

**POLICY PROPOSALS FOR THE ARMENIAN COURT**  
**ADMINISTRATION REFORMS**

**POLICY PAPER**

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## **EXECUTIVE SUMMARY AND RECOMMENDATIONS**

The existing system of court administration in Armenia is recognized by many involved in the justice system as in need of substantial changes. The latter is particularly acute at the present stage of public administration reforms, where significant accomplishments have been registered in reforming the executive and legislative branches of Government, yet leaving out the judiciary. The lack of transparent and unified court administration structure and policies and uncertain status of court employees potentially give grounds for nepotism, arbitrary actions and intensify the decline in trust and confidence in courts administration system.

In general, the judicial administration function in Armenia can be described as lacking a centralized and strong body that will be empowered to speak for the judiciary and provide professional and policy guidance to courts in the areas of finance and budgeting, strategic planning, human resources, case management, court performance and judicial ethics.

At present, the judicial administration body is considered to be the Council of Court Chairman, which is represented by the chairmen of all courts in the Republic. The Council, however, does not appear to have been given by law, nor has it exercised major managerial responsibilities over the non-judicial functions of the courts. It is the executive branch - Ministry of Justice - that has a key role in the court administration and management.

Key factors and the potential, needed for restructuring the court administration towards more effectiveness and efficiency, are present. This paper presents specific policy recommendations and measures that will guide the implementation of judicial reforms. These include:

- ⇒ Drafting a separate legislation on judicial service,
- ⇒ Defining the structure and status of the court staff,
- ⇒ Establishing a unified competition-based system with clear criteria for selection, appointment, appraisal of the court staff,
- ⇒ Performing optimization of staff functions in line with the overall re-structuring efforts,
- ⇒ Developing job descriptions for each judicial service position,
- ⇒ Introducing performance appraisal criteria and procedure with the provision of a possibility for career advancement/promotion of staff,
- ⇒ Defining a consistent training policy for staff. Particular emphasis should be given to improvement of the service delivery, managerial capacity and leadership in courts.
- ⇒ Considering the Civil Service Pay scheme for regulating the remuneration of court staff,
- ⇒ Establishing the formal enhanced mandate of the judicial administration body in the law to strengthen its status and authorities de-jure,

- ⇒ Restructuring the judicial administration body in terms of staffing, operations, and technical capacities,
- ⇒ Strengthening the advocacy, strategic planning, management and oversight capacity of the staff of the central body through special training courses,
- ⇒ Considering the development of an integrated budget for the judiciary and promoting this proposal in the Ministry of Finance.

# **1. THE COURT ENVIRONMENT: BACKGROUND**

## **Issue**

The comprehensive research into the Armenian judicial administration practices has revealed problem areas that are the core of all other developing challenges, and include (i) the lack of a centralized and strong body that will be empowered to speak for the judiciary and provide professional and policy guidance to the courts; (ii) the major and substantial involvement of the executive branch in the court administration, which is a result of having a weak administration body; and (iii) absence of any legal/procedural framework regulating judicial branch employment and compensation.

## **Background**

For more than seventy years, the courts of Armenia functioned under the “Soviet system” for courts. The Supreme Court acted as both an appeals court and a court of first instance. The Supreme Court judges and regional court judges heard cases with two, publicly-elected individuals representing major worker’s groups.

In 1991, the Republic of Armenia (RA) declared independence from the Soviet Union. However, the reform of the court system and its correspondence to the contemporary conditions and to the principles of democracy, rule of law and superiority of human rights, occurred later. In July 1995 the first constitution of the independent RA was adopted by referendum. Towards the implementation of the constitutional provisions, the Law on the Constitutional Court was adopted in 1995 and the Constitutional Court was created. It predetermined the need for fundamental restructuring of the court system and provided the legal grounds for the organization and operation of the Armenian judiciary. It should be noted that the new court system is not the legal successor of the Soviet one. A three-tier system was introduced with the institute of review, which had not been present during the Soviet times.

Since then, the normative [legal] base for judicial reforms has been initiated. In 1998 several laws were adopted, in particular, the Civil and Criminal Procedure Codes and the Law on Judiciary, which provided the foundation for creation and operation of the Armenian new judicial system. Article 10 of the Law on Judiciary prescribes the structure and order of formation of courts of general jurisdiction. Accordingly, the following courts currently operate in the republic:

1. Courts of First Instance
2. Courts of Appeals
3. Economic Court
4. Court of Cassation

Another major change enforced with the adoption of the Law on Judiciary was the establishment of the judicial administration body – the Council of Court Chairmen (CCC). According to the statistics obtained from the judicial administration body, there

was 1020 judicial and non-judicial staff in the courts of the Republic in 2005. Of this number 841 comprised the courts' non-judicial staff, with a total of 179 judges in the country.

The most recent structural change in the Armenian court system occurred in year 2001 when the Economic court was established to examine and re-examine all economic disputes in the country. Prior to that, the economic court was acting only in the form of the appeals court (Court of Appeals on Economic Cases) and the powers to resolve all economic disputes initially were vested to the courts of first instance.

The most significant legal development affecting the Armenian judiciary was the Constitutional Referendum in November 2005. Under the new Constitution, the Court of Cassation is the highest court in Armenia. One of its first priorities as the high court is to introduce the use of precedential authority, or case law, in the courts. There are amendments in the composition of the Council of Justice, aimed at minimizing the influence of the President on the judicial power and ensuring judiciary's independence.

### **Areas of Concern**

The existing system of court management and administration is recognized by many involved in the justice as in need of substantial changes. The current court administration system with the present position of the CCC impedes the overall court administration rather than facilitates it. The CCC does not appear to have been given by law, nor has it exercised major managerial responsibilities over the non-judicial functions of the courts, as revealed in the research.

The factors that foster conflicting, negligent and unmotivated working environments and potentially give grounds for nepotism, arbitrary actions and intensify the decline in trust and confidence in the courts administration system appear to be

- the lack of transparent and unified court administration structure and policies,
- uncertain status of court employees,
- ambiguous reporting relations, and
- budgetary constraints.

Further, the lack of information about courts and how they may be accessed to best serve people needs acts as an important barrier to access. In fact, the public is highly critical of some of the aspects of the justice system and these perceptions have eroded confidence in courts. Such perception of courts comes from lack of civility from a few overworked or under-trained staff, from regular delays in the procedures, from the fear of processes and lack of knowledge about it. Clearly, the issues here relate to the overall management and administration of justice.

Therefore, the statutory framework for the judicial employment, development of uniform personnel management procedures and code of conduct, regular job-related and civility/quality service trainings, publication of court guides and informational booklets,

creation of user-friendly websites are types of measures that could facilitate tackling the existing issues.

## **2. CRITIQUE OF THE CURRENT POLICY APPROACH**

### **2.1 Assessing the Legal Environment**

The status of courts staff is extremely unsatisfactory, including the lack of transparency and clear criteria for appointment, absence of any criteria and mechanism for evaluation of their work and for promotion, insufficient training, etc.

The recent change of the Chairman of the Cassation Court and the resultant significant replacements in the staff of the Cassation Court do prove the absence of any processes for selection and appointment, thus leaving everything to the discretion of court chairmen. In July 2005, the Chairman of the Economic Court has been appointed as the Chairman of the Cassation Court and, as it was observed, many of the existing staff members at the Cassation were immediately replaced by the candidates of the new chairman appointment.

Court employees are outside the broad umbrella of the State Service, which includes the Civil Service, the Police, the Custom Service, the Diplomatic Service, the National Assembly and Emergency Services. There is no legislative framework for court employment that provides for employee status, criteria for admission to and withdrawal from service or salary setting as was established for State Service employees within the framework of recent public administration reforms. There are no job descriptions or similar documents that would define roles and functions of each position, no performance evaluation standards or criteria that would be taken into account while awarding bonuses to court employees. Unlike the judicial branch, political, discretionary and support positions were clearly separated in the executive branch, and equality based criteria for admission to and withdrawal from civil service and job descriptions established.

Since the establishment of the Judicial Education Center (2001), only two training session for court staff, focused on case management and organization of court sessions, was conducted in cooperation with a donor project in 2001. Problems include: a lack of funding; lack of a clear mission, strategic vision and an explicit training policy and procedure. Provided that no actions are taken to formalize the training requirement, the situation will deteriorate and judicial and non-judicial training will depend only on donor support, within the narrow subject areas that are of donors' interest only.

Moreover, several legal issues emerge in relation to the appointment of court staff. There is a contradiction in the existing Law on Judiciary (1998), Law on Judges' Status (1998) and the Law on Public Administration Institutions (2001). Under the Law on Judiciary, the court staff is appointed and dismissed by the Chairman of the respective court within the limits of staff size and salary fund established by the Government. Appointment and dismissal decisions for judge assistants and court session secretaries are made upon recommendation of the respective judge. The Law on PAIs envisages that the founder of the institution appoints and dismisses the Head of Staff as well as other employees of the institution in the cases specified by the Charter. However, the charter does not specify, at least directly, the mentioned rule.



There are further inconsistencies between the laws and the internal charters of the first instance courts. Specifically, the charters provide that the founder of the staff is the chairman of the court. Under Article 7.1 of the Law on PAIs the founder of the institution is the Republic of Armenia. In the name of the Republic, the founder for the courts is the chairman of the Court of Cassation.

Subsequently, the chairman of the first instance court exercises the governance of the staff according to point 13 of its charter. In contradiction to this provision, Article 10.1 of the Law on PAIs determines that the governance of the institution shall be carried out by the founder. Hence, all authorities granted to the chairman by point 14 of the charter belong to the chairman of the court of cassation according to the Article 11 of the Law.

It is believed that there are unreasonable and unjustified powers and rights vested with the chairman of the court of cassation with regard to organizational and personnel management of all courts (art. 11, Law on Public Administration Institutions). The courts chairmen should have some of the authorities, which are mentioned in their internal charters, however, appropriate changes in the Law on PAIs have to be done.

## **2.2 Judicial Budgeting**

The budget process begins in June with the Prime Minister's Decree and presentation by the Ministry of Finance and Economy of a fiscal framework for the next three years, including total amounts for each budget entity. In the fall, the Ministry sends methodological instructions to budget users. After compilation by the government, the draft budget is forwarded to the National Assembly. The legislature is a weak participant in the budget process, having no staff and operating under a requirement that it vote on government budget proposals within 24 hours. Any objection to the budget constitutes a "no-confidence" vote in the government and carries serious consequences.

Because the first instance, economic and appeal courts are budget users with their own accounts and budget requests are made by each court, the Government distributes funds to individual courts on a quarterly basis. The requests to transfer funding between budget items at an individual court can be made only with the prior approval of the Ministry of Finance or the Government.

The CCC's role in the judicial branch budgeting process is limited to receiving the government's budget instructions, meeting with the courts to discuss those, compiling and signing the budgets and mid-year projections from the courts and serving as the contact point for questions from the Ministry of Finance and Economy. The CCC does not alter amounts requested by the courts. Funding norms are applied by the Government to some categories of expenditures, including electricity, automobile fuel and expenses, sanitary supplies, telephones and the number of janitorial staff. Nonetheless, if the CCC receives a budget with requests outside these norms, it does not adjust the request or contact the court to discuss it.

Debts incurred by the courts, primarily in the areas of communications and utilities, are transferred from one year to the next unless the government can absorb them, with no changes in the formulas to reflect actual expenditures. A court's debt could continue to grow as a result of fixed funding formulas, for example, if the amount allocated for electricity is not changed and debt is moved forward into that category.

Performance data are not considered in the budget requests; there is no linkage with requests and filings or dispositions; there are no narratives presented with the budget.

The CCC and the courts themselves participate very little in the formulation of the final mid-term (three-year) fiscal figures. The mid-year figures only reflect the already-approved legal changes, e.g. the addition of an auditor for each court. There is no process for requesting funds for improving existing operations; the courts are not provided with an opportunity to review the salary schedule for staff.

There is no forum for the courts to discuss their budget requests with the CCC, the Government or the Parliament. The CCC also plays no advocacy role on behalf of the courts' budgets. The ABA/CEELI has also reported that the judiciary has a limited ability to influence decisions concerning its funding.

### **2.3 Judicial Compensation**

The current compensation levels for like positions in the judicial and executive branches vary significantly, with the judicial branch salaries being lower. It is understood that salary rates for like positions in different courts do fluctuate, as a result of the current salary setting procedure and mechanisms. Therefore, it is becoming problematic to secure engagement of qualified staff, encouraging high performance and continuous improvement of employee's professional qualifications.

Given the existing salary setting mechanism, the courts do not have an opportunity to review the salary schedule for court staff during the mid-year projections. Specifically, the Government decree establishes the minimum official salary rates for staff and technical support personnel of courts of the first instance, Appeals Court, Economic Court and Court of Cassation. Subsequently, in accordance with the Law on Judiciary, the Court Chairmen determine the actual salary rates within the limits of the salary fund established by the Government.

Not only that the courts cannot provide for salary adjustments, but, in fact, minimum salary rates can be reduced by the Government decree, providing no protection to staff from disparate treatment.

In contrast, compensation levels of executive branch employees are established in accordance with the RA Law on Civil Servants Pay adopted in 2002. The civil service pay system is based on the classification grades of civil service posts and envisages a separate salary scale for each group and sub-group of civil service posts. Salary raise

mechanisms, bonuses and other allowances are also defined in the Law on Civil Servants Pay.

## **2.4 Judicial Administration Body**

There is a discrepancy between the provisions on the CCC mandate stated in the Law on Judiciary and the Charter of the CCC with a resultant ambiguity in its authorities. Because the CCC is considered a collegial body under Armenian law, its directives and regulations are advisory only.

Article 28 of the Law provides that the CCC shall operate on the basis of the Code of Rules approved by the CCC. While article 3 of the CCC Code of Rules refers to the CCC as a judicial administration body, the grounds for such a statement are not provided in the Law. Moreover, Article 27 of the Law delegates certain policy/procedure development powers and authority to the CCC leaving out the issue of enforcement and supervision of these policies/procedures.

Concurrently, Article 30/7 of the RA Law on Judge's Status under chapter "Grounds for Termination of a Judge's Powers" provides that "...judge's powers can be terminated if he/she committed an action, which is a ground for termination of powers according to the "Code of Judge's Conduct". Therefore, it can be assumed from this statement that the Code of Conduct/Code of Ethics adopted by the CCC has an enforcement power, which contradicts to the "advisory body" character of the CCC.

This section of the paper provided with a more detailed illustration of the most problematic areas in the current policy approach from the perspective of judicial administration structure, legal framework, and budgeting and remuneration processes. The next section proposes policy reform options and specific measures, which attempt to address the issues under discussion.

### **3. POLICY OPTIONS AND SPECIFIC RECOMMENDATIONS**

#### **3.1 Develop Legislative Framework for Judicial Employment**

The status and working relations of judicial employees, the rights and authorities thereof should be regulated by a separate law on Judicial Service, rather than amending the existing legislative and statutory framework. The key elements of the new legislation providing sufficient professionalism of and protection for court employees should include competitive selection procedures, regular attestation (performance evaluation), training, discipline, provision of benefits, and protection from arbitrary actions.

##### ***3.1.1 Uniform Selection and Grading of Judicial Servants***

The principles of open competition and selection based on merit should be introduced. This implies application of mandatory announcement of vacant positions in newspapers, establishing selection committees, selecting employees according to objective hiring criteria that may include passage of a position-specific examination (test, interview).

There should be a clear distinction between the professional staff and technical staff in the courts. The term “judicial service” and, accordingly, “judicial servants” is proposed for usage, since the RA Law on Civil Service already provides that *the Judicial Service, together with other special services, is considered as a State Service [National Assembly, Diplomatic, National Security, Internal Affairs, Tax, etc.]*.

Any judicial service post is proposed to be filled through a two-stage competition (written examination and a personal interview). Candidates should be selected based on qualifications called for in the job descriptions. Successful candidates would be required to possess the minimum requirements and then be ranked according to the strength of their qualifications. Examination of candidates should focus not only on the knowledge required by court staff but also the necessary skills and abilities.

A probation period for up to 6 months after a candidate is selected and appointed should be envisaged.

For the development of the new classification scheme for judicial service positions, the framework and principles set forth in the Law on Civil Service are taken as a basis. This approach would enable and ensure appropriate transfers between jobs in the state service in terms of the work experience, classification grades, pay schemes and other considerations.

Both the Law on Civil Service and the Law on Public Service in the Staff of National Assembly identify 4 classification groups: (a) highest, (b) chief, (c) leading, and (d) junior. The highest group is divided into 2 sub-groups, whereas the other classification groups have 3 sub-groups, with the 1<sup>st</sup> subgroup being considered as the highest.

Considering the peculiarity of the judicial service with a limited number of position categories/titles, the following options on the classification are proposed. Certainly,

allocation of the existing position categories into the new classification groups should be based on the evaluation of the job functions, however, preliminary classification scenarios can be made.

**Classification A**

It suggests distribution of positions into the same 4 classification groups as in the Civil Service: (a) highest, (b) chief, (c) leading, and (d) junior. However, the sub-groups will be limited to 1 in the highest group, and 3 subgroups in the chief and 2 subgroups in the leading and junior groups.

Highest		Chief		Leading		Junior	
		1 <sup>st</sup>	Head of Staff	1 <sup>st</sup>	Accountant, IT	1 <sup>st</sup>	Archivist, Cashier, Inventory, commandant
		2 <sup>nd</sup>	Office Manager, Internal auditor	2 <sup>nd</sup>	Office Secretary, Session Secretary	2 <sup>nd</sup>	Clerk
3 <sup>rd</sup>	Head of Staff of judicial admin body	3 <sup>rd</sup>	Judge Assistant				

**Classification B**

It envisages distribution of positions into 3 classification groups: (a) chief, (b) leading, and (c) junior with 3 subgroups in the chief and leading groups and 2 subgroups in the junior group.

Chief		Leading		Junior	
1 <sup>st</sup>	Head of Staff of judicial admin. Body	1 <sup>st</sup>	Judge Assistant	1 <sup>st</sup>	Archivist, Cashier, Inventory, Commandant
2 <sup>nd</sup>	Head of court staff	2 <sup>nd</sup>	Accountant, IT	2 <sup>nd</sup>	Clerk
3 <sup>rd</sup>	Office Manager, Internal Auditor	3 <sup>rd</sup>	Office Secretary, Session Secretary		

**Classification C**

This suggests distribution of positions into 3 classification groups: (a) chief, (b) leading, and (c) junior with 2 subgroups in the chief group, and 3 subgroups in the leading and junior groups.

Chief		Leading		Junior	
		1 <sup>st</sup>	Judge Assistant	1 <sup>st</sup>	Office Secretary
1 <sup>st</sup>	Head of Staff	2 <sup>nd</sup>	Accountant, Internal auditor	2 <sup>nd</sup>	Cashier
2 <sup>nd</sup>	Office Manager	3 <sup>rd</sup>	Specialist, Court session Secretary, Archivist	3 <sup>rd</sup>	Clerk

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### ***3.1.2 Job Descriptions***

The practice of job descriptions is to be introduced to allow avoiding overlap of functions, defining reporting relationships and ensuring that similar position holders in the same-jurisdiction courts have similar rights, duties and responsibilities. It is recommended that model job descriptions be created for judicial service positions by the judicial administration body with the input from courts. The courts should be allowed to create job descriptions more specific to their positions as long as these fall within the scope of the broader model description and in a format approved by the central judicial management body.

To serve as a tool that provides guidance for hiring, promoting and determining pay, job descriptions should:

- clarify the reporting relationships,
- outline the scope of work,
- define the specific duties of the position,
- define the minimum required and desirable qualifications.

### ***3.1.3 Attestation or Performance Appraisal***

Regular, annual performance reviews by the immediate supervisor needs to be introduced in the new legislation on judicial service. This is a novel concept for the court system. Moreover, the proposed mechanism differs considerably from the attestation procedure applied in the civil service, which is conducted once every three years through a formal committee evaluation, does not link performance with pay, and has proved inefficient so far.

It is suggested that performance of judicial servants be evaluated in a two-stage process: first, providing a written evaluation in accordance with special forms; then, discussing the past performance, accomplishments and shortcomings as well as the future targets in an informal face-to-face interview.

Probationary employees will be evaluated at the end of the probationary period in order to assess satisfactory performance for the purpose of attaining permanent job status.

In evaluating an employee's performance, the supervisor should consider the fulfillment by the employee of the tasks laid out in the job description and the employee's attainment of previously set objectives and goals. Other factors that are to be considered include, but not limited to, knowledge of the job, creativity, flexibility, quantity and quality of work, promptness in completing assignments and comprehension of training provided in the previous period. It is essential that the evaluation criteria be objective; job-related; relate to specific functions, not global assessments, and be within the control of the evaluator, i.e. be measurable.

The performance will be documented on a separate evaluation form developed and approved by the judicial administration body. Upon completion of the performance appraisal, the supervisor should share the data with employee for his comments. An employee may submit a rebuttal to the performance evaluation, which shall become a part of the evaluation. He or she may also request a review by the higher authority, whose decision on the matter will be final.

To ensure unbiased, objective and constructive evaluations, the policy implementation will require that evaluation procedures:

- be standardized and uniform for all employees;
- be formally communicated to employees, i.e. employees should be provided with an oral interview and a written statement of their appraisal, as well as the opportunity to acknowledge in writing receipt or review of the appraisal;
- provide notice of performance deficiencies, and opportunities to correct them;
- provide access for employees to review appraisal results;
- provide formal appeal mechanisms that allow for employee input;
- provide unbiased rating mechanisms
- allow for multiple reviewers when the employee has a dual reporting relationship;
- provide written instructions and training for appraisers to identify and correct practices that might generate legal liability.

Moreover, at present the judicial branch supervisors lack the necessary skills as well as the authority for conducting performance reviews. It is also apparent that there is a "culture of sensitivity" toward criticizing others. For that reason, supervisors should be properly trained to give both sides of an employee's work performance and constant communication with court employees should be assured for consistency and fairness in evaluations.

### ***3.1.4 Training***

The training requirements of non-judicial staff in the courts should be stipulated in the new legislation on judicial service. The law should provide for the minimum in-service training requirements and a minimal level of funding to be guaranteed for training purposes.

The Law on Civil Service requires a mandatory in-service training every three years, without specifying the types of measures that are considered as training and counted towards this requirement. Instead, in the judicial legislation it is suggested to specify the number of minimum training hours that any judicial servant should undertake within a specified time-period. The consequences of non-attendance or obtaining “fail” result at the end of the training course should be clearly stated in the law. It is important to outline the type of training activity that is regarded as mandatory as well as the training institutions that can provide trainings to judicial servants. While the more detailed methodological and organizational procedures will then be developed and approved by the judicial administration body.

## **3.2 Judicial Budgeting**

### ***3.2.1 Set Budgetary Priorities***

To begin with, each court should determine its priority needs in the areas of 1) current expenses (types of procurement, equipment maintenance, areas of debt), 2) workload growth and 3) new initiatives (e.g. automation, establishment of resource center). These would help in developing the budget requests and mid-term projections in a more effective and accurate manner. This would also guide the judicial administration body in strategic planning and priority setting for the judiciary as a whole.

### ***3.2.2 Create Instructions for Budget Drafting and Budget Forecasting***

In order to strengthen the budget submission of the courts, explicit procedures and instructions for the budget development are needed. Budget requests are to be linked to filings and other workload data. These will measure the inputs in the budget process. The policies and instructions should be issued by the judicial management body and be discussed each year with the financial persons from all courts.

### ***3.2.3 Provide Budget Narratives with the Budget Requests***

Submitting budget narratives should be a required part of the budget request. The narrative should focus not only on how the costs are derived, but importantly on the operational justifications and benefits of proposals. The specific format for the courts to follow may be developed and put into practice by the judicial administration body.

### ***3.2.4 Develop an Integrated Budget for the Judiciary***

One of the options to improve planning and create a stronger bargaining position for the judiciary vis-à-vis the government is to redefine the judiciary as a single budget user and develop and submit a single judicial branch budget to the government. This approach would also imply granting more authority for the judicial branch to approve movement of funds across courts as needed and perhaps approval of funds for new positions in the courts.

The judicial branch budgeting process, overall, is proposed for implementation through the following mechanism: individual courts should submit the draft annual budget with a narrative to the Judicial Administration Council (see the structure below). The Budgeting division of the Council should have authority to elaborate and consolidate the budget of



the judicial system, which will be subject to approval by the Judicial Administration Council. The budget request for the judiciary should be incorporated in the draft state budget without any changes by the Government. The Government can only express an opinion about the budget and present justifications for its suggestions during the discussions in the Parliament. Possession of the financial means by courts should be supervised by the Judicial Administration Council (Audit division) through internal and external audits.

### **3.3 Provide a Statutory Basis for Judicial Remuneration**

It has been already three years since the introduction of a new remuneration structure in the public sector. The Law on Civil Service Pay (2002) regulates the compensation mechanism of civil servants as well as public servants of the Parliament.

According to this model, the salary of a public servant is formed from the main and supplementary pay. The main salary is related to and calculated for each subgroup of positions and is presented by a scale of minimum and maximum amounts. This scale is being calculated on the basis of the base rate established annually in the state budget. The supplementary pay is envisaged in case of special working conditions, extra pay for classification grades, etc.

It is without doubt that the judicial compensation should be governed by a law, rather than leaving this area to the Government's discretion expressed in a form of Government Decrees. Towards this end, the civil service remuneration model can be approximated for the regulation of remuneration of the judicial servants, since it meets the main objectives of the compensation system –fair, adequate, and similar pay for analogous positions. It is proposed to use the same principles and coefficients and further elaborate the scheme by envisaging performance bonuses under the supplementary pay.

### **3.4 Strengthen the Judicial Administration Body**

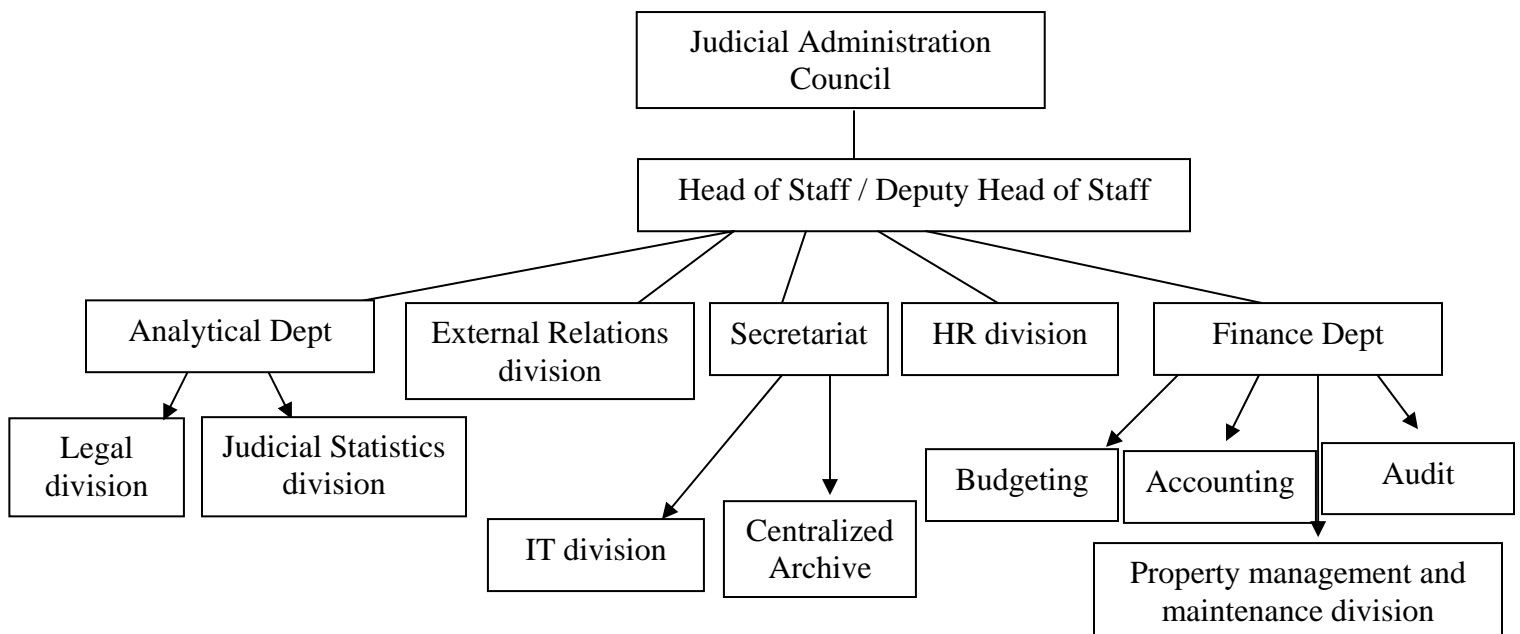
First, the formal mandate of the judicial management body should be defined in the law. The role of the body for strategic planning, budget management, and expenditure monitoring needs to be substantially enhanced. This can be done either within the present institution or through the creation of a new one. Most of stakeholders expressed the opinion that the judiciary should have its own strong central authority. The structure and authorities of the judicial administration body should be stipulated in the Law on Judiciary. In particular, the administrative body should have the following powers:

- Creating common personnel policies for the courts
- Establishing and enforcing case management procedures
- Conducting external audits of the courts
- Introducing policies for developing budgets and linking those to filings and other workload data
- Preparing the budgetary request for the whole judiciary based on the requests received from the courts and presenting it to the executive and legislature

- Pursue strategic goals on a single front for all of the courts of the Republic.
- Developing judicial and non-judicial trainings
- Managing international relations
- Representing the judiciary in relations with the executive branch and legislature
- Statistical reporting from the courts and providing analysis and review of court practice based on the statistical data and reports received from the courts.

De jure strengthening of the judicial administration would indisputably require improvements in staffing and technical capacity. It will be necessary to create new positions and equip the staff with computers connected via LAN, e-mail, internet access and printers. Trainings on strategic planning, personnel management functions, expenditure monitoring and forecasting, budget preparation and drafting budget narratives for the existing and new staff of the administration body need to be conducted.

For the formation of an entity to provide policy and management direction to the courts, a Judicial Administration Council (JAC) can be established within the existing Council of Court Chairmen. The Council will have a Head of Staff and Deputy Head of Staff or Secretary of the Council, who will coordinate the activities of relevant departments at the JAC. The following structure is proposed:



## **SUMMARY**

The Armenian court administration and management is executed on an ad-hoc basis and its principles and procedures vary from court to court, with the resultant low level of public trust in the courts system. The court administration area, as a whole, lacks the necessary legislative framework which would set forth the uniform principles and practices across all courts in the Republic. Importantly, the system is in need of a strong, powerful centralized administration body that would be empowered to act and speak for the judiciary. A complex and multi-tiered structure for planning and administering the courts is needed.

This requires implementation of a set of practical recommendations aimed at reforming and modernizing the judiciary. These steps are intended to achieve elimination of the major gaps in the Armenian judicial administration, as revealed during the research. These gaps include (i) the lack of a centralized and strong body that will be empowered to speak for the judiciary and provide professional and policy guidance to the courts; (ii) the major and substantial involvement of the executive branch in the court administration, which is a result of having a weak administration body; and (iii) absence of any legal/procedural framework regulating judicial branch employment and compensation.

The policy actions recommended in this paper will result in the (i) improvement of the court administration function, establishment of good governance through improving the principles and mechanisms of governance, (ii) improvement of the administrative efficiency and inculcating a sense of courts as institutions providing service to public rather than a purely bureaucratic system of control, (iii) functioning of a strong centralized judicial administration body, responsible for unified court management system, (iv) increasing the courts' operating efficiency and transparency, (v) speeding up the delivery of justice, and ultimately (vi) improvement of public satisfaction with the courts.