon as possible.

(i) Challenge 1: Improve ICT Governance and Management

(a) Legislative and Regulatory Framework

220. Although some pieces of legislation on judicial ICT are in place,¹⁵⁹ there is no overarching legal framework regulating its use. A well-defined legislative framework is a prerequisite for the successful digitalization of judicial processes. Digitalization is not an independent technological activity. Regulations should define: (a) the institution(s) responsible for the development and maintenance of ICT used by the judiciary; (b) the official applications and services in use (e.g., case management system, website, etc.); (c) the scope and purpose of each of these; (d) the roles and responsibilities of the users within the information systems; and (e) the security policies in place. A particular focus should be given to applying and adhering to fundamental principles, such as fair trials.

221. Regulations in place are insufficiently clear and provide little to no guidance on the use of the ICT solutions, especially on the case management system. Even though some legislation and regulations mention the use of certain ICT solutions, they do not specify their scope, their detailed functioning, the processes they are based on, or the interoperability of these tools among themselves. For instance, the Rules of Court Management refer to the “Judicial System of the Republic of Armenia”, but they don't specify which system it is and from the current legal framework it is not clear which systems are used in courts to register and manage cases and files. In the same sense, even though the Civil Procedure Code supports the use of the OfP and the e-payment applications, it does not explicitly define what system is used to submit a document electronically, which is still left to be defined by the SJC. Existing regulations

¹⁵⁹Existing legislation includes the Judicial Code, the Civil Procedure Code, the Administrative Procedure Code, and the Criminal Procedure Code, the Rules of Court Management (DecreeN23L of the Council of Court Presidents on 21 December, 2007), and the Charter of the MoJ and the Charter of the JD (both include institutional responsibilities regarding judiciary information systems).

occasionally mention systems that are currently not operational. For instance, the use of DataLex is only defined in Article 3 of the Rules of Court Management, which states: “electronic documents shall be submitted to the court through DataLex”. However, the service for submission of electronic documents is currently not available on the DataLex website.¹⁶⁰ What is also sorely lacking in the legal framework are the exact definitions of official ICT solutions: the name and the description of the application, purpose of the application, users of the application, responsibilities of the users, etc. The shortcomings in the legal framework open the possibility of misuse of official applications.

(b) Institutional Support

222. There is no enterprise architecture (EA) implemented for the judiciary. An EA helps organizations align their ICT strategy with their business goals. It enables existing services and applications, business processes, judicial infrastructure, and so forth, to be connected and interoperable. A complete EA should include a business and data architecture, as well as a technology architecture that describes the hardware, software, and network infrastructure necessary to

support the deployment of the main applications. The current ICT architecture is fragmented, with no defined common registries, components, or functionalities. Lack of a common vision of the information systems causes misunderstandings and conflicts between different systems and different institutions. In the short term, a central source of information on all approved ICT services should be made available to the judiciary for an accurate, consistent picture at any time, including details and status of such services.¹⁶¹

223. Ambitious plans to improve ICT in the justice system are underway. An EA of the judiciary's information systems will be developed through the EU-funded E-Justice project. This project will outline the vision of ICT in the justice system. All applications/services to be developed in the future should be based on the architecture defined within this project. The ambitious digitalization agenda of the judiciary is also reflected in the Digitalization Strategy of Armenia. By 2025, three new systems are envisioned: E-Justice (EU-funded, by end-2023), e-Criminal (WB-funded by end-2023), and “electronic system for court proceedings” (no details on funding, objectives, or timeline available).

BOX 33. THE FUTURE OF JUSTICE ICT

Implementation of the E-Justice system project will introduce major improvements in the judiciary's ICT systems and applications. The project's goal is to develop a system architecture following the ISO/IEC/IEEE 42010: 2011 standard covering the backbone of the ICT justice system, including shared components (functionalities), shared repositories, and a data exchange interface.¹⁶²

The system will digitalize court cases and processes and enhance access to justice systems. It will introduce a standard court information system architecture, implement data exchange components, and ensure interoperability. Functionalities such as e-identification, e-filing, e-signature, data exchange between courts and other actors involved in judicial procedures, digital archives, etc., are elements of the court digitization efforts. Introduction of the E-Justice system will require an organizational structure and the following bodies/functions would need to be considered at the minimum:

- i. E-Justice department in the MoJ: Comprising: an expert team to ensure the efficient functioning of the E-Justice system including planning for and implementing any further improvements and supervising the associated change management process; and a technical support team to assist users, conduct user education, perform user-acceptance tests, and prepare user manuals, among other tasks.
- ii. Advisory body: Responsible for proposing suggestions for further development of the system and verifying that changes in the system are made in accordance with the legislative framework and court practice. Members of the

¹⁶⁰A similar example of inaccuracy is the use of the judiciary's official website. While the Judicial Code states that there shall be an official website of the judiciary where information on court cases must be published and available and Article 18 states that the official website of the judiciary is www.court.am, information is in fact published on DataLex.am. The only system for which there is a detailed procedure included in the relevant regulations is the “special recording system”.

¹⁶¹Establishing a service registry corresponds to implementing one of the IT Infrastructure Library (ITIL) processes (ITIL service catalogue) in the short term and paves the way to implement the complete ITIL framework.

¹⁶²<https://www.iso.org/standard/50508.html>.

advisory body should be judges from different court instances and court types.

iii. Other specialized advisory bodies: As other modalities are envisioned under the E-Justice system, such as e-compulsory enforcement and e-penitentiary and e-probation systems, which will support stakeholders outside the immediate court system, coordination with these bodies will be critical to ensure interoperability and success.

For meaningful court performance monitoring and management, a data warehouse,¹⁶³ where data sources for different systems¹⁶⁴ are integrated,¹⁶⁵ and a modern reporting system, according to CEPEJ guidelines, would need to be established.

224. There is a lack of coordination between the MoJ and the JD on ICT governance and management. There appears no clarity between them regarding responsibility for management of ICT systems and applications. JD ICT staff were unaware of plans for further improvement of ICT in the judiciary and projects currently under development such as the E-Justice system, even though JD will be responsible for maintaining that system. This adds to existing complexities and likely results in duplications in some areas and unattended areas elsewhere.

225. Strong institutional commitment will be essential to ensure successful completion of the planned investments. Implementation of the E-Justice project and, in parallel, preparation of tenders for all the (sub)systems associated with the E-Justice system (e-Civil Case, e-Criminal Case, e-Bankruptcy, and e-Administrative Case), including software and infrastructure resources, will require significant resources. Given that the E-Justice system will be fully functional only when all subsystems have been developed, the preparation of tender documents for the subsystems should begin as soon as possible. Close coordination will be critical because of the interdependent “building blocks” in the E-Justice system. For example, development of the e-Bankruptcy system has stalled awaiting (as yet undesignated) shared components with the E-Justice system.

226. Sufficient budget must be allocated for infrastructure resources (ICT equipment and hosting) and HR (to maintain and manage the system and provide customer support). Risks and vulnerabilities increase when operating in a context of scarce resources (maintenance, budget, human). A strategy to move from current risks and vulnerabilities to the desired safe-to-fail environment would need

to be adopted at a high-level and applied across all implementation levels.

(ii) Challenge 2: Mitigate Risks in Existing ICT (a) Equipment

227. There is no ICT asset management tool in place, which makes it difficult to manage ICT equipment in courts. Up-to-date information on the status of equipment at courts is not available, including information on assets’ location, type, status, purchase date, and warranty expiration, or computer configuration (e.g., CPU, memory, storage). While it seems that courts in Armenia have adequate ICT equipment, adjustments could be made to ensure better service provision. Courts and their staff are primarily equipped with: (a) desktop computers or all-in-one PCs and displays (laptops are used only for specific purposes), (b) laser printers, (c) scanners, (d) copy machines, and (e) web cameras (only for specific purposes). However, some of this equipment is insufficient for regular court business operation. For instance, there would not be sufficient video-conference equipment for a remote hearing to be held, as there are currently only 60 web cameras in total (some presumably used as security cameras). It is not clear whether current ICT equipment will satisfy minimal requirements to support the new E-Justice (and e-Court) system.

228. More than half of the workstations used in courts are less than three years old (see Table 16). These are considered relatively new and function in a satisfactory manner. Workstations older than seven years (18 percent of the total workstation) should be considered for renewal, while the rest of the workstations should be in good shape. Every year, the JD asks courts to submit a request for new ICT equipment.

¹⁶³A data warehouse contains historically immutable data that is collected from different data sources and processed to support evidence-based decision-making.

¹⁶⁴According to current plans, different systems will be developed for civil, criminal, and administrative cases (as proposed in the E-Justice project).

¹⁶⁵Even if the mentioned systems share a database, there is still a need to integrate other data sources, such as the financial system and HR system, among others.

Table 16. Age structure of workstations

	Older than 7 years	Between 3 and 5 years	Less than 3 years
Number of workstations (pc/laptop)	297	440	881

Source: JD

(b) Existing Applications and Services

229. There is no database or structured document with information about all ICT services in use. Since there are no records of services that are in production or under development, each new ICT project spends resources to (again) identify services and their status.

230. Seven different applications currently support the main business processes in the judiciary: Case Administration and Skill Transfer (CAST); OfP; DataLex; ArmLex; Femida; Mullberry; and the official court website. ICT investment decisions have been donor and vendor driven, leading to separate systems being developed to cover different judiciary business needs.¹⁶⁶

231. Two applications serve as a case management system: CAST, and OfP. The CAST system serves as a registry to keep track of the main activities of the proceedings. However, the main judicial process is not yet digitized in all types of cases. An acceptable

case management system should have the following functionalities: data entry on cases, automatic (random) case allocation, document management, data exchange with other institutions/parties involved in the court proceedings and reporting.

232. The CAST system is used in every court in Armenia and supports the management of all types of cases. It was developed and put into production in 2005. Initially developed as a centralized system, because of network problems the system architecture was changed and CAST was transformed into a decentralized solution, rendering it more complex to operate and maintain (see Box 34). Currently, the main functionalities of CAST are: random case allocation, data entry on cases, data entry of incoming/outgoing documents, internal notification management and search by different criteria. Contrary to standard modern case management systems, CAST does not automatically generate statistical reports. These are currently created manually using the search capabilities of the system.

BOX 34. ISSUES WITH THE CASE ADMINISTRATION AND SKILL TRANSFER SYSTEM (CAST)

CAST's decentralized architecture is contrary to good practice as it makes system maintenance more demanding, represents security risks, requires the installation of additional servers, and makes it necessary to ensure synchronization of all courts to maintain data consistency. Although there are differences in business processes in civil and other types of cases, a very large number of functionalities are the same, which may only be parameterized differently depending on the specifics of the processes.

The CAST system does not have the technical capability to store documents in digitized form. Currently, only the text of the decision can be stored in the system, but not the entire document. However, the Rules of Court Management in accordance with the Civil and Administrative Procedure Codes, state that electronic documents can be sent by e-mail. When the document is received by e-mail, the court office prints the document, and the printed copy is placed in the case file. According to published plans for further development of the court information system,¹⁶⁷ the CAST system rather than being further refined, will be replaced with a new system(s). The electronic registration of cases occasionally becomes temporarily disabled, so cases are then assigned manually by the court presidents. Some parts of the CAST system are running on outdated server machines, which represents a high risk.

¹⁶⁶CAST was developed with support from the World Bank under the first Judicial Reform Project. OfP was created with the financial support of United States Agency for International Development (USAID). DataLex was established through the World Bank's second Judicial Reform Project supported by the Danish Ministry of Foreign Affairs. The official courts website was created with the financial support of the United Nations Development Programme (UNDP). The same Armenian information technology company Masys developed CAST, DataLex, ArmLex, and OfP.

¹⁶⁷More information can be found in the 2022-2026 Strategy for Judicial and Legal Reforms of the Republic of Armenia and in the Digitalization Strategy of Armenia 2021-2025.



The First Instance Court of Yerevan still uses the old CAST system to access cases left unresolved after the merger of Yerevan's seven courts in 2018. New cases are registered on a combined system but the preexisting information from the seven courts was not migrated to the new system (marked as CAST archive in Figure 63). It was instead saved in independent servers located in various Yerevan court premises. Thus, courthouses must use both applications and use the CAST archives to access unresolved cases that started before 2018. There is no information on how many unresolved cases are left in the CAST archives and for how long these archived cases will be kept operational, which represents additional costs.

There is no legislation defining the powers and duties of entities and persons authorized to access the system, nor prescribed procedures for undertaking certain activities, such as managing the appointment of judges, allocation of cases, rules for submissions in electronic form, etc. There needs to be clearer regulation of the rights and obligations of using the case management system to avoid both duplications and gaps in management and any misuse. The CEPEJ "Guidelines on electronic court filing (e-filing) and digitalization of courts" and other guidelines should be followed as much as possible when designing and implementing a case management system based on electronic documents.

To strengthen transparency and accountability of the case allocation process the following actions should be carried out: (a) the algorithm for the random case allocation should be open and publicly available; (b) the input parameters should be logged (e.g. list of eligible judges, type of case, etc.); and (c) the source of randomness must be known (so that it can be repeatable in case there is a need to verify the result of the algorithm). To ensure that judges are assigned cases equally, a case assignment algorithm that considers the weighting factor of case complexity should be used. Recommendations on how to assign weighting factor to cases can be found in the study "Case weighting in judicial systems" published by CEPEJ.¹⁶⁸

233. The OfP system was developed in 2019 for the digital management of OfP.¹⁶⁹ This system currently supports only OfP type of cases,¹⁷⁰ but it was planned for it to replace the CAST system in all civil proceedings. Procedural actions (submission of the application, access to case materials, issuance of decisions, etc.) are processed virtually.

234. The Femida system is used for audio recording of court hearings. Courtrooms in Armenia are equipped with the Femida recording system, which includes the necessary ICT equipment (Femida computer software, computer, display, loudspeakers, and audio mixer). The practice is to assign newer computers (laptops) to the courtrooms to run the Femida system to ensure the best possible performance. The court recording can be made available to the parties upon request at the end of the hearing. CDs with audio recordings are kept with the hard copy of the case and oral arguments are transcribed simultaneously on a computer during the hearing, with the transcript attached to the case materials.

235. DataLex is a public web information portal that provides real-time information regarding court cases. The DataLex system constantly synchronizes with the CAST database, receives the most relevant data on

court cases, and prepares the data in an adjusted form to ensure search functionalities based on various criteria for end users. All decisions, other than those marked as confidential in the CAST system, are published, enabling users to perform a full text search, as well as a search based on metadata. The system shows the link between the first instance decision and the decision of a higher court, and precedents (case law) can be found in a way that only the Supreme Court's decisions are filtered. The system also features an infographics module, which enables visualization of court case data; but, to date, only applies to criminal cases.

236. Many functionalities of the DataLex portal are not operating properly, underscoring the issue of inadequate maintenance. Glitches and shortcomings are evident, frequently on a weekly basis. Given the importance of this system, it should be better supervised. Once the E-Justice project is finished, DataLex will be replaced by the E-Justice portal.

237. The official court website¹⁷¹ provides basic information on judicial and court news and proceedings to the general public. Some of the content on www.court.am is regularly updated (i.e., news), while other sections barely have any information (i.e., platform

¹⁶⁸ Available at: <https://rm.coe.int/study-28-case-weighting-report-en/16809ede97>.

¹⁶⁹ See CEPEJ report available at: <https://rm.coe.int/en-armenia-2018/16809fe0be>. For more information also refer to the contract with Masys Information Systems for the development of the OfP system.

¹⁷⁰ It was created within the framework of the USAID grant program "Digitalization of Judicial Documents and Implementation of Electronic Court System in Armenia."

¹⁷¹ The website was developed by X-TECH company, with the financial support of UNDP through Armenia's "Catalytic Open Governance" project.

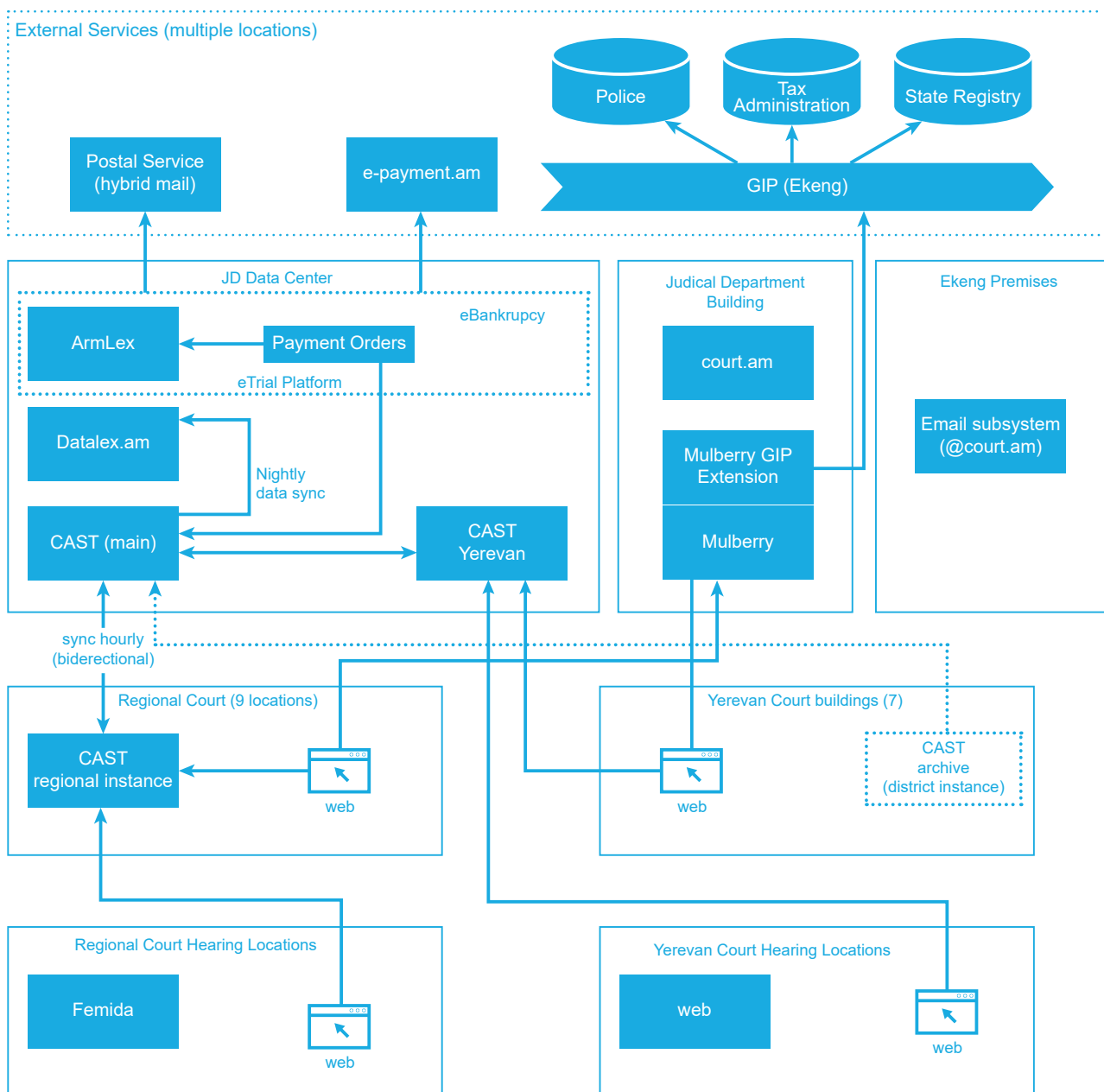
for transparency). There is no contract for maintenance of the website.

238. Not a single judicial procedure can yet be fully performed in digital form, and there is no integration or interoperability between existing services and applications. OfP is the more advanced case type, but in some instances users may still have to physically go to the courthouse. All court case data is manually entered into the CAST system, which hinders efficiency and increases the risk of incorrect data entry. E-identification and digital signatures are commonly used, which facilitates some judicial processes. An electronic court filing system and exchange of documents would further enable digital

communication between courts and court users. Further, integration with common registries, such as the state population registry, would significantly reduce the data entry burden in the CAST system. The implementation of electronic data exchange among different justice sector institutions (as envisioned through the E-Justice project) would speed up traditional data exchange, thus reducing average times for case processing.

239. Figure 40 below captures the applications (services) in production, connections between them, and where they are hosted. The e-Bankruptcy application is included although it is still in the development phase, everything else in the Figure is operational.

Figure 40. Applications/Services Used in Courts



Source: World Bank team interviews with JD ICT Department

(c) Network and Data Center

240. The current core judicial operations are supported by eighteen server rooms. The main parts of the system are in the server room in the Yerevan Court of Cassation (CAST, DataLex, Armlax), while other systems (e.g., the official court website) are hosted on servers located in the headquarters building of the JD. Additionally, each regional court has a dedicated room to host its own (local) CAST, often the office of the ICT employee responsible for maintaining the court's ICT equipment.

Figure 41. Server Room in the Yerevan Court of Appeal



241. None of the server rooms meet the standards of a tier III data center. A tier III¹⁷² data center must have multiple paths for power and cooling, and redundant systems that allow work to continue without taking the system offline. A data center, to satisfy key requirements for tier III status, should have controlled physical access, a cooling mechanism, fiber optic cabling, uninterruptable power supplies, a proper fire suppression system, and an engine generator. A simple visual examination of the server rooms in the Yerevan Court of Appeal and the Yerevan Erebuni District Court (see Figures 41 and 42) is enough to establish their suboptimal condition.

242. All the judiciary locations are linked through a special Layer2 network but the benefits this government-wide digital network could bring are not exploited. This network service is provided by the local internet service provider per the service level agreement contract. The Layer2 network connects all physical locations across the country into a single virtual (corporate) network, with further options for centralized control over it. For security purposes such networks are split into smaller sub-networks to enable fine level access control over network resources and services. All internal services must be accessed either from a corporate location or through special virtual private network connection. At the time of preparing this report, the JD is not fully leveraging the benefits of the Layer2 network, as none of the aforementioned practices have been adopted. The Government has designed and deployed a secure, government-wide digital network connecting all entities at the central and subnational levels,¹⁷³ However, Armenia's judicial institutions are not using this network. Within buildings, the connectivity is arranged primarily over unshielded twisted pair cables. Although no complaints have been received about this, the cable management in the server rooms is not at a satisfactory level (Figures 41 and 42).

243. The current design and configuration of the network for central servers does not display best practice. Currently, the network configuration is undertaken by the court ICT staff. However, there are not enough ICT specialists in the judiciary who can guarantee a proper configuration of the network, which explains the lack of subnets and why static addresses are assigned.

¹⁷²Tier III certified data centers are expected to be operational during extended periods of power outage or equipment malfunction and should not require shutdowns when equipment needs maintenance or replacement, thus providing continuous availability and functioning of judiciary activities. Data center tier level requirements can be found at: <https://uptimeinstitute.com/tiers>.

¹⁷³World Bank. 2021. *GovTech for Armenia: A Whole of Government Approach as a Key Foundation for the Digital Economy in Armenia*, available at: <https://openknowledge.worldbank.org/handle/10986/35852>.

Figure 42. Server Room in Yerevan Erebuni District Court (exemplary)



244. There is currently no secondary location for disaster recovery which poses a serious risk. Disaster recovery is an organization's ability to respond to and recover from an event that adversely affects business operations. The goal of disaster recovery methods is to enable the organization to regain the use of critical systems and ICT infrastructure as soon as possible after a disaster occurs. Having no secondary location and no disaster recovery plan means that in case of an unwanted event, not only would there not be a functioning system, but more importantly, all data on court cases could be lost, which is especially a threat for those court cases that exist only in electronic form. All judicial ICT should be hosted by a government data center shared between government entities. Such centralized government data centers provide essential hosting and basic monitoring services and bring cost savings for users, removing in-house hosting costs and the need for maintenance capacity. In Armenia, the judicial data center could be hosted in one of the existing government data centers (e.g., EKENG data center (Box 35)).

BOX 35. GOVERNMENT-WIDE ICT SERVICES

Government ICT services are provided by EKENG, a government-owned company that provides different interface services among institutions and enables access to the main public registries. EKENG provides infrastructure for interoperability and uses government-set standards for interconnections (Government Interoperability Platform, or GIP).¹⁷⁴ EKENG's solution for authentication and access control (identification cards), digital signature, and digital payments are used for services in the judiciary. The GIP is operational, although the acceptance of new extensions is still in its test phase, and the clear expectation is that it will be used for future applications.

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(d) Maintenance

245. To assure proper provision of judicial services, it is critical to properly maintain all components of the information systems and applications. Currently, neither the MoJ nor the JD have ICT specialists capable of correctly managing and maintaining the ICT system in place. Specifically, the MoJ employs no ICT specialists, using short-term consultants for ICT tasks, and the JD employs only a few ICT specialists in its ICT Department. This makes it challenging to competently supervise and manage the judiciary's ICT system. Although the JD ICT Department is aware of the aforementioned shortcomings there is currently no plan to consolidate all systems in one

location for easier maintenance. This migration should not be postponed much longer, as some parts of the CAST system are running on outdated server machines, which represents a high risk.

246. ICT service and management processes are not established, which translates into little to no streamlining. No service management tools, such as a ticketing software application, have been implemented. Hence, there is no clear/streamlined process as to how the JD handles issue reports received from users.

247. Some workstations do not have antivirus software in place or have an outdated operating system that makes the whole information system

¹⁷⁴Government Decision N1093-N of 2015 established the security, interoperability, and technical standards for electronic systems, and envisaged the establishment of the Government Interoperability Platform, which currently ensures the interconnection of 24 State databases and is in the process of expansion to include other databases.

vulnerable. Outdated operating systems (e.g., Windows XP) and software (e.g., Microsoft Office 2010) are installed on computers used by court staff. There are no security updates available for these outdated products, exposing the system to serious security risks.

248. Not all systems in use are covered by maintenance contracts and there is no testing of recovery procedures from backups. After the DataLex system was unavailable for a significant period of time, maintenance contracts were signed for most ICT systems and applications (except for the court's website and the Femida system) with the local ICT company Masys Information Systems. Masys Information Systems claims that backups are made on a regular basis but there is the potential risk that these copies are not stored in another location and, given inadequate resources, the backup recovery procedure has never been tested.

249. Maintenance of the network is done by contracted internet service providers and ICT court staff. The network provider is selected by the JD's ICT Department through a tender process for a one- or two-year period. However, currently there are not enough ICT experts who know how to properly maintain the network and other components of the data center, and

there are no contracts in place with companies that could provide such services.

250. No security policies have been adopted or implemented. A security policy is a high-level document that sets the basic principles for the security and protection of data in an organization. Without a defined and implemented security policy there is no mechanism for protecting the information assets of the judicial system.¹⁷⁵ Although there is not a security policy in place, some security aspects are implemented such as access control, authentication, and identification using ID cards. However, other aspects of the security program, such as patching, malicious code protection, physical security, backups, etc., are not implemented according to best practices.

B. CONCLUSION AND RECOMMENDATIONS

251. Digitalization of the judiciary (and other justice areas) is high on all stakeholders' agendas; however, management and implementation skills are scarce. There is increasing pressure to deliver user-centric services but this has also increased the exposure to risks given limited investments in innovation and maintenance in past years. The following provides a list of actionable recommendations judicial stakeholders may wish to consider.

¹⁷⁵Conference Paper. 2014. Information Security Policy Development and Implementation: A content analysis approach, available at: https://www.researchgate.net/publication/303061017_Information_Security_Policy_Development_and_Implementation_A_content_analysis_approach.

Recommendation 1	Enhance coordination between MoJ and JD and define clear responsibilities for judicial ICT management.
Possible actions	<ul style="list-style-type: none"> ■ Establish an organizational structure that facilitates quality and sustainable ICT governance and management in the judiciary, including an E-Justice Department at the MoJ, and advisory body (comprising judges from different court instances and court types), and other specialized advisory bodies to support stakeholders outside the immediate court system. ■ Create a central source of information on all approved ICT services available to the judiciary for an accurate, consistent picture at any time, including details and status of such services. ■ Establish a modern reporting system that will support meaningful court performance monitoring and management.
Recommendation 2	Prepare for implementation of the E-Justice Project.
Possible actions	<ul style="list-style-type: none"> ■ Provide strong institutional commitment to ensure successful completion of the E-Justice project and, in parallel, commence preparation of tenders for all the (sub)systems associated with the E-Justice System (e-Civil Case, e-Criminal Case, e-Bankruptcy Case, and e-Administrative Case), including software and infrastructure resources. ■ Ensure sufficient budget resources and infrastructure resources (ICT equipment and hosting systems in a Government Data Center), and adequate HR to manage the system and provide customer support. ■ Integrate the different systems for civil, criminal, and administrative cases in a data warehouse. ■ Prepare and maintain inventories of court equipment and upgrades required.
Recommendation 3	Enhance existing systems until the E-Justice system becomes functional.
Possible actions	<ul style="list-style-type: none"> ■ Ensure that all systems are covered by maintenance contracts and such service legal agreements are clearly defined to avoid possible long-term system outages. ■ Define standard operating procedures for backup and recovery, regularly perform backups of all systems and applications currently in place, and test restore procedures to mitigate any information loss. ■ Draft an ordinance to regulate rights and obligations of using the case management system (as it manages the core of court operations) to avoid both duplications and gaps in management and any misuse. ■ Immediately improve the random case allocation algorithm to avoid situations of manual case assignment and ensure its transparency for all users. ■ Host the judicial data center in one of the existing government data centers (e.g., EKENG data center). ■ Establish a disaster recovery data center. ■ Establish a registry of ICT services. ■ Introduce an ICT tool for automatically generating statistical reports. ■ Define access to and use of the case management system in law (name and description of the application, purpose of the application, users of the application, responsibilities of users, etc.).



VIII. PHYSICAL INFRASTRUCTURE

252. Armenia's court facilities require improvement to physically support the goal of creating a strong, independent, modern court system. Several facilities need to be modernized or reconstructed and even relatively recently renovated courthouses have received minimal ongoing maintenance in the last 10-15 years. There is no maintenance strategy, with priority given to the most urgent issues. Nor are design standards in place to guide the design of court facilities. A more strategic approach is needed to record data for all buildings, agree on a forward looking investment plan and design standards, improve management of the judicial estate, and establish a maintenance strategy and protocol.

A. KEY CHALLENGES

253. The first key challenge is the poor infrastructure and state of repair of courts. Some issues have become urgent, including structural works, accessibility-related features, and safety-related amendments. Poor infrastructure affects the working conditions of judges and court personnel and the efficiency and quality of judicial services. Current infrastructure conditions adversely impact citizens' accessibility to justice. Existing court buildings often lack adequate access for people with impaired mobility, appropriate waiting areas are missing or insufficient, and poor conditions create a hazardous environment for courthouse visitors. Recommendations include improving access to court buildings and tackling outstanding repairs and requirements for refurbishment/modernization.

254. The second key challenge is insufficient strategic management of judicial infrastructure. At the management level, coordination for infrastructure expenditure planning and prioritization of current and recurring maintenance costs are dealt with reactively without a formal protocol. Criteria for prioritization are based on the urgency of the repair in question rather than future planning. Without any management and maintenance policies in place, there is no medium to long-term vision and planning exercised. There are

no staff in charge of overseeing the management of judicial infrastructure and a significant absence of basic information on the physical infrastructure of judicial facilities. Recommendations include improving strategic management, developing a short-, medium- and long-term capital investment plan, and introducing design standards.

(i) Challenge 1: Addressing Poor Infrastructure and Improving the State of Courts

(a) Current Conditions

255. Poor infrastructure affects the working conditions of judges and court personnel and the efficiency and quality of judicial services. Many issues with the physical infrastructure are becoming increasingly urgent, including structural works, accessibility-related features, and safety-related enhancements. There is a lack of adequate furnishings and inappropriate archive storage for files. Structural inefficiencies in buildings comprise cracked walls, dampness, mold exposure, water infiltration, and electrical installations that place judges, court personnel, and visitors at risk. This has adversely impacted the durability of fittings, such as degradation of sanitary facilities and detention cell furnishings. The current conditions adversely impact citizens' accessibility to justice. Court buildings often lack adequate access for people with impaired mobility, appropriate waiting areas are missing or insufficient. The poor state of electrical installations in some judicial facilities represents a major obstacle for additional investments in ICT infrastructure. A different safety and security concern is the lack of separation of courthouse facilities in public, restricted, and secured zones, such as different entrances/access points to courthouses for the different users. Provision of sound and visual separation measures between holding cells and operational spaces is also currently missing.

256. Armenia's judicial infrastructure lacks an overarching set of principles that guide its physical and functional development.¹⁷⁶ The only design standards used are for furniture, to guide the design of

¹⁷⁶Currently, construction permits, engineering survey, and design and construction standards and regulations are governed by the Ministry of Urban Development. A Law on Urban Development (adopted by the NA on May 5, 1998) sets out the procedures for new construction, including reference to the relevant urban master and local plans, and the rights and responsibilities of all interested parties involved in construction projects. Every construction project and the construction firm require a permit from the Urban Development Department and the local authorities. Among others, every project requires appropriate architectural and structural plans, geo-mechanical and seismic studies, fire safety plans, emergency plans, procedures for archaeological findings, and an environmental assessment. During construction, the independent State Inspectorate on Urbanism monitors compliance with the relevant permits. The local authorities require evidence of the construction supervision and civil works contract as a condition for issuing the permits to start the project.

courtrooms and judge's chambers. In the absence of more comprehensive design standards, core principles, such as accessibility, uniformity, and flexibility – essential aspects of design and infrastructure development – are at risk of being left unattended. The lack of design standards and maintenance protocols has created a situation where data and information are scarce and situations on the ground vary from court to court without a plan of ways to address shortcomings. There are frequently reports of inadequate number, size, and type of courtrooms, and inadequate access for people with reduced mobility, sight, and hearing.

257. Currently, there are 56 court seats in the country housed in 47 buildings. Several courts are often housed in the same facility, while others are spread over

various buildings. All the court buildings are understood in theory to be owned by the Government, most of them by the MoJ; however, some of the buildings' ownership details are unclear. This lack of reliable data inhibits planning for future construction, repair, and maintenance of buildings. Duality of ownership may hinder planning for infrastructure expenditures, and in the prioritization of the current and recurring maintenance costs. These 47 buildings include the following institutions: (a) the Court of Cassation, (b) three Appeal Courts (one criminal, one civil, one administrative); (c) three locations co-hosting the Bankruptcy Court; (d) five locations co-hosting the Administrative Court; and (e) 44 first instance courts of general jurisdiction, of which seven are in Yerevan (see Figure 43 and Annex 9).¹⁷⁷

Figure 43. Court Locations in Armenia



Source: Judicial Power of the Republic of Armenia <https://court.am/hy#>

¹⁷⁷Some courts are located in the same courthouse, therefore those 47 buildings host 56 courts.

258. The age of the Armenian judicial building stock varies. Thirty-three of the 47 (70 percent) courthouses in Armenia were either constructed (22) or renovated (11) in the 2000s. The remainder were either built during Soviet times and have not been rehabilitated since (7 or 15 percent), or their construction details are unknown (7 or 15 percent).

259. Because the buildings were constructed and refurbished during different times, it is hard to establish a comprehensive materials list.¹⁷⁸ Some buildings were constructed to be courts, others were inherited from the Soviet times and are now used as court buildings, and some others have been refurbished to serve as courts (previous schools, vocational education centers, factories, etc.). Given the variable age of court buildings and their differing architectural expression, a comprehensive materials list cannot be reliably established. Without such a list it is challenging to know how and how often such materials and fittings should be managed and maintained throughout their lifecycle.

260. The judiciary today operates out of approximately 73,700 square meters.¹⁷⁹ This translates into an average estimate of 311 square meter per judge (JD informed that the total number of judges is 277), which is substantially lower than the internationally

recommended standard of 450 square meters per judge. However, whether an individual courthouse in Armenia meets, overperforms, or underperforms this recommendation is challenging to determine given the absence of reliable data.

261. It is also unclear how many courtrooms there are in the existing courts. In the four courts surveyed (Shengavit (criminal), Ajapnyak (criminal), Echmiadzin, Armavir) for this analysis,¹⁸⁰ the number of courtrooms appears proportionate to the number of judges in office (see Table 17). European guidelines suggest that the number of courtrooms should be determined based on a presumptive hearing schedule contingent on the number of cases handled by the court in question, plus accounting for any increase in activity (i.e., 30 percent).¹⁸¹ US standards recommend – for the US judicial system – a 1:1 ratio, (i.e., one courtroom per judge). In Armenia, the surveyed courts reveal a ratio of 1.135 of courtrooms per judge (which ratio increases to 1.228 when adding all courts in Armenia for which architectural plans were available as of the drafting of this report). In turn, the four surveyed court facilities may not necessarily represent the judicial building stock on a national scale, rendering moot whether the number of current court hearing rooms is sufficient for today's number of judges.

Table 17. Snapshot of Judges to Courtroom Ratio (2022)

Court Type	Number of Other Rooms Used as Courtrooms	Number of Court Rooms	Number of Judges	Number of Judges per Court Room
Shengavit Criminal Court (surveyed)	0	7	7	1
Ajapnyak Pre-Trial Criminal Court (surveyed)	0	9	8	0.88
First Instance Court - Echmiadzin (surveyed)	0	6	6	1
First Instance Court - Armavir (surveyed) Seat	0	3	5	1.66
First Instance Court - Erebuni Seat	n/a	7	10	1.43
First Instance Court - Arabkir Seat	n/a	10	12	1.2
First Instance Court - Abovyan Seat	n/a	3	1	0.33
First Instance Court - Charentsavsan Seat	n/a	2	2	1
First Instance Court - Hrazdan Seat	n/a	2	2	1
First Instance Court - Yeghvard Seat	n/a	2	4	2
First Instance Court - Martuni Seat	n/a	1	2	2

Source: Figures are based on the physical survey conducted by the WB team and analysis of the drawings provided by the Protocol Department/Division in JD

¹⁷⁸A materials list typically contains all the information needed to uniquely identify materials, equipment, fixtures, and furniture within a given courthouse materials lists are used to ensure that exterior and interior spaces receive appropriate maintenance throughout the years, resulting in delayed wear and tear.

¹⁷⁹Approximate area data is only available for 28 of 47 courthouses. This totaled an approximate area of 42,474 square meters. For the remaining 19 buildings, an area of 31,226 square meters was estimated by using the average courthouse area in the respective region or similar courthouse elsewhere.

¹⁸⁰The four courts were selected jointly with the SJC and JD based to gain good insights into the current stock (urban/regional, old/new etc.).

¹⁸¹CEPEJ. Guidelines on the organization and accessibility of court premises, see: https://rm.coe.int/16807482cb#_Toc409098525.



262. Armenian courtrooms appear smaller in size compared to international best practice standards, such as the United Kingdom¹⁸² or the United States.¹⁸³ It is hard to establish average courtroom size in Armenia because of a lack of data. In the four surveyed courts, courtrooms vary

from 23.4m² (15 seats) to 207m² (210 seats) with an average of 63.6m² but sizes are not uniform and are not dependent on the number of seats present. See Table 18 for further details.¹⁸⁴ Armenian courtroom sizes appear similar to Moldovan¹⁸⁵ and Romanian¹⁸⁶ courtroom standards.

Table 18. Courtroom Sizes - Surveyed Armenian Courts

Court Type	Size	Area	Average courtroom area
Shengavit Criminal Court	Biggest courtroom (80 seats)	197 sqm	80.9 sqm
	Smallest courtroom (32 seats)	50 sqm	
Ajapnyak Pre-Trial Criminal Court	Biggest courtroom (210 seats)	207 sqm	67.3 sqm
	Smallest courtroom (15 seats)	23.4 sqm	
First Instance Court - Echmiadzin Seat	Biggest courtroom (48 seats)	74 sqm	54 sqm
	Smallest courtroom (6 seats)	44 sqm	
First Instance Court - Armavir Seat	Biggest courtroom (50 seats)	84 sqm	52 sqm
	Smallest courtroom (10 seats)	24 sqm	

Source: Figures are based on the physical survey conducted by the WB team and analysis of the drawings provided by the Protocol Department/Division in JD

¹⁸²HM Courts & Tribunals Service. Court and Tribunal Design Guide. 2019. Pages 145, 149, 153, 157, 161, 164. UK courtrooms' recommended size ranges from 150 sqm for formal secure hearing rooms with jury and a defendant's dock, to 35 sqm for smaller courtrooms where fewer parties are attending.

¹⁸³Judicial Conference of the United States (JCUS). U.S. Courts Design Guide. Revised 2021. Pages 4-9, 4-12, 4-17, 4-22. U.S. courtrooms' range from 278.7 sqm for Appellate and District Judge courtrooms, to 167.2 sqm for Magistrate and Bankruptcy Judge courtrooms.

¹⁸⁴It is important to note that no Administrative Courts were surveyed in the site analysis. Therefore, further studies will be needed to draw a reliable overview on Armenian courtroom sizes.

¹⁸⁵Thacker, G. Guidelines for construction and design of Moldovan Courthouses. Page 135.

¹⁸⁶Romania Judicial Reform Project. Draft Manual on Design Standards for courthouses in Romania. 16 May 2006. Page 17.

Table 19. Courtroom Sizes - Moldova, Romania, U.K, and U.S. Court Guidelines

Country	Type of courtroom	Area	Additional data
U.S.	<i>Appellate courtroom</i>	278.7 sqm (en banc courtrooms); 167.2 sqm (panel courtrooms)	/
	<i>District judge courtroom</i>	278.7 sqm (multi-party courtroom); 223 sqm (district judge courtrooms)	
	<i>Magistrate judge courtroom</i>	167.2 sqm	
	<i>Bankruptcy judge courtroom</i>	167.2 sqm	
U.K.	<i>Hearing room — formal secure with jury</i>	150 sqm	jury and a defendant dock, 5 entrances
	<i>Hearing room - formal secure non-jury</i>	115-150 sqm	defendant dock but no jury, 4 entrances
	<i>Hearing Room - Standard Custodial Hearing Type 1</i>	85 sqm	custodial hearings where a jury is not required, 4 entrances
	<i>Hearing Room — Standard Type 2</i>	50-75 sqm	hearings that do not require a dock or jury, but may require a witness box, 3 entrances
	<i>Hearing Room — Standard Type 3</i>	50-75 sqm	hearings that do not require a dock, jury, or witness box in a more informal space, 2 entrances
	<i>Standard Hearing Room – half size</i>	35 sqm	hearings where fewer parties are attending, 2 entrances
Moldova	<i>Civil proceedings courtroom</i>	40-48 sqm	Depending on how many places for the public in the courtroom
	<i>Criminal proceedings courtroom</i>	60-135 sqm	
Romania	<i>Small-size courtroom</i>	60-75 sqm	/
	<i>Medium-size courtroom</i>	70-90 sqm	
	<i>Large-size courtroom</i>	90-120 sqm	

Source: Her Majesty’s Court and Tribunal Services. 2019. Court and Tribunal Design Guide; Committee on Space and Facilities of the Judicial Conference of the United States (JCUS). *United States Courts Design Guide (Design Guide)*. 2021 https://www.uscourts.gov/sites/default/files/u.s._courts_design_guide_2021.pdf ; Thacker, G. *Guidelines for Construction and Design of Moldovan Courthouses*. (Date unknown). <https://crjm.org/wp-content/uploads/2015/01/Ghid-court-construction.pdf>.

(b) Past Rehabilitation Efforts

263. At independence, Armenia inherited a portfolio of judicial facilities that was not fit for purpose and whose poor construction quality adversely impacted service. A lack of attention to maintenance led to a deterioration in quality of judicial buildings during Soviet times. In addition, courthouses were often located in buildings that were originally constructed for other uses, such as schools, vocational education centers, factories, etc. An initial set of judicial legislation in 1997 and 1999 established the

foundations for a contemporary judiciary and enhanced public knowledge about the operation of the judiciary. Infrastructure modernization efforts were largely driven by the Government in the 2000s with support from the World Bank.

264. Two World Bank-funded projects and a few stand-alone government investments supported the construction or rehabilitation of 33 out of the 47 courthouses in the late 2000s/early 2010s (Box 36). Thus, around 86 percent of Armenia’s judicial infrastructure has benefitted from rehabilitation and new

construction at some point.¹⁸⁷ According to the 2020 CEPEJ report, the average number of court locations per 100,000 inhabitants corresponded to 0.5 in 2018.¹⁸⁸ No more recent data is available at this point.

BOX 36. WORLD BANK JUSTICE REFORM PROJECTS IN ARMENIA

Justice Reform Project 1 (JRP1, P057838): 2000-2006

JRP1 aimed to renovate badly dilapidated courthouses with a special focus on the major Armenian courts. 11 courthouse buildings accommodating 14 courts were constructed, amounting to a rehabilitated/newly constructed area of around 40,000 sqm in aggregate, or 54 per cent of the total stock. Despite the overall improvement achieved with JRP1, many of the regional first instance courthouses were still in poor shape, lacked enough space and security measures, and often shared space with police, prosecutorial, and other judicial services.

Justice Reform Project 2 (JRP2, P099630): 2007-2012

JRP2 aimed to renovate and construct 20,000 sqm of courthouses and other judicial buildings, develop design standards for smaller courts, and improve space within the Court of Cassation and the MoJ to house the judicial archives. Sixteen courthouses, the Forensic Expertise Center at the MoJ, and the Academy of Justice were constructed and/or renovated, adding another 23,500 sqm of modernized buildings (or 32 per cent of the total). It is important to highlight that the design standards for smaller courts were funded by the project but were not approved by the Government. Additionally, a US\$ 4.84 million Dutch Trust grant (TF-091251) was established to co-finance and expand the institutional capacity building and outreach activities of the JRP2. In parallel with JRP2, five additional courthouses were reconstructed using government funding. Despite the initial agreement with the JD to build 10 regional and local courts, works on five of these were curtailed because of the economic downturn. The new Judicial Training Center (now known as the Academy of Justice) was also built in 2011 following World Bank funded architectural plans. The project supported upgrading the existing Judicial Training Centre by renovating and equipping the permanent building.

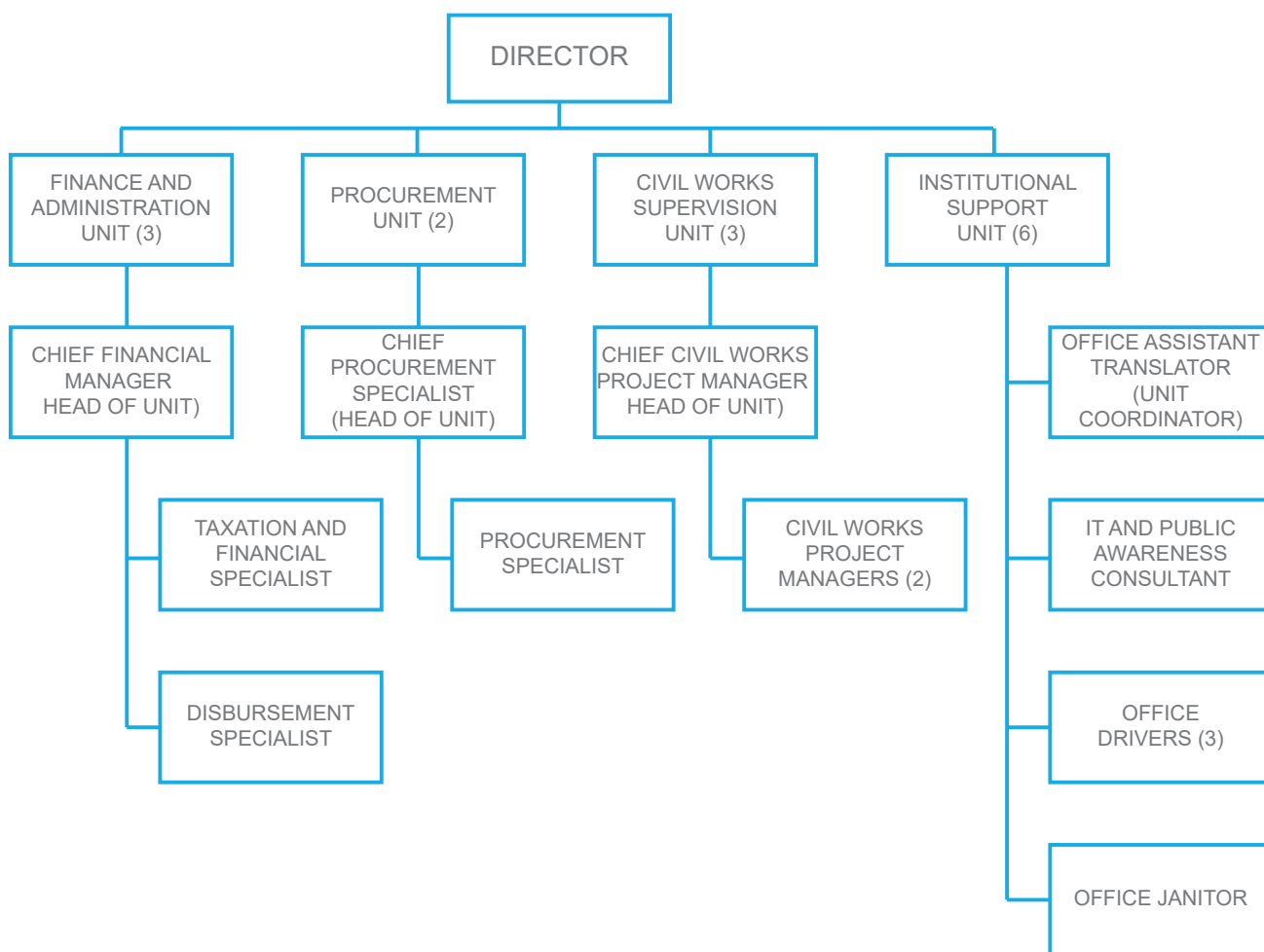
Project Implementation Arrangements

The Justice Reform Project Implementation Unit (JRPIU) functioned as principal implementing agency in charge of day-to-day project management. Oversight and strategic administration was handled by the Project Administration Council. The JRPIU consisted of 10 core members and two additional personnel, organized in four units: (a) finance and administration (three core members), (b) procurement (two core members), (c) civil works supervision (three core members), and (d) institutional support (two core members plus two additional personnel). These specialists provided procurement, financial management, civil works, and translation services, and were directed by an Executive Director. Two project managers for civil works oversaw contract preparation, management, and monitoring. Where the JRPIU lacked specialized skills (engineering/architect, procurement etc.), the project financed these to complement skills. The organizational chart depicted in Figure 44 provides insights into the capacities required for the implementation of the project, including its civil works part.

¹⁸⁷Percentages are calculated based on the previous estimation of 73,700 square meters as the total area of judicial infrastructure.

¹⁸⁸European Judicial Systems – CEPEJ 2020 Evaluation Cycle (2018 DATA). Page 25, Figure 2.9.

Figure 44. JRPIU Organizational Chart



Source: Operational Manual JRPIU2 (including reference to local civil works standards)

(c) Pending Modernization

265. Surveys and quality interviews¹⁸⁹ indicate that none of Armenia’s judicial buildings meet international standards. This includes insufficient court hearing rooms and office space. Close to half of buildings need repairs and extension to meet such standards, and the remainder need full replacement or construction in a new location (see Figure 45). In seven locations, the court shares the building with another government entity. Further detailed studies and site surveys are required to confirm this preliminary list and mapping.

266. An area of approximately 61,700 sqm requires modernization, extension, or replacement/new construction. This includes approximately 28,000 sqm of modernization (indicative cost estimate: US\$ 1,000/sqm); 8,200 sqm of extension (indicative cost estimate: US\$ 1,500/sqm); 23,000 sqm of replacement (indicative cost estimate: US\$ 1,500/sqm); and 2,500 sqm of construction (indicate cost estimate: US\$ 1,500/sqm). All figures are indicative and will need to be confirmed/revise during on-site surveys for all locations.

¹⁸⁹To determine the current status of the Armenian judicial building stock, a site survey was conducted of four buildings in April/May 2022. The conditions of the remaining buildings were determined through a set of quality interviews with Mr. Edgar Melkonyan (Head of Protocol Department/Division in JD).

Figure 45. Rehabilitation Needs by Court Location



Source: No data was available; the map is produced based on a meeting with Protocol Department at the JD

267. Where partial modernization or extension is needed (22 court buildings), this concerns infrastructural aspects as well as questions of accessibility, safety, and security. On infrastructure, features such as façade, wall, sewage and pipe-work

renovations, sanitary facility upgrades, and roof works require updates. Further, user accessibility has not been considered a priority in most courts, and facilities often lack coherent wayfinding strategies, information kiosks, and uniform and appropriate signage. Basic features,



such as ramp and lift access, stairlifts, disability hoists, and accessible toilets on all floors, are also missing and baby- and children-friendly facilities are absent in all facilities. Generally, there is substantial room for improvements on safety and security. Separation of flows across courthouse facilities requires improvements to reduce judges' and defendants' paths overlapping in areas such as corridors or access to courtrooms. Public, restricted, and secured zones are not in place to ensure the security and safety of all users and there are insufficient separate entrances/access points. It is unclear whether cells are appropriately separated (by prisoner groups, auditory, and visual). While many holding cells are located in the basement for security purposes, in courthouses such as the First Instance Court of Echmiadzin, the temporary detainment area is located on the first floor. Direct access to the custody basement area, as well as to the criminal courthouse, should be provided here. Fixtures and fittings, such as toilets, include porcelain and tiles that do not comply with international standards.

268. Fourteen of Armenia's courthouses require full reconstruction to meet the needs of judicial services. Shortcomings exist at both the structural and spatial levels. Infrastructurally, issues such as exposed electrical cables and wiring, poor ventilation strategies, water infiltration and dampness, and mold exposure are common and demand urgent attention. Spatially, inefficiencies in the distribution of spaces within the courthouse produce insufficient office space and courtrooms and lack of appropriate archival and storage space. Those buildings with structural damage may need to be newly constructed as it will be difficult to meet the current building regulations (especially with respect to the seismic requirement) even after the reconstruction. None of these courts meet international standards regarding accessibility and gender-related features. Out of these 14, two court buildings need to be established in new locations. The current buildings' lay-out and overall condition is not appropriate for judicial service delivery and they would be more costly to renovate than construct new ones.

BOX 37. ONE COURTHOUSE STORY

The Armavir Criminal and Civil Court was most likely built during the Soviet era in an unknown period between 1960-1980. The building is composed of two floors and a basement and has three courtrooms ranging from 10 to 50 seats.

Infrastructural issues impede the correct archival of valuable files and may have important repercussions on the correct functioning of the justice system. The basement area, currently used for archival and storage purposes, needs urgent renovation. The hazardous exposed pipes, electrical wires, cables, and steel wires preclude the space being fit for purpose. The poor conditions of the basement are exacerbated by the lack of elevators, the missing accessibility standards, and the overall cramped working environment. Such issues greatly impair both the quality of the workplace and user experience.

The walls are crumbling and there are no plasterboards mounted on top of the stone walls. This results in considerable dust being collected on files. Walls are damp and show signs of mold exposure, probably because there is no ventilation system. Moreover, the space lacks appropriate storage furniture, resulting in files being stored in corridors and on the floors of rooms above the basement. This poses a serious threat to the privacy and security of stored files.



(ii) Challenge 2: Improving Management and Maintenance of Judicial Infrastructure

(a) Strategic Management

269. There is insufficient strategic management of judicial infrastructure. At the management level, coordination for infrastructure expenditure planning and prioritization of current and recurring maintenance costs are dealt with reactively without a formal protocol. Criteria for prioritization are based on the urgency of the repair in question rather than future planning. Without any management and maintenance policies in place, there is no medium to long term vision and planning exercised.

270. The lack of multi-year capital investment planning poses a risk to the efficient management of judicial facilities. Despite the judiciary's efforts to develop a multi-year investment and implementation plan, there is routinely under disbursement because of limits on multi-year contracting combined with insufficient planning capacity. As a result, investment plans and maintenance requirements are often set back. Neglect of operation and maintenance needs undermines the sustainability of the capital investments.

271. The JD, under the direction of the SJC, is the single entity responsible for the management of judicial infrastructure. The JD Finance, Logistics and Procurement Office oversees planning, procurement, implementation, and monitoring the realization of capital expenditure, and maintenance of judicial facilities.¹⁹⁰ This Office is understaffed, with only four finance employees in charge of the judicial infrastructure fund in addition to other financing tasks and only 11 employees responsible for planning and implementation, none with an engineering background.¹⁹¹ Every decision on capital investment needs to be approved by the SJC.

272. The JD lacks even basic information on the judicial infrastructure, such as a database with information on number of facilities under its control, building ownership, area, number of court rooms, etc. The lack of data hinders assessment of needs and undermines any efforts to plan for capital and maintenance expenditure. The JD needs to gather and maintain much more detailed data on judicial facilities. It should conduct physical and functional assessments of them all and use this information to develop a database, including all resources and features the JD oversees, to be able to determine gaps and areas for improvement

and track the state of court buildings. Individual profiles for each facility should include:

- Location, size, ownership, kind of construction, materials, occupancy, main difficulties, compliance with the design rules and standards, present and expected staffing, and workload.
- Impact of the features on the jurisdiction, staffing, and geographic location of the justice institution.

273. The JD employs administrators to inspect the buildings for maintenance needs and upkeep of infrastructure but courts have no staff responsible for judicial infrastructure management. Each region in Armenia has a chief of staff who is responsible for the maintenance of the judicial buildings in the respective region and each building has an administrative guard responsible for cleaning and taking care of furniture and storage maintenance. In Yerevan, in addition to a chief of staff, a court administrator is allocated to each court building to assist the chief of staff with the detection and reporting of maintenance needs.

274. The JD and MoJ would benefit from institutional strengthening to better oversee improvements in the physical infrastructure of the judicial system. Architects, engineers, and surveyors (both for building and costs) are needed for oversight and the operation and maintenance of existing court facilities, as well as the design and supervision of court infrastructure investments. Study visits and workshops with international comparators (good practice examples) may also be beneficial and can support the development of progressive and effective guidelines to support the impartial delivery of justice through appropriate infrastructure.¹⁹²

275. The SJC and MoJ need to agree on priorities and actions to take on judicial buildings, this could be captured in a short-, medium- and long-term capital investment plan (CIP). The CIP, revised periodically, would help guide the work that is needed and define transparent criteria for prioritization of construction, rehabilitation, and renovation. The CIP would support forward looking decisions to meet the judiciary's functional demands and corresponding service provisions, rather than a mere renovation of existing spaces. It could, for example, list and prioritize needs for funding by budget years, taking account of factors including space requirements for staff, health and safety issues, fire regulations, structural conditions affecting the

¹⁹⁰The MoJ was responsible for capital investment and infrastructure expenditure during the period of WB-funded lending operations.

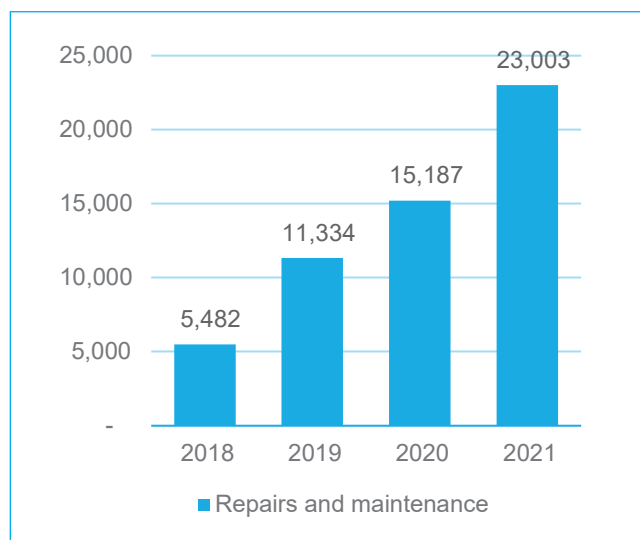
¹⁹¹To compare, Croatia's Judicial Finance and Procurement Office has 37 employees and its project and investment office has 23 employees according to the Multi-Donor Trust Fund for Judicial Sector Support in Serbia, World Bank 2014.

¹⁹²Design guidelines have been developed, for example, by the UK; the US federal courts and many of the individual US state court systems; Australia; Ireland; Canada; Philippines; Montenegro; North Macedonia; and Romania.

facility's stability (i.e., roof leaks or foundation issues), electrical, heating, and power issues, and costs. Regular consultation with the users of the facilities, such as judges, court employees, MoJ staff, and citizens, would be an intrinsic element of all activities to develop a strong consensus for the CIP.

276. Allocation for capital expenditure is low. Funds for capital expenditure are planned for each calendar year and the lack of multi-year capital investment

Figure 46. Court Expenditures by Category (total), 2018-2021



Source: JD

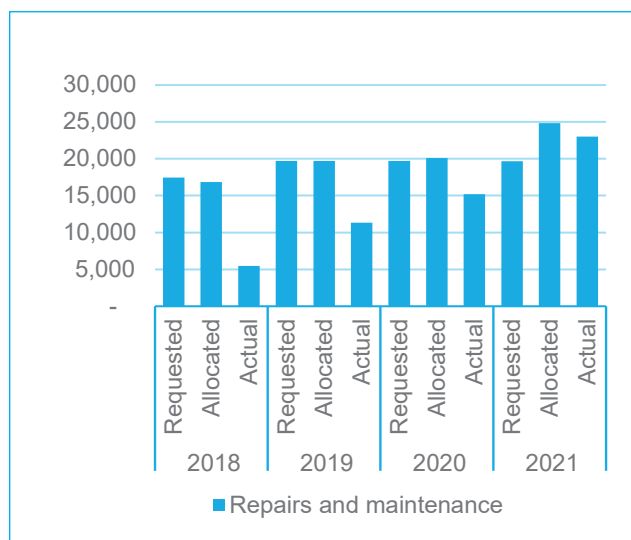
(b) Maintenance Strategy and Protocol

277. Maintenance and repairs, which are currently reactive and based on urgency, could be better planned with a CIP in place. The CIP would enable a maintenance strategy and protocol to be followed. The strategy should contain relevant information for the maintenance and operation of judicial facilities, including specific guidelines and recommendations for regular maintenance (frequency) of various types of installations (type of maintenance) in judicial buildings, such as lightning installations, fire installations, boilers, and lifts, among others. Setting standards for preventive maintenance, repairs, and renovations of each court building would limit further deterioration and ensure a healthy and safe working environment for employees and users, and an efficient use of the maintenance budget.

278. The protocol should include a comprehensive list of building materials to plan for efficient and cost-effective future repairs and renovations. Such a list (material palette) is vital to promote a clear and concise vision for judicial infrastructure in line with international standards and will increase uniformity in the design and

plans contributes to Armenia seeing one of the lowest expenditures on courts per inhabitant in Europe (see also Chapter V on Budgeting, Financial Management and Expenditures). Wages and salaries dominate court expenditure in Armenia, accounting for close to 90 percent of spending. Albeit increasing over time, capital and maintenance allocations have been meager and seem to have responded only to critical needs despite the needs on the ground (see Figure 46 and 47).

Figure 47. Requested, Allocated Budgets vs. Actual Expenditures by Category, 2018-2021 (in Thousand AMD)



Source: JD

architectural choices related to building materials in courthouses.

(c) Design Standards

279. Armenia does not yet set, apply, or monitor design standards for the refurbishment and construction of courts. Developing and implementing design standards for court buildings is international good practice to ensure that all future court rehabilitations or new constructions are consistent and uniform in standard and quality, and meet accessibility, flexibility, and sustainability per European and international standards.¹⁹³ Communication and training plans, targeted at court users, public officials, the private sector, different levels of government, and the general public, would improve understanding of the standards and create ownership for common goals. Design standards, approved by the SJC, could encompass:

- A comprehensive functional analysis of infrastructure in the context of core principles. This would include, for example, acceptable sizes, finishes, electrical and lighting requirements for types of spaces and courthouse activities; spatial adjacencies (i.e., which spaces need

to be adjacent to other areas or on specific levels); and sizes for each office/room type, either as precise sizes, or as square meters per staff person (to be multiplied by the number of personnel to determine the room size).

- Strengthening regulatory requirements for electrical, lighting, security, wall and floor finishes, heating and air conditioning, ICT, location, parking, and siting; landscaping; overall courthouse façade design and appearance; handicapped access and accommodation; and exterior and interior signage that differ from other government buildings or ordinary building regulations.
- Integration of security and safety standards, including electronic and ICT systems, appropriate spaces for different stakeholders (including detainees), and evacuation plans for staff and the public, among others. In particular, where there are detainees, plans need to include arrangements for escorted evacuation under close supervision of escort staff, who can release security doors and gates. Additionally, an escape route for escorted evacuation should be provided from the custody suite/detaining cells, each route leading to a separate secure area.
- Providing sufficient and appropriate public spaces: waiting areas; adequate signs; help desks; lifts; toilets; spaces for reviewing documents; and perhaps a canteen.
- Improving the accessibility of court locations, e.g., help desk, lifts, toilets for people with disabilities, etc.
- Development of prototypical designs for various courts that can be replicated at different locations.

280. Armenia's courthouse infrastructure could benefit from greater consideration of inclusion aspects (i.e., people with limited vision, mobility, and hearing, and other vulnerable groups), throughout all judicial spaces to guarantee access for all. Courthouses should strive for inclusive design to favor access to justice, and judicial facilities must respond to the needs of all users, irrespective of their gender, physical and mental ability, age, ethnicity, and sexual orientation.

281. Revised design standards should be mindful of climate change. There is scope for more sustainable judicial infrastructure design and principles in Armenia. For example, European standards provide guidance on improving the environmental impact of court buildings: temperature and ventilation, heating timer systems, green lighting sources, heat recovery systems, and rainwater recovery systems for irrigation of external areas. Similarly,

the costs of operating and maintaining facilities can be ameliorated in the design phase by careful selection of materials and building systems, using techniques such as life-cycle costing, passive design features to reduce heat gain and loss, use of natural lighting and ventilation, use of technologies for environmental controls, and use of renewable energy where possible. Sustainable judicial infrastructure design and concepts are currently given insufficient importance. During the implementation of the two WB-funded projects, a series of meetings were held between the JD, the institution in charge of facilities management and construction, and court presidents to discuss environmental concerns in project design and construction. However, the environmental measures taken were insufficient and do not meet European or international standards. Rainwater recovery systems, passive design features to reduce heat gain and loss, environmental control technologies or renewable energy systems, to name a few, were not implemented in the surveyed courthouses. To monitor energy sufficiency and sustainability the Environmental Sustainability Calculator, Building Research Establishment Environmental Assessment method (BREEM) could provide inputs at design stage and be reflected in feasibility studies.¹⁹⁴

282. ICT mechanisms should be integrated into renovated or new court buildings. ICT tools can enhance the provision of judicial services by strengthening efficiency and quality. ICT tools that allow the automation of court administration processes, recording of proceedings, sound enhancement and remote participation have become a critical tool in judicial modernization. To be most effective and within an operating context of limited resources, it is essential that this automation is integrated into the design of new buildings from the very beginning. Design guidelines reflecting this area would help architects and engineers to understand ways the building must be designed to accommodate court specific ICT.

B. CONCLUSION AND RECOMMENDATIONS

283. Upgrading the existing judicial infrastructure and court facilities will support improvements of the judicial sector to benefit all who work at or visit them. Despite the low number of courts per inhabitant in Armenia, each *marz* has a sufficient number of court locations. The focus should be placed on enhanced planning and strategic management of the facilities to ensure that buildings meet functional requirement and international standards. The following outlines recommendations for judicial sector stakeholders to consider.

¹⁹³For example: https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/790777/Court_and_Tribunal_Design_Guide_-_Public_v1.1_-_webOptimised.pdf.

¹⁹⁴The BREEM method is an assessment of features for environmental, social, and economic sustainability of buildings and aims to (a) enhance the well-being of the people who work in or use these buildings, (b) help protect natural resources, and (c) ensure effective capital investment.

Recommendation 1	Improve strategic management of physical infrastructure.
Possible actions	<ul style="list-style-type: none"> ■ Reach SJC and MoJ agreement on buildings for construction/renovation/rehabilitation. ■ Strengthen capacity in the JD Finance, Logistics, and Procurement Office and MoJ. ■ Establish a single infrastructure database based on physical and functional assessments and space audits effective space planning based on functional and organizational needs of the judiciary. ■ Use communication tools and training to raise understanding of the underlying analysis and create ownership for common goals; including private sector, different levels of government, and the public.
Recommendation 2	Introduce and monitor design standards for the refurbishment and construction of courts.
Possible actions	<ul style="list-style-type: none"> ■ Develop and adopt design guidelines for the refurbishment and construction of courts to ensure constructions are consistent and uniform in standard and quality, and meet accessibility, flexibility, and sustainability per European and international standards. ■ Develop prototype designs for various courts that can be replicated at different locations.
Recommendation 3	Develop a short-, medium- and long-term CIP.
Possible actions	<ul style="list-style-type: none"> ■ Introduce a procedure for identifying and analyzing facility requirements. ■ Establish funding needs using suitable prioritization criteria. ■ Future proof developments to take account of a modernized judiciary's functional demands and corresponding service provisions. ■ Regularly monitor and evaluate the demand for court services (caseload, population, distance, etc.) to inform and change priorities. ■ Conduct regular consultation with the users of the facilities.
Recommendation 4	Prepare and apply a maintenance strategy and protocol.
Possible actions	<ul style="list-style-type: none"> ■ Develop a strategy that contains relevant information setting out regime and frequency for the maintenance and operation of judicial facilities. ■ Set a protocol for preventive maintenance, repairs, and renovations of each court building. ■ Begin immediate work to address the issues as prioritized in the strategy and contained in the protocol.
Recommendation 5	Improve physical access to justice.
Possible actions	<ul style="list-style-type: none"> ■ Ensure improvements for people with disabilities, including provision of disabled parking, elevators, ramps, stairlifts, disability hoists, disabled toilets, and barrier-free entrances to courtrooms where doors open outwards, etc. ■ Monitor and evaluate demand for court services and update CIP priorities as needed.
Recommendation 6	Use more sustainable and climate friendly judicial infrastructure design and principles.
Possible action	<ul style="list-style-type: none"> ■ Improve the environmental impact of court buildings: temperature and ventilation, heating timer systems, green lighting sources, heat recovery systems, and rainwater recovery systems for irrigation of external areas.
Recommendation 7	Promote innovation and integrate ICT mechanisms into court buildings and facilities for enhanced service delivery.
Possible action	<ul style="list-style-type: none"> ■ Integrate ICT tools and automation of processes (e.g., recording of proceedings, sound enhancement, and remote participation) into the design of new/refurbished buildings.

IX. CONCLUSION AND RECOMMENDATIONS

284. Armenia has achieved progress in its aim to reach European standards in its justice system. Major reforms in recent years are having an impact on the justice sector, as recognized by all stakeholders, and a much clearer strategic focus has been introduced. However, Armenia's judiciary is still under-resourced, compared to Council of Europe countries, to handle the relatively high demand for its services. The courts are falling behind in case resolution, undermining the timeliness of justice. Overall, strategy needs now to translate more fully into tangible change on the ground. This will require continued political commitment to ensure the necessary resources are available.

285. As a longstanding partner in judicial reform, the World Bank with support from the EU Delegation to Armenia conducted an in-depth assessment of the sector for sector stakeholders in Armenia. The *Forward Look* identified key issues and suggested actions to address them in the areas of governance and management; provision of judicial services to citizens; performance measurement and management; budgeting, financial management, and expenditure; HR; ICT resources; and physical infrastructure.

A. GOVERNANCE AND MANAGEMENT

286. Significant judicial reforms have been achieved in Armenia but fundamental problems in the areas of independence, efficiency, and quality remain.¹⁹⁵ The adoption of the 2019-2023 and 2022-2026 Judicial and Legal Reform Strategies provide a good strategic framework. However, the 2019-2023 Strategy has not fully achieved its defined purpose and it is not yet clear if the 2022-2026 Strategy will be any more effective. An overall inefficient management and institutional setup that does not favor full independence and impartiality of the judiciary and an excessive workload reduces justice efficiency and affects the quality of judicial decisions and often leading to prorated trials.

287. The legal framework requires strengthening to ensure integrity and transparency of governing

judicial institutions in alignment with European standards and the Venice Commission. The composition of the SJC could be improved to ensure balance and separation of powers, especially in the selection process of SJC non-judicial members, following the Venice Commission.¹⁹⁶ Disciplinary rules and procedures should also be strengthened to bring the composition of the SJC's Ethics and Disciplinary Commission in line with European standards, and remove any perception that it protects the corporate interests of judges.¹⁹⁷ Creation of an active and engaging Coordination Council, as a multi-stakeholder advisory body to oversee strategy implementation will support a focus on improving capacities, skills, and funding.

B. PROVISION OF JUDICIAL SERVICES TO CITIZENS: ACCESS TO JUSTICE

288. There is a positive perception of judicial accessibility in Armenia, however high costs are a barrier. Most citizens and business representatives feel that Armenia's justice system is generally accessible in terms of financial, physical, and information accessibility. However, costs of court cases are higher than in regional peer countries and attorney fees are considered expensive. A review of current court fees is suggested, especially as 2021 amendments significantly raised the amounts of state duties subject to payment for applying to courts.

289. Awareness about available free legal aid is limited. Even though access to legal aid is guaranteed in the Constitution, and free legal aid is available to certain socially vulnerable groups provided by the PDO there is a lack of awareness of this, with a majority of those surveyed unsure about free legal aid availability. The workload of public defenders has increased, but their budget has not, remaining relatively limited when compared to other countries.

290. ADR mechanisms could be more widely and effectively used. Enhancing use of ADR mechanisms is prioritized in both the Government's Action Plan for 2021-

¹⁹⁵Annex 2 of the Commission Implementing Decision on the Annual Action Programme 2017 of the Republic of Armenia Action Document for "Consolidation of the Justice System in Armenia" (Annual Action Programme 2017) https://ec.europa.eu/neighbourhoodenlargement/sites/default/files/eni_2017_040664_consolidation_of_the_justice_system.pdf.

¹⁹⁶The Venice Commission in the Report on Judicial Appointments CDL-AD(2007)028, Report adopted by the Venice Commission at its 70th Plenary Session (Venice, 16-17 March 2007) took position in para 30 "judicial councils include also members who are not part of the judiciary and represent other branches of power or the academic or professional sectors".

¹⁹⁷According to the Venice Commission such composition of the Ethics and Disciplinary Commission creates a risk of serving for corporate interest of judges: "Both the Ethics Commissions and the Disciplinary Commission seem to be composed solely of judges. This may give an impression that the question of disciplinary liability is decided within the judicial corporation by bodies which have no external elements and no links to the democratically elected bodies or the broader legal community." CDL-AD(2016)013, Opinion on the Draft Code of Judicial Ethic of the Republic of Kazakhstan, §32. See also CDL-AD(2015)045, Interim Opinion on the Draft Constitutional Amendments on the Judiciary of Albania, §76.

2026 and the draft Strategy for Judicial and Legal Reforms for 2022-2026. The Government aims to enhance the mediation system and establish a strong arbitration center with national and international mandate. However, lack of awareness and trust are among the main challenges of ADR development in Armenia.

C. PERFORMANCE MEASUREMENT AND MANAGEMENT

291. The Armenian courts have been facing significant increases in caseload over time and the system is struggling to cope with the demand. Caseloads, workloads, and dispositions have all increased consistently in recent years. The number of incoming cases in the courts of first instance rose by 45 percent from 2017 to 2021, still lower than the CEPEJ average and the averages of its EU peers Croatia and Estonia, but roughly double the demand in Georgia. The most significant contributors to the rise in demand were civil cases concerning contractual/monetary obligations and orders for payment. Although very few courts manage to reach favorable clearance rates, there is no monitoring of case age structure and no backlog reduction planning.

D. BUDGETING, FINANCIAL MANAGEMENT, AND EXPENDITURE

292. The SJC has only limited influence on the final budget decision and a lack of capacity at court-level and in the JD hamper the budget preparation and adoption process. Armenia ranks low both in justice spending per GDP as well as in its real per capita justice spending. While the justice sector overall saw an increase both as a percent of GDP and in total expenditure, albeit small, from 2019 to 2021, the budget allocated to courts under the SJC saw an overall decline. The wage bill crowds out all other functions, leaving little to no room for innovation and investments. Armenia's judiciary is taking steps and making progress to enhance evidence-based decision-making. Moving forward it will be key to improve budget planning and execution and enhance judicial expenditures by further defining the legislative framework, strengthening coordination and planning mechanisms, and improving budgetary skills at the SJC and JD.

E. HUMAN RESOURCES

293. Relatively straightforward system changes could support the reduction of heavy workloads. Wages in the judiciary are among the highest in the public sector

and appear sufficient to attract and retain qualified judges. However, staffing levels for judges and judicial assistants are below the level of most European countries. Current workloads could be reduced by shifting cases from the simplified to the expedited procedure and improving the system for assigning cases to judges. A review of the recruitment process is recommended to evaluate actual practices and consider increasing representation of judges and NGOs on recruitment panels. Regarding disciplinary procedures, allowing the MoJ to initiate those procedures was identified as potentially undermining the effectiveness of the disciplinary procedure and should eventually be reviewed.

F. ICT RESOURCES

294. Information on the courts and their decisions is increasingly available online, but not yet in a comprehensive and easily accessible format. A unified website for the publication of draft regulatory legal acts was set up in 2016 to improve access to laws and the law-making process but only includes draft laws prepared and proposed by the Government, and not by other institutions. Portals developed for accessing specific information concerning court cases are incomplete.

295. ICT equipment available to courts is generally adequate but systems and data are vulnerable because of inadequate guidance on the use of the ICT tools in judicial management. Seven different systems guarantee the main business processes in the Judiciary, supported by servers located in eighteen inadequate server rooms. These existing systems and applications are not being properly maintained nor are systems for data storage, back up, and recovery established and tested.

G. PHYSICAL INFRASTRUCTURE

296. There has been only limited expenditure on Armenia's court facilities in recent years, resulting in buildings that require considerable investment to make them accessible and fully functional. Many court buildings require upgrading, renovating, or relocating. There needs to be a more strategic approach to planning for and implementing this work, including the use of design standards that consider accessibility, sustainability, and inclusion of ICT, and a clear maintenance strategy and protocol for the ongoing upkeep of buildings.

The following table outlines recommendations and actions for stakeholder to consider as they advance in implementing justice sector reforms.

This may give the impression that the question of disciplinary liability is decided within the judicial corporation by bodies which have no external elements and no links to the democratically elected bodies or the broader legal community." CDL-AD(2016)013, Opinion on the Draft Code of Judicial Ethic of the Republic of Kazakhstan, §32. See also CDL-AD(2015)045, Interim Opinion on the Draft Constitutional Amendments on the Judiciary of Albania, §76.

X. RECOMMENDATIONS TABLE

Action	Entity responsible	Timeframe ¹⁹⁸ & Budget Implications ¹⁹⁹	Link with 2022-2026 Strategy for Legal and Judicial Reforms (SLJR)
Reform Area A: Governance and Management			
A.1	Strengthen administrative and management structures in the SJC and JD to support implementation of the 2022-2026 Strategy. (Targeted at Challenge 1: Implementing Strategy)		
A.1.1	Assess the effectiveness of the current administrative and management structure in the SJC and JD.	SJC Short-term Low	Not explicitly covered by the SLJR; there is, however, the SLJR's overall objective towards increased efficiency in justice.
A.1.2	Based on the assessment, propose a new systematization of the JD with detailed descriptions of tasks involved and required skills.	SJC, Civil Service Commission Medium-term Low	
A.1.3	Create an ongoing strategic and operational planning function in the judiciary to collect and analyze data and plan process improvements consistent with the CCJE standard that data collection is used to evaluate justice in its wider context and resides in an independent institution in the judiciary.	SJC, JD Medium-term Low	
A.1.4	Appropriately staff the JD's function for data collection and analysis regarding all aspects of courts operations.	SJC, JD Medium-term Medium	
A.1.5	Develop a performance framework/ streamlined dashboard to monitor performance with key performance indicators most likely to drive performance enhancements.	SJC, JD Medium-term Low	
A.1.6	Identify a smaller number of reforms to increase citizen-centric performance of courts and for tangible results on the ground in the short term. Identify measurable targets for this sub-set of reforms, and monitor and document results, especially with respect to efficiency and user experience.	SJC, MoJ Short-term Medium	
A.1.7	Introduce mechanisms for cooperation between the SJC and judges to inform SJC about challenges at the court level and identify solutions.	SJC, JD, Courts Immediate Low	
A.1.8	Establish the Monitoring Council and an appropriately staffed Secretariat.	SJC, MoJ Immediate Low	

¹⁹⁸Short-term refers to implementations to be carried out within 12 months; medium-term in 1 to 3 years; long-term in 3 to 5 years.

¹⁹⁹While precise costing was outside the scope of this analysis, approximate budget implications of individual recommendations were evaluated as low / medium / high.

A.2	Improve policy development and monitoring of reforms. (<i>Targeted at Challenge 1: Implementing Strategy</i>)			
A.2.1	Establish a comprehensive and operational mechanism of monitoring judicial reforms that will have sustainable administrative support to ensure regular organization of meetings and publishing of reports.	MoJ	Short-term Medium	See SLJR’s General Strategic Direction on “Ensuring the Permanence of Judicial Reforms”
A.2.2	Conduct impact assessment of each past reform activity prior to introducing any new reforms to verify assumptions.	MoJ	Medium-term Medium	
A.2.3	Introduce early warning mechanism to alert stakeholders of delays in reform programs.	MoJ	Short-term, continued Low	
A.3	Enhance trust and confidence by fostering better awareness among public and stakeholders about reforms and their results. (<i>Targeted at Challenge 1: Implementing Strategy</i>)			
A.3.1	Conduct information campaign across the judiciary to ensure that all judges and judicial staff understand reforms and expectations.	MoJ, SJC	Short-term, continued Medium	See SLJR’s General Strategic Direction on “Ensuring the Permanence of Judicial Reforms”
A.3.2	Organize public awareness campaigns explaining ongoing and planned reforms including anticipated outcomes to manage expectations.	MoJ, SJC	Short-term, continued Medium	
A.3.3	Use a range of (low-cost) methods to disseminate such information, including online information, posters, and handouts in courts.	MoJ, SJC	Short-term, continued Low	
A.3.4	Accompany annual reports with downloadable spreadsheets of system data for the benefit of analysts and researchers. Maintain email distribution lists for more frequent updates of progress.	MoJ, SJC	Short-term, continued Low	
A.4	Strengthen integrity and transparency of the selection process of SJC’s non-judicial members. (<i>Targeted at Challenge 2: Enhancing Judicial Governance Institutions</i>)			
A.4.1	Change nomination process to ensure that academic and professional sectors are represented in the SJC as per the Venice Commission opinion.	MoJ, NA	Short-term Low	Not covered by the SLJR; the Venice Commission issued an opinion on this topic at the MoJ’s request
A.4.2	Amend Judicial Code to ensure that the NA appoints non-judicial members of the SJC through a transparent and merit-based procedure.	NA	Short-term Low	

A.5	Strengthen the judiciary's disciplinary rules and procedure. (<i>Targeted at Challenge 2: Enhancing Judicial Governance Institutions</i>)			See SLJR General Strategic Direction on “Ensuring on Specialization and Sub-specialization of Judges and Improvement of Their Capacity and Integrity Mechanisms”, here Strategic Goal on “Review of the Ratio of Members of the Ethics and Disciplinary Committee of the General Assembly of Judges”
A.5.1	Align the structure of disciplinary bodies, such as the EDC, with the Venice Commission standards (the current composition creates a risk of narrowly serving the corporate interest of judges).	MoJ, NA	Medium-term Low	
A.5.2	Eventually reduce/remove the role of the MoJ in initiation of disciplinary procedures as per the Venice Commission opinion.	MoJ, NA	Medium-term Low	
A.6	Adopt a strategic approach to management of resources and operational planning functions. (<i>Targeted at Challenge 2: Enhancing Judicial Governance Institutions</i>)			See SLJR's General Strategic Direction on “Ensuring the Permanence of Judicial Reforms”
A.6.1	Adopt and implement a HR strategy that will include a rigorous and transparent methodology at the central level to determine the number of judges and staff needed (see also Reform Area: Human Resources).	SJC, JD	Medium-term Low	
A.6.2	Enhance ICT governance to ensure ownership and sustainability of ICT reforms (see also Reform Area: ICT Resources).	MoJ, SJC, JD	Short-term Low	
A.6.3	Adapt infrastructure strategy to ensure adequate maintenance and priority capital investment (see also Reform Area: Physical Infrastructure).	MoJ, SJC, JD	Short-term Low	
A.6.4	Strengthen the budget preparation process to assure that budget proposal is adequately justified by the SJC and appropriately reviewed by the MoF (see also Reform Area: Budget).	SJC, MoJ, MoF	Short-term Low	
Reform Area B: Provision of Judicial Services to Citizens: Access to Justice				
B.1	Review current court fees to ensure affordability. (<i>Targeted at Challenge 1: Financial and Physical Access</i>)			Not explicitly covered by the SLJR; recommendable to include it under the Strategic Goal “Improvement of Mechanisms for Pro Bono Legal Aid”
B.1.1	Undertake an in-depth analysis of current court fees and based on the analysis' findings amend the Law on State Duties to ensure affordability of court fees. Regional peers and their court fee system may serve as study models.	SJC	Short-term Medium	
B.1.2	Introduce a monitoring system for the court fee waivers program. The information and data collected through this monitoring system should be reviewed to determine the program's effectiveness and possible adjustments.	SJC	Short-term Low	
B.1.3	Introduce and make freely available to the public an online fee calculator. Such a tool, while simple and not requiring any information apart from what is already required to determine court fees, may go a long way to increasing transparency of court procedures.	SJC	Immediate Low	

B.2	Review current admission criteria to appeal to the Court of Cassation. <i>(Targeted at Challenge 1: Financial and Physical Access)</i>			Not covered by the SLJR; to improve access, transparency and fostering legal culture recommendable to include it under Strategic Direction on “Legislative Reforms”
B.2.1	Review current admission criteria to appeal to the Court of Cassation and collect information to identify where applicants fail criteria.	MoJ, NA	Short-term Low	
B.2.2	Determine the impact of rejection on individual cases and legal culture more broadly vs the need to limit access to the Court of Cassation to relevant cases. Based on this impact study, review and potentially amend formal requirements for submission of claims and appeals to remove barriers.	SJC	Medium-term Medium	
B.3	Increase access to information about judicial services, including laws and courts. <i>(Targeted at Challenge 2: Information Accessibility)</i>			See SLJR’s General Strategic Direction on “Ensuring the Permanence of Judicial Reforms”
B.3.1	Introduce practical guidelines and plain-language explanations of critical rules and regulations to increase awareness and understanding of judicial services among citizens and businesses.	Court of Cassation, SJC	Short-term Medium	
B.3.2	Track changes and cross-reference to existing legislation when drafting/publishing new legislation to increase transparency in the legislative process and ensure coherence across domains.	NA	Short-term Medium	
B.3.3	Continue to improve websites with users at the center, providing general information, published court decisions (including searchable database), and information about individual cases.	SJC, MoJ	Medium-term Low	
B.3.4	Ensure availability of standard application forms for different types of judicial services.	SJC	Short-term Low	
B.4	Continue to enhance quality of legal aid services to address rising demand. <i>(Targeted at Challenge 3: Legal Aid)</i>			See SLJR’s General Strategic Direction on “Ensuring the Permanence of Judicial Reforms” and “Reforms in the Legal Aid System” and the SLJR’s overall objective towards increased efficiency in justice
B.4.1	Establish a registry in the PDO to record activities disaggregated by case type and type of legal assistance.	PDO	Short-term Low	
B.4.2	Track user satisfaction over time, disaggregated by case type, gender, and age.	PDO	Short-term, continued Medium	
B.4.3	Assess workloads and review them against available resources at the PDO to determine efficiency and timeliness of services provided.	PDO	Medium-term, continued Medium	
B.4.4	Review budget allocations and planning in light of the workload and efficiency assessment and adjust funding for legal aid accordingly.	MoJ	Medium-term Low	
B.4.5	Organize awareness campaigns for citizens, particularly targeting vulnerable groups.	MoJ	Short-term, continued Medium	

B.5	Increase access to ADR mechanisms (Targeted at Challenge 4: Alternative Dispute Resolution)			
B.5.1	Establish the Arbitration Center.	MoJ	Medium-term Medium	See SLJR’s General Strategic Direction on “Improvement of ADR Mechanisms in Armenia”
B.5.2	Establish and keep updated a registry of mediators that also provides information on specialization and official registration.	MoJ	Short-term, continued Low	
B.5.3	Collect statistical data on mediation cases - type of cases and outcomes.	MoJ	Medium-term, continued Low	
B.5.4	Introduce ethical guidelines for mediators and keep track of compliance with the goal to facilitate trust building among potential users.	MoJ	Short-term, continued Medium	
B.5.5	Undertake targeted outreach to raise awareness for ADR mechanisms and potential benefits for users.	MoJ	Short-term, continued Medium	
Reform Area C: Performance Measurement and Management				
C.1	Strengthen data collection and statistics to track and inform policy decisions and reform. (Targeted at Challenge 1: Improving Efficiency and Effectiveness)			
C.1.1	Revise statistical reports to be a better insight to the most common case types that take up the majority of the caseloads and workloads. It is advisable to start with monetary compensation cases in courts of first instance and disputed decisions from local/central government in the Administrative Court.	JD	Immediate Medium	See SLJR’s General Strategic Direction on “Ensuring the Permanence of Judicial Reforms” and the SLJR’s overall objective towards increased efficiency in justice
C.1.2	Start immediately to disaggregate civil case types in statistical reporting per most significant procedures; in particular, make sure that cases falling under the simplified procedure and under the expedited procedure can be separated from the other cases in order to monitor and evaluate streamlining efforts and procedural bottlenecks.	JD	Immediate Low	
C.2	Create backlog reduction plans based on data collected on age structure of resolved and unresolved cases. (Targeted at Challenge 2: Growing Backlogs)			
C.2.1	Define an age limit for when a case is considered as backlogged in line with CEPEJ guidelines.	SJC	Immediate Low	See SLJR’s overall objective to solve the issue of overburdened courts
C.2.2	Adopt backlog reduction plans, both national and per court and agree on actions for backlog reduction such as scheduling hearings regularly and frequently for cases that are considered “old.”	SJC	Short-term Low	



C.3	Review the SJC indicative timeframes to ensure their feasibility. (<i>Targeted at Challenge 3: Timeliness in Case Processing</i>)				See SLJR's overall objective to ensure reasonable timeframes for case resolution
C.3.1	Undertake a case sample study to determine feasible time standards.	Court of Cassation, SJC	Medium-term Medium		
C.3.2	Establish a monitoring system to identify court excellence and in-country good practice examples.	Court of Cassation, SJC	Short-term Medium		
C.4	Review and adjust the scope and applicability of the simplified procedure, the expedited procedure, and the orders for payment procedure. (<i>Targeted at Challenge 4: Use of Specialized Procedures</i>)				See SLJR's General Strategic Direction on "Ensuring the Permanence of Judicial Reforms" and the SLJR's overall objective towards increased efficiency in justice
C.4.1	Align the decision time limits for applying the simplified procedure and the expedited procedure to avoid pre-emption of the simplified procedure by the expedited one as is currently the case.	MoJ	Short to medium term Low		
C.4.2	Remove procedural impediments which cause the parties to directly file a general civil claim rather than opting for the order for payment route.	MoJ	Short to medium term Low		
C.5	Identify (and eventually remove) procedural obstacles to timely case resolution and implement remedies (e.g., non-appearance of witnesses, parties, even prosecutor or judge; unnecessary expert witnesses, issues with process serving). (<i>Targeted at Challenge 5: Procedural Efficiency</i>)				See SLJR's overall objective to ensure reasonable timeframes for case resolution
C.5.1	Compose joint working groups among judges and private attorneys to reach mutual understanding and identify bottlenecks. Resolution of these procedural bottlenecks could then be prioritized.	MoJ, SJC	Immediate Low		
C.5.2	These working groups should be supported and backed up by using surveys and – to the extent available – statistical data to confirm findings and test remedies in practice (feedback loop).	MoJ, SJC	Medium-term Low		
D.1	Further define the legislative framework. (<i>Targeted at Challenge 1: Preparing, Deciding, and Executing Budget where Skills are Limited</i>)				
D.1.1	Define the legislative grounds on which the NA is allowed to reject budget application requests to allow the SJC to better target and defend its requests.	SJC, JD, MoJ	Short-term Low		Not covered by the SLJR
D.1.2	Enhance the legislative guarantee for sufficient judicial budget to eventually move beyond the bare minimum.	SJC, JD, MoJ, NA	Short-term Low		

D.2	Strengthen coordination and planning mechanisms between the SJC and the Government. (<i>Targeted at Challenge 1: Preparing, Deciding, and Executing Budget where Skills are Limited</i>)			
D.2.1	Instigate a mechanism for more frequent meetings between SJC and the Government at the technical level to facilitate budget planning.	SJC, MoJ, MoF, NA	Short-term, continued	Not covered by the SLJR
D.2.2	Introduce smart indicators indicators (i.e., indicators that are specific, measurable, achievable, relevant and time-bound) to improve budget execution and strengthen medium-term budget planning.	SJC, MoJ	Short-term, continued	
D.3	Lobby for judicial budget and foster evidence-based decision-making. (<i>Targeted at Challenge 1: Preparing, Deciding, and Executing Budget where Skills are Limited</i>)			
D.3.1	Improve the quality, reliability, and coverage of budget related data to be used for internal discussion and decision-making.	SJC, MoJ	Short-term Low	Not covered by the SLJR
D.3.2	Articulate more clearly the background to requests for (additional) budget allocations (needs of courts, judges and court personnel and the needs of court users).	SJC	Short-term Low	
D.3.3	Raise public awareness of the challenging working conditions under which Armenia's judiciary operates.	SJC	Short-term Medium	
D.4	Strengthen budgetary skills at the SJC, JD, and courts. (<i>Targeted at Challenge 2: Addressing a Declining Budget where Wages and Salaries Dominate Expenditure</i>)			
D.4.1	Implement an interoperable financial management system for the courts and JD.	SJC, JD, MoJ	Short-term Medium	Not covered by the SLJR
D.4.2	Conduct periodic needs assessments with financial estimates (needs for technical assistance, operational expenses, capital expenditure etc.)	SJC	Continued Medium	
D.4.3	Build skills and capabilities of current and future staff to facilitate meaningful conversations around court budget needs for tangible change.	SJC, MoJ	Short-term Medium	
D.4.4	Develop and maintain statistics and evidence-based cost estimates for investments to better enable the SJC to argue for increased judicial budget in the short, medium, and long term.	SJC	Short-term Low	
D.5	Introduce a flexible performance model based on reliable budgeting, allocation, and spending data and information. (<i>Targeted at Challenge 2: Addressing a Declining Budget where Wages and Salaries Dominate Expenditure</i>)			Not covered by the SLJR

D.5.1	Introduce a performance model that is aligned with the reality of scarce resources and reflects all key elements in the delivery of judicial services.	SJC, JD, MoJ	Long-term Medium	
Reform Area E: Human Resources				
E.1	Ensure the best use is being made of existing staff. Adjust the number of judges only as a last resort. (<i>Targeted at Challenge 1: Getting Staffing Levels Right</i>)			See SLJR’s overall objective towards increased efficiency in justice
E.1.1	Maximize use of streamlined procedures to reduce workloads of judges and assistant judges.	SJC, MoJ	Immediate Low	
E.1.2	Adjust the number of judges and assistant judges to match workloads.	SJC	Short-term, continued Low	
E.2	Evaluate the actual performance of the system for recruiting, evaluating, and disciplining judges. (<i>Targeted at Challenge 2: Improving Personnel Management</i>)			See SLJR Strategic Direction on “Specialization, Sub-specialization of Judges or Courts and Continuous Development of Integrity Mechanisms”, here Strategic Goal on “Improvement of Election Process of Candidates of Judges”
E.2.1	Evaluate the current practices used to recruit, evaluate, and discipline judges to ensure that actual practices are consistent with legislation.	SJC, Civil Service Office, MoJ	Medium-term Medium	
E.2.2	If practices are not consistent with legislation, determine why not, and propose solutions.	SJC	Medium-term Low	
E.3	Reduce the potential for political influence on recruitment and evaluation of judges. (<i>Targeted at Challenge 2: Improving Personnel Management</i>)			See SLJR Strategic Direction on “Specialization, Sub-specialization of Judges or Courts and Continuous Development of Integrity Mechanisms”, here Strategic Goal on “Improvement of Election Process of Candidates of Judges”
E.3.1	Adjust composition of the SJC and increase representation of judges and non-governmental sectors.	SJC, MoJ, NA	Medium-term Low	

E.4	Implement the HR/Civil Service Reform, remaining under the umbrella of the civil service system. (<i>Targeted at Challenge 2: Improving Personnel Management</i>)			Not covered by the SJLR, though widely discussed among MoJ and judiciary
E.4.1	Address the judiciary's concerns through changes in the existing system of job classification, remuneration, and recruitment and by improving the performance of the Civil Service Office itself.	SJC, MoJ, Civil Service Office	Short- to long-term Medium	
Reform Area F: ICT Resources				
F.1	Enhance coordination between MOJ and JD and define clear responsibilities for judicial ICT management. (<i>Targeted at Challenge 1: Improve ICT Governance and Management</i>)			See SLJR Strategic Direction on "Establishment of Unified E-Justice Unified Management System" Not explicitly covered by the SLJR despite the need for comprehensive planning of and preparation for upcoming investments
F.1.1	Establish an organizational structure that facilitates quality and sustainable ICT governance and management in the judiciary including an E-Justice Department at the MoJ, and advisory body (comprising judges from different court instances and court types), and other specialized advisory bodies to support stakeholders outside the immediate court system.	MoJ, SJC	Short-term Low	
F.1.2	Create a central source of information on all the approved ICT services available to the judiciary for an accurate, consistent picture at any time, including details and status of such services.	MoJ, SJC	Short-term Low	
F.1.3	Establish a modern reporting system that will support meaningful court performance monitoring and management.	SJC	Short-term Low	
F.2	Prepare for implementation of the E-Justice Project. (<i>Targeted at Challenge 1: Improve ICT Governance and Management</i>)			
F.2.1	Provide strong institutional commitment to ensure successful completion of the E-Justice Project and, in parallel, commence preparation of tenders for all the (sub)systems associated with the E-Justice System (e-Civil Case, e-Criminal Case, e-Bankruptcy Case, and e-Administrative Case), including software and infrastructure resources.	MoJ, Ministry of High-Tech and Industry, Prosecution, EKENG	Medium-term Low	
F.2.2	Ensure sufficient budget resources and infrastructure resources (ICT equipment and hosting systems in a Government Data Center), and adequate HR to manage the system and provide customer support.	MoJ, SJC	Long-term High	
F.2.3	Integrate the different systems for civil, criminal, and administrative cases in a data warehouse.	SJC, JD	Medium-term, continued Low	
F.2.4	Prepare and maintain inventories of court equipment and upgrades required.	SJC	Short-term, continued Low	

F.3	Enhance existing systems until the E-Justice system becomes functional. <i>(Targeted at Challenge 2: Mitigate Risks in Existing ICT)</i>			
F.3.1	Ensure that all systems are covered by maintenance contracts and such service legal agreements are clearly defined to avoid possible long-term system outages.	MoJ, SJC	Immediate Medium	See SLJR Strategic Direction on “Establishment of Unified E-Justice Unified Management System”
F.3.2	Define standard operating procedures for backup and recovery, regularly perform backups of all systems and applications currently in place, and test restore procedures to mitigate any information loss.	MoJ, SJC	Immediate Medium	
F.3.3	Draft an ordinance to regulate rights and obligations of using the case management system (as it manages the core of court operations) to avoid both duplications and gaps in management and any misuse.	MoJ, SJC	Short-term Low	
F.3.4	Immediately improve the random case allocation algorithm to avoid situations of manual case assignment and ensure its transparency for all users.	MoJ, SJC	Short-term Low	
F.3.5	Host the judicial data center in one of the existing government data centers (e.g., EKENG data center.)	MoJ, SJC	Short-term Medium	
F.3.6	Establish a disaster recovery data center.	MoJ, SJC	Short-term Medium	
F.3.7	Establish a registry of ICT services.	MoJ, SJC	Short-term Low	
F.3.8	Introduce an ICT tool for automatically generating statistical reports.	SJC	Immediate Low	
F.3.9	Define access to and use of the case management system in law (name and description of the application, purpose of the application, users of the application, responsibilities of users, etc.)	MoJ, SJC	Immediate Low	
Reform Area G: Physical Infrastructure				
G.1	Improve strategic management of physical infrastructure. <i>(Targeted at Challenge 1: Addressing Poor Infrastructure and Improving the State of Courts)</i>			See SJLR Strategic Direction on “Ensuring the Permanence of Judicial Reforms, here Strategic Goal of “Continuous Improvement of Court Infrastructure”
G.1.1	Reach SJC and MoJ agreement on buildings for construction/renovation/rehabilitation.	SJC, MoJ	Short-term Medium	
G.1.2	Strengthen capacity in the JD Finance, Logistics, and Procurement office, and MoJ.	JD, MoJ	Short-term Medium	
G.1.3	Establish a single infrastructure database based on physical and functional assessments and space audits effective space planning based on functional and organizational needs of the judiciary.	JD	Short-term Low	
G.1.4	Use communication tools and training to raise understanding of the underlying analysis and create ownership for common goals, including private sector, different levels of government, and the public.	SJC, MoJ, MoF, NA	Short-term Low	

G.2	Introduce and monitor design standards for the refurbishment and construction of courts. (<i>Targeted at Challenge 2: Improving Management and Maintenance of Judicial Infrastructure</i>)			See SJLR Strategic Direction on “Ensuring the Permanence of Judicial Reforms, here Strategic Goal of “Continuous Improvement of Court Infrastructure”
G.2.1	Develop and adopt design guidelines for the refurbishment and construction of courts to ensure constructions are consistent and uniform in standard and quality, and meet accessibility, flexibility, and sustainability per European and international standards.	JD	Medium-term Medium	
G.2.2	Develop prototype designs for various courts that can be replicated at different locations.	JD	Medium-term Medium	
G.3	Develop a short-, medium- and long-term CIP. (<i>Targeted at Challenge 2: Improving Management and Maintenance of Judicial Infrastructure</i>)			See SJLR Strategic Direction on “Ensuring the Permanence of Judicial Reforms, here Strategic Goal of “Continuous Improvement of Court Infrastructure”
G.3.1	Introduce a procedure for identifying and analyzing facility requirements.	JD	Medium-term Low	
G.3.2	Establish funding needs using suitable prioritization criteria.	JD	Medium-term Low	
G.3.3	Future proof developments to take account of a modernized judiciary’s functional demands and corresponding service provisions.	JD	Medium-term Low	
G.3.4	Regularly monitor and evaluate the demand for court services (caseload, population, distance, etc.) to inform and change priorities.	JD	Medium-term Low	
G.3.5	Conduct regular consultation with the users of the facilities.	JD	Medium-term Low	
G.4	Prepare and apply a maintenance strategy and protocol. (<i>Targeted at Challenge 2: Improving Management and Maintenance of Judicial Infrastructure</i>)			See SJLR Strategic Direction on “Ensuring the Permanence of Judicial Reforms, here Strategic Goal of “Continuous Improvement of Court Infrastructure”
G.4.1	Develop a strategy that contains relevant information setting out regime and frequency for the maintenance and operation of judicial facilities.	JD	Short-term Low	
G.4.2	Set a protocol for preventive maintenance, repairs, and renovations of each court building.	JD, SJC	Short-term, continued Low	
G.4.3	Begin immediate work to address the issues as prioritized in the strategy and contained in the protocol.	JD	Short-term, continued Low	

G.5	Improve physical access to justice. (Targeted at Challenge 2: Improving Management and Maintenance of Judicial Infrastructure)			See SJLR Strategic Direction on “Ensuring the Permanence of Judicial Reforms, here Strategic Goal of “Continuous Improvement of Court Infrastructure”
G.5.1	Ensure improvements for people with disabilities, including provision of disabled parking, elevators, ramps, stairlifts, disability hoists, disabled toilets, and barrier-free entrances to courtrooms where doors open outwards, etc.	SJC, MoJ	Medium-term Low	
G.5.2	Monitor and evaluate demand for court services and update CIP priorities as needed.	JD, SJC, MoJ	Medium-term, continued Low	
G.6	Use more sustainable and climate friendly judicial infrastructure design and principles. (Targeted at Challenge 2: Improving Management and Maintenance of Judicial Infrastructure)			
G.6.1	Improve the environmental impact of court buildings: temperature and ventilation, heating timer systems, green lighting sources, heat recovery systems, and rainwater recovery systems for irrigation of external areas.	SJC, MoJ	Short-term, continued Low	
G.7	Promote innovation and integrate ICT mechanisms into court buildings and facilities for enhanced service delivery. (Targeted at Challenge 2: Improving Management and Maintenance of Judicial Infrastructure)			
G.7.1	Integrate ICT tools and automation of processes (e.g., recording of proceedings, sound enhancement, and remote participation) into the design of new/ refurbished buildings.	SJC, MoJ	Short-term, continued High	

ANNEX 1. REFERENCES

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- World Bank. 2021. "GovTech for Armenia: A Whole of Government Approach as a Key Foundation for the Digital Economy in Armenia" Washington, DC: World Bank

The *Forward Look* drew on a range of Republic of Armenia laws, resolutions, and other official material including but not limited to:

Republic of Armenia. Annual Action Programme 2017

Republic of Armenia. Law on State Duty.

Republic of Armenia. 2012-2016 Legal and Judicial Reform Strategy. Available at: <https://www.arlis.am/DocumentView.aspx?docid=66236>

Republic of Armenia. Civil Procedure Code.

Republic of Armenia. 2015. Constitution. <https://www.arlis.am/>,

Republic of Armenia. Judicial Code.

Republic of Armenia. Law on Advocates.

Republic of Armenia. Law on Remuneration for Persons Holding State Positions

Republic of Armenia. 2018. Ministry of Justice Decree N-180-U. <https://www.arlis.am/DocumentView.aspx?DocID=145009>

Republic of Armenia. Progress Report on Activities of the Action Plan Envisaged to be Implemented in the 1st Quarter of 2020 <https://www.moj.am/legal/view/article/1376/>.

Republic of Armenia. Progress Report on Activities of the Action Plan Envisaged to be Implemented in the 1st Quarter of 2020 <https://www.moj.am/legal/view/article/1347/>

ANNEX 2. METHODOLOGY

The *Forward Look* used a supply-demand approach to assess challenges in improving judicial performance. It focused on resource management and allocation issues on the supply side and on case inflow on the demand side. This perspective enabled consideration of both supply and demand issues impacting performance and offered an opportunity to suggest actions and policy responses that could enable policy makers to manage demand more effectively while strengthening access to justice in a resource-constrained environment. Analysis was conducted on governance arrangements, on case inflow, as well as on the management of particular resources, including financial resources, HR, ICT, and infrastructure. Together, these measurement areas cover the spectrum of performance in terms of judicial service delivery.

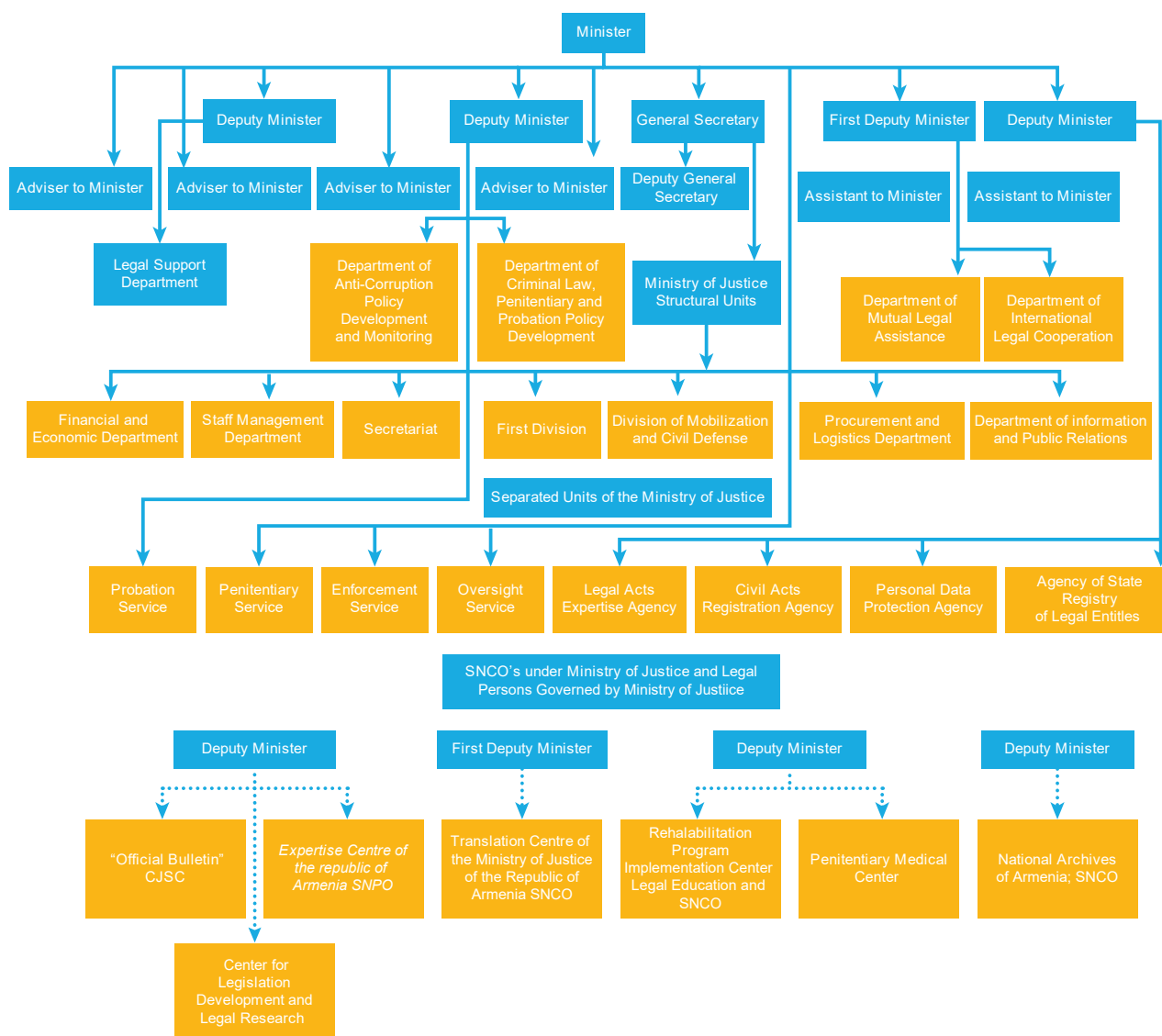
A range of data was used to ensure that the assessment is meaningful. At the outset, the *Forward Look* undertook a desk review of recent existing work relating to judicial reform in Armenia. Further, the *Forward Look* obtained and analyzed significant amounts of quantitative data from within the Armenian system covering the period from 2018-2021. In Armenia, much of the relevant and available data originated in case management systems and in HR and finance systems. One of the challenges with data was that information was not necessarily captured in a systematic and consistent manner conducive to

analytical work, hence requiring considerable data processing triangulation.

Data from within the system was supplemented by survey data, quality interviews, and field visits. A multi-stakeholder justice survey was conducted in 2020/2021 to measure perceptions as well as performance of justice sector stakeholders on a range of issues, including timeliness, costs, and past reform efforts. In addition, more than 50 interviews were conducted with stakeholders, along with around one dozen field visits to various courthouse locations. In interviews, the *Forward Look* team sought views from stakeholders on performance as well as perceived reasons as to why prevailing conditions exist. In doing so, the team heard from stakeholders about experiences, innovations, and insights as well as challenges relating to judicial service delivery in Armenia. Participants included judges and court staff, as well as management from the judiciary and MoJ.

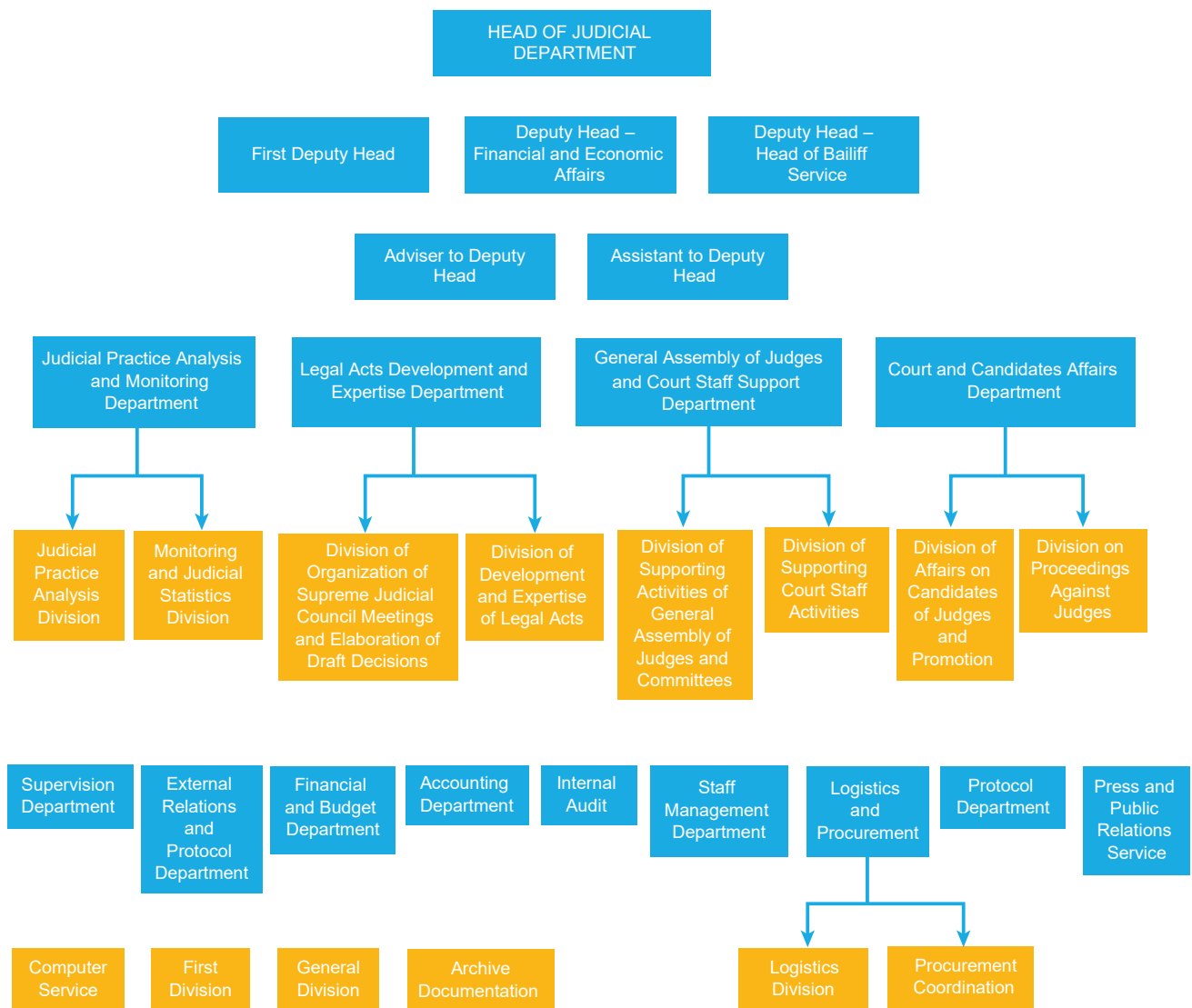
Cross-country data was used to benchmark the relative performance of the Armenian judiciary to put the performance of the Armenian system in a European context. To carry out cross-country comparisons, the *Forward Look* used additional data sources such as the cross-country statistics on judicial systems collected by the CEPEJ.

ANNEX 3. ORGANIGRAM OF THE MINISTRY OF JUSTICE



Source: MoJ, <https://www.moj.am/en/structures/view/structure/37>

ANNEX 4. ORGANIGRAM OF THE JUDICIAL DEPARTMENT AT THE SUPREME JUDICIAL COUNCIL



Source: JD, <https://court.am/hy/central>

ANNEX 5. SETTING UP A BACKLOG REDUCTION PLAN

Individual court backlog reduction plans are commonly part of a national plan/strategy which provides overall guidelines and policies to combat backlogs. They are driven and overseen by either a national judicial council or a supreme court. Generally, one overarching strategic document is adopted for a period covering several years (usually four or five), and then individual court plans are produced each year by the courts themselves. All plans should make extensive use of statistical data for planning and monitoring improvements.

Backlog reduction measures should always be tailor-made for the specific system and fit the national context, but some examples are given below.

- Setting targets for backlog reduction for individual courts per case type (e.g., the number of backlogged civil cases will be decreased by 20 percent in the upcoming year).
- Prioritizing cases according to the age (calculated from the first time the party sought court protection in a specific matter).
- Strengthening the proactive role of the judge in managing proceedings and maintaining momentum.

- Removing legislative obstacles that contribute to delays, such as in the service of process.
- Monitoring of the order in which cases are processed (oldest first except for matters prioritized as urgent by regulations).
- Tightening of scheduling practices for court hearings, increasing frequency of hearings for backlogged cases.
- Establishing special teams for backlogged cases in larger courts.
- Convening colloquia between courts to discuss common challenges and share experiences and discuss attempts to innovate processes.

Individual court backlog reduction plan should include:

- a) Reporting on achievement of goals for the previous year and the rationale for not meeting the goals if applicable
- b) Outline of goals established for the upcoming year and the set of measures that will be applied in order to meet the goal.

Table 20. Report on Meeting the Goals for the Previous Year

Case Type	Number of Judges	Number of unresolved cases at the beginning of the period	Number of unresolved backlogged ('old') cases at the beginning of the period	Number of unresolved cases per judge at the beginning of the period	% of backlogged ('old') unresolved cases as a share of the unresolved cases at the beginning of the period	Number of pending cases during the period	Number of unresolved backlogged ('old') cases at the end of the period	Number of unresolved cases per judge at the end of the period	% Backlogged ('old') unresolved cases as a share of the unresolved cases at the end of the period	Planned number of unresolved old cases	Number of unresolved backlogged ('old') cases at the end of the period as a % of the planned number of unresolved cases																		
1	2	3	<table border="1"> <tr> <td>Total</td> <td>4</td> </tr> <tr> <td>3-5 years</td> <td>5</td> </tr> <tr> <td>5-10 years</td> <td>6</td> </tr> <tr> <td>Over 10 years</td> <td>7</td> </tr> </table>	Total	4	3-5 years	5	5-10 years	6	Over 10 years	7	8	9	10	<table border="1"> <tr> <td>Number of unresolved cases at the end of the period</td> <td>11</td> </tr> <tr> <td>Total</td> <td>12</td> </tr> <tr> <td>3-5 years</td> <td>13</td> </tr> <tr> <td>5-10 years</td> <td>14</td> </tr> <tr> <td>Over 10 years</td> <td>15</td> </tr> </table>	Number of unresolved cases at the end of the period	11	Total	12	3-5 years	13	5-10 years	14	Over 10 years	15	16	17	18	19
Total	4																												
3-5 years	5																												
5-10 years	6																												
Over 10 years	7																												
Number of unresolved cases at the end of the period	11																												
Total	12																												
3-5 years	13																												
5-10 years	14																												
Over 10 years	15																												

Table 21. Report on Goals set for the Upcoming Year

Case Type	Number of Judges	Number of unresolved cases at the beginning of the period	Number of unresolved backlogged ('old') cases at the beginning of the period				Number of unresolved cases per judge at the beginning of the period	% of backlogged ('old') unresolved cases as a share of the unresolved cases at the beginning of the period	Target based on the backlog reduction program (planned number of unresolved backlogged ('old') cases)
			Total	3-5 years	5-10 years	Over 10 years			
1	2	3	4	5	6	7	8	9	10

ANNEX 6. BENCHMARKING ANALYSIS - CASELOADS IN ARMENIA AND PEER COUNTRIES EXAMINED THROUGH CEPEJ METHODOLOGY

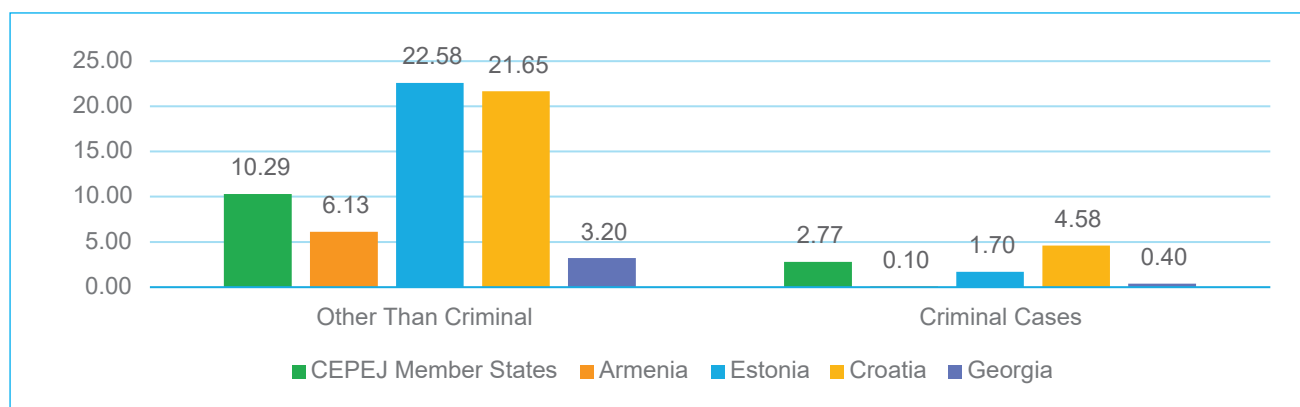
In this Annex, Armenian caseloads are analyzed through CEPEJ data and compared to EU and non-EU peer countries. For this comparison, Georgia, Croatia, and Estonia are considered Armenia’s peer countries due to their comparable size and political and economic characteristics. Georgia is a suitable regional peer, while Croatia and Estonia provide good EU11²⁰⁰ examples. The following sections aim to assess the pressure on Armenian courts when measured against similar jurisdictions and the CEPEJ Member States median. It also allows comparisons of the number of judges in these systems and the average size of judges’ dockets. The methodology used by CEPEJ differs from the one used in other parts of this Annex due to its one-size-fits-all approach.

According to the CEPEJ 2020 Report (2018 data),²⁰¹ the overall demand for court services in Armenia, assessed through non-criminal cases,²⁰² was lower than the CEPEJ average and the averages of its EU peers Croatia and Estonia, but roughly double the demand in Georgia (Figure 48). Relative to population, the Armenian courts received 6.13 non-criminal cases

per 100 inhabitants, while 10.29 cases were received in the CEPEJ Member States, 3.20 in Georgia, 21.65 in Croatia, and 22.58 in Estonia. This means that in 2018 around one in sixteen Armenians had a non-criminal case in court. As defined above, Armenia’s demand for non-criminal cases increased each CEPEJ reporting cycle from the 2012 report (2010 data), a six-fold increase from 2010 to 2018.²⁰³

Armenian first instance courts of general jurisdiction received 0.10 criminal cases per 100 inhabitants as reported by CEPEJ in its 2020 report (2018 data), significantly lower than the CEPEJ average and the average of any of its peers in this section. The CEPEJ Member States average of 2.77 received criminal cases relative to population was almost 30 times higher than the Armenian one, Croatian courts received 4.58 criminal cases per 100 inhabitants or nearly 50 times more than Armenia. With 1.70 received criminal cases per 100 inhabitants, Estonian courts received almost 20 times more criminal cases than Armenia. With 0.40 received criminal cases per 100 inhabitants, Georgia received four times the Armenian average, as displayed in Figure 48.

Figure 48. Incoming First Instance Cases per 100 Inhabitants (CEPEJ 2020 report)



Source: CEPEJ 2020 Report (2018 data)

²⁰⁰EU11 is made up of the 11 newest Member States – Bulgaria, the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Romania, the Slovak Republic, Slovenia, and Croatia.

²⁰¹See CEPEJ Report on ‘European judicial systems CEPEJ Evaluation Report – Edition 2020 (2018 data): 2020 Evaluation cycle (2018 data)’, <https://rm.coe.int/evaluation-report-part-1-english/16809fc058> and CEPEJ-STAT Dynamic database of European judicial systems, <https://www.coe.int/web/cepej/dynamic-database-of-european-judicial-systems>

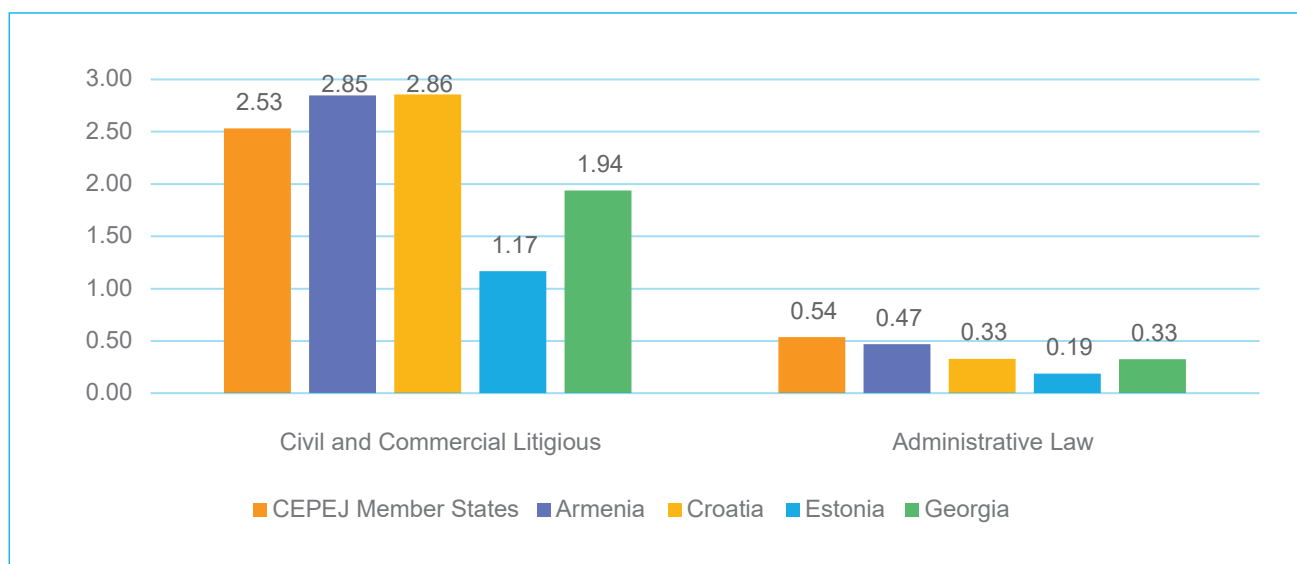
²⁰²Or ‘other than criminal’ cases category as defined by CEPEJ.

²⁰³Armenian court received 1.19 non-criminal cases per 100 inhabitants in 2010, 1.38 cases in 2012, 4.74 cases in 2014, 5.43 cases in 2016, and 6.13 cases in 2018.

The CEPEJ 2020 Report found demand for court services at first instance in Armenia in civil and commercial litigious cases and administrative law cases close to the CEPEJ Member States average of 2.53 and 0.54, respectively. With 2.85 civil and commercial litigious cases per 100 inhabitants, the Armenian courts received almost the same number of these cases as in Croatia, where 2.86 cases were

received. Simultaneously, 1.17 civil and commercial litigious cases per 100 inhabitants were received in Estonia and 1.94 in Georgia. With 0.47 administrative law cases received, Armenia came close to the CEPEJ Member States average of 0.54. Concurrently, Croatian and Georgian courts received 0.33 administrative law cases relative to population, while the Estonian courts reported 0.19 received cases.

Figure 49. Incoming First Instance Civil and Commercial Litigious Cases and Administrative Law Cases per 100 Inhabitants (CEPEJ 2020 report)



Source: CEPEJ 2020 Report (2018 data)

With eight judges per 100,000 inhabitants, Armenia reported an almost three times lower judge-to-population ratio than the CEPEJ average and lower than its peer countries (excluding Georgia). Comparatively, in non-criminal cases, Armenia's caseload amounts to 59 percent of the CEPEJ average, in civil and commercial litigious cases 112 percent, in administrative cases 88 percent, and in criminal cases four percent.²⁰⁴ Meanwhile, the number of judges Armenia reported amounted to 38 percent of the CEPEJ average. Georgia reported eight judges per 100,000 inhabitants as well, whereas in Croatia 41 and, in Estonia 18 judges per 100,000 inhabitants were reported. For more discussion

on the judges' positions, see the Chapter on Human Resources Management.

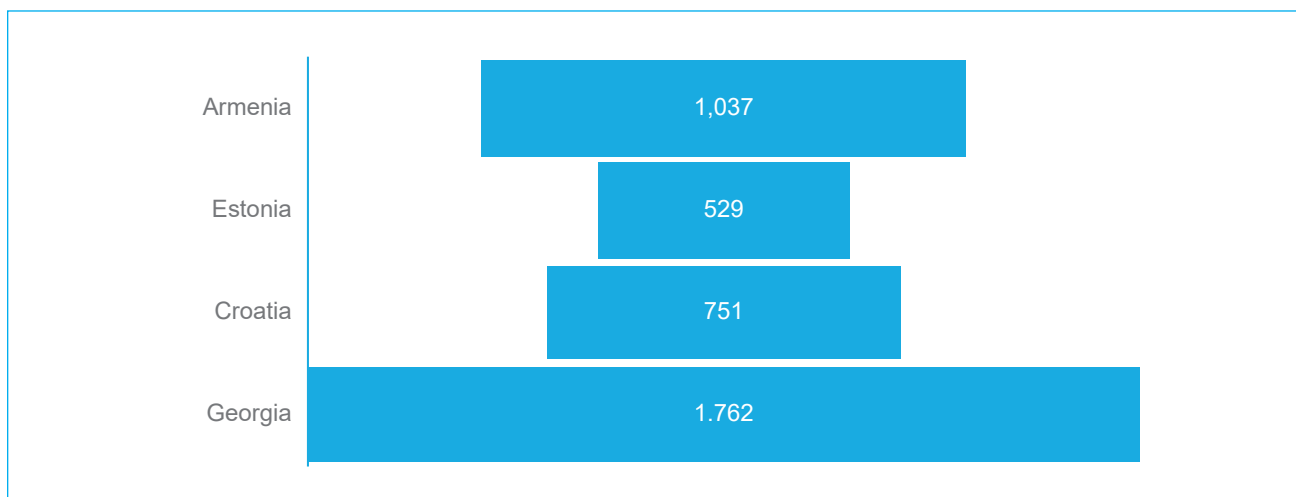
CEPEJ data²⁰⁵ revealed that Armenia's average number of incoming, non-criminal first-instance cases per judge was significantly higher than in Georgia and Croatia. As displayed in Figure 50 below, judges from Georgia received roughly one-half of the Armenian judges' caseloads. In contrast, the judges in Croatia received around three-quarters of the Armenian judges' caseloads. Due to reported land registry cases, judges received substantially more first instance cases in Estonia than in Armenia.²⁰⁶

²⁰⁴It is probable that the differences in criminal case numbers were affected by the variety of legal systems and reporting methodologies in CoE Member States.

²⁰⁵This calculation has been provided by the World Bank using CEPEJ 2018 data. The calculation divides the number of incoming first instance non-criminal cases by the total number of professional first instance judges.

²⁰⁶According to CEPEJ, in 2018, Estonian courts received 8.4 land registry cases per 100 inhabitants or in total 111,522 cases. Land registry in Armenia is in the competence of the State Committee of Real Estate Cadaster.

Figure 50. Non-Criminal Caseload per First Instance Judge in Selected Countries in 2018



Source: CEPEJ 2020 Report (2018 data) and WB Calculations

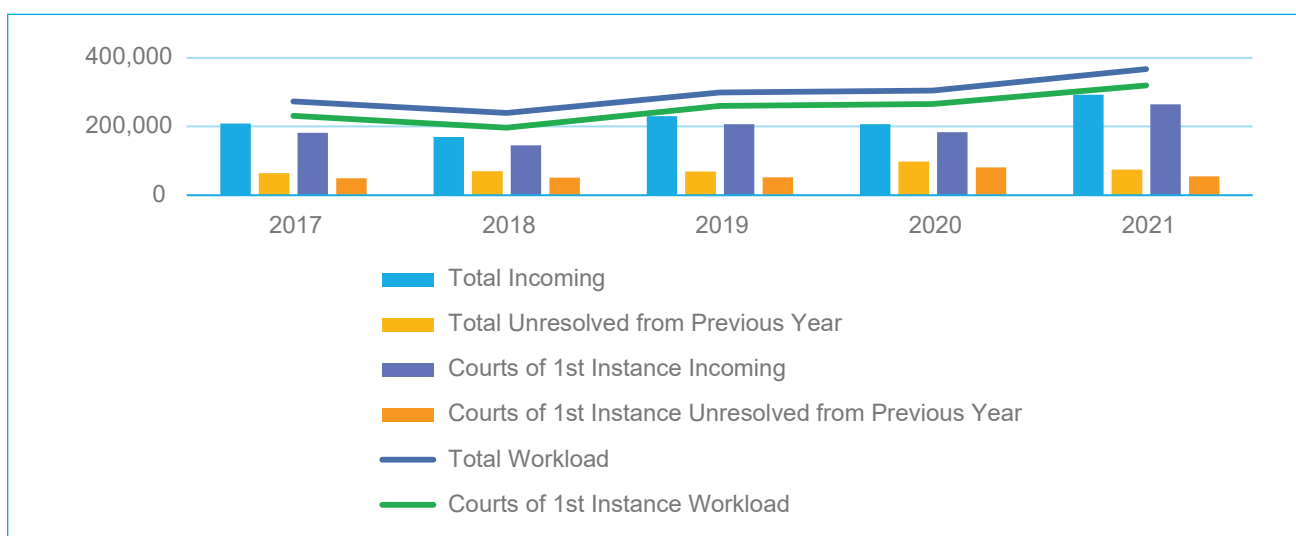
Workloads reveal the actual amount of work assigned to courts as they comprise newly received cases and cases carried over as unresolved from the previous year. Combining the new demand and the already existing load of unresolved matters is vital to assess how burdened the courts really are. To respond timely to possible challenges, it is essential for the heads of courts and the JD to analyze workloads regularly (at least on a quarterly basis) before they adversely affect the effectiveness and efficiency of the court system. In addition to court management, this information is vital also to MoJ in preparing new legislation.

Except for 2018, the overall court workloads grew consistently. From 2017 to 2021, the pending stock increased by 34 percent, from 273,249 cases in 2017

to 366,710 cases pending in 2021, due to increases in all court types except for the Administrative Court, which reported a one percent decrease.

Because 87 percent of the total Armenian workload in 2021 consisted of courts of first instance cases, the lines in Figure 51 follow the same trend. First instance courts' workloads varied over the years, but with an overall rising trend of 38 percent or almost 90,000 more pending cases in 2021 over 2017. The drop in the overall Armenian workload reported in 2018 was caused by a 19 percent decline in incoming cases of all types, primarily civil cases concerning contractual/monetary obligations (27 percent decline) and OfP (13 percent decline) in courts of first instance, as discussed in this *Forward Look*.

Figure 51. Overall Workloads in Armenian Courts vs. Workloads of Courts of First Instance from 2017 to 2021

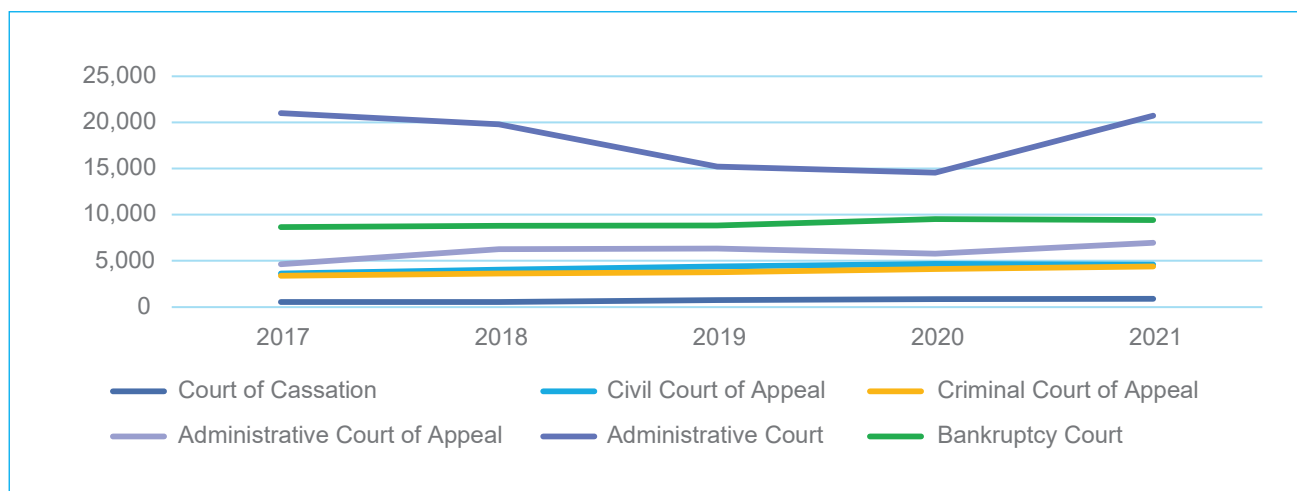


Source: court.am

The Court of Cassation, the Civil Court of Appeal, and the Criminal Court of Appeal reported constant increases in workloads throughout the examined period for a total increase of 69 percent, 26 percent, and 30 percent, respectively. The workloads of the Bankruptcy Court remained relatively stable, with an

overall increase of 9 percent. In other court types, the figures varied over time. From 2017 to 2021, the workloads of the Administrative Court of Appeal increased by 50 percent, while the Administrative Court noted a decrease of 1 percent.

Figure 52. Workloads in Specialized First Instance Courts, the Appellate Courts, and the Court of Cassation from 2017 to 2021



Source: court.am

ANNEX 7. EU REPORT: 'CONCEPT PAPER ON HUMAN RESOURCES MANAGEMENT SYSTEM AND ELECTRONIC TOOL NEEDS ASSESSMENT'

(SUMMARY)

The EU's February 2022 report on the human management system in the Armenian judiciary is critical of several aspects of the court system and makes several recommendations for reform. The report also includes a discussion of HR management in the prosecutor's office and extensive recommendations for the use of electronic systems. This Annex summarizes the criticisms and recommendations that pertain directly to the management of judges and court staff.

- 'The staff administration department in the Judicial Department is mostly concentrating on staff administration activities, with very limited scope in other HR management activities. It is desirable to revise its functional scope and enlarge HR functions, equip staff with necessary skills required for new HR management processes implementation such as Recruitment & Selection, Training & Development, Performance Management, Rewards, Planning and Budgeting, Change Management, HR Reporting and ensure staff administration department's digital competencies (upskilling).'
- 'A court manager position should be introduced (presumably in each court) with authority to directly manage the staff of the court. (Alternatively, the responsibilities of the existing chief of staff positions could be expanded to include this function).'
- 'There is no systemized workforce planning process and staffing requests submission format, (which would enable provision of proper argumentation on staff numbers increase or request for new positions.'
- 'The existing recruitment process not always performed on competitive basis. (As a result), there is a need to develop a structured recruitment and selection procedure ensuring transparent and competitive process. Sometimes there is practice of hiring candidates directly, those who meet the requirements of the job description, without formal recruitment and selection process and involvement of other selection committee/interview panel members other than direct supervisors. The staff administration department plays partial role in recruitment and selection process, mostly performing recruitment administrative functions such as drafting vacancy announcements, its placement, collection of applications and staff hiring formalities.'
- 'The performance evaluation system is missing structured performance management cycles such as setting goals/objectives, setting performance criteria's, monitoring progress, employee development, regular feedback, performance evaluation with performance interviews, rewards and recognition, poor performance related activities (poor performance development, giving opportunity to improve work performance, termination if no improvement observed). A performance management and performance evaluation/appraisal system enhancement, including SMART: (specific, measurable, achievable, relevant and time-based) indicators is recommended.'

ANNEX 8. NUMBER OF JUDGES AND SUPPORT STAFF BY COURT

	Total	Judges	Assistant Judges	Court Registrar	Trial Clerk	Office Staff	Support Staff	Archivist	Chief of Staff	Chief Accountant	Legal Expert Examination	Subtotal Support Staff
Courts of First Instance (general jurisdiction)												
Yerevan	443	68	68	62	65	49	118	6	3	4		375
Aragatsotn	65	7	7	9	9	7	23	1	1	1		58
Armavir	74	10	10	9	10	7	25	1	1	1		64
Ararat, Vayots Dzor	89	13	13	12	11	11	26	1	1	1		76
Shirak	89	10	12	11	10	7	36	1	1	1		79
Gegharkunik	78	9	10	9	9	8	30	1	1	1		69
Tavush	60	6	6	8	7	8	22	1	1	1		54
Syunik	74	8	11	9	10	7	27	0	1	1		66
Kotayk	78	10	11	12	10	6	26	1	1	1		68
Lori	85	12	11	11	12	8	28	1	1	1		73
Subtotal	1138	153	159	152	153	118	361	14	12	13	3	985
Courts of First Instance (specialized)												
Administrative	97	24	11	11	12	8	28	1	1	1		73
Bankruptcy	137	16	24	25	28	13	27	1	1	2		121
Subtotal	234	40	35	36	40	21	55	2	2	3	0	194
Courts of Appeal												
Criminal	101	21	19	18	7	21	9		1	1	4	80
Civil	86	18	18	19	6	11	9		1	1	3	68
Administrative	66	13	13	13	6	8	7		1	1	4	53
Subtotal	253	52	50	50	19	40	25	0	3	3	11	201
Court of Cassation	105	17	32		2	9	32		1	1	11	88
Judicial Department (central authority)	129											129
Bailiff service	652											652
TOTAL	2511	262	276	238	214	188	473	16	18	20	25	2249

Source: Summary data on the staff at the structural units of the JD

ANNEX 9. COURT BUILDINGS IN ARMENIA

REGIONS	YEREVAN	KOTAYQ	ARARAT AND VAYOTS DZOR	ARMAVIR	ARAGATSON	SHIRAK	TAVUSH	GEGHARKUNIK	LORI	SYUNIK	SEATS	
FIRST INSTANCE COURTS	First Instance Courts of General Jurisdiction	Kentron and Nork Marash (Criminal)	Hrazdan	Yeghegnadzor	Edzmiatsin	Aparan	Gyumri	Ijevan	Gavar	Vanadzor	Kapan	
		Shengavit (Criminal)	Yeghvard	Artashat	Armarvir	Talin	Artik	Noyemberyan	Sevan	Spitak	Goris	
		Avan (Criminal)	Abovyan	Vedi		Ashtarak	Maralik	Dilijan	Martuni	Stepanavan	Sisian	
		Erebuni (civil) Arabkir (civil)	Charentsavan	Masis Vayk			Ashotsk	Berd	Jambarak Vardenis	Tashir Alaverdi	Meghri	
		Kanaker (civil)										
		Ajapnyak 1 (civil)										
		Ajapnyak 2 (civil)										
	GJ seats by regions	8	4	5	2	3	4	4	5	5	4	44
	Administrative court	Yerevan (with Court Criminal of Appeals)					Gyumri (with GJ court)		Sevan (with GJ court)	Vanadzor (with GJ court)	Kapan (with GJ court)	5
	Bankruptcy Court	Yerevan		Masis (with GJ court)			Gyumri (with GJ court)					3
COURT OF APPEALS	Yerevan (Civil) (With Criminal Court of Appeals)										3	
	Yerevan (Criminal) Yerevan (Administrative) (with GJ court)											
COURT OF CASSATION	Yerevan										1	
BUILDINGS	11	4	5	2	3	4	4	5	5	4	56/47	

