

PARLIAMENT
MONITORING

**MONITORING OF
THE NATIONAL
ASSEMBLY**

7TH CONVOCATION | 2ND SESSION
2ND REPORT





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FOREWORD

Mandate NGO presents the monitoring results of the work over the 2nd session of the National Assembly of the 7h convocation. The summary was prepared by combining the observations of the journalists, expert analytical reviews and data of the statistical application of the parliamentmonitoring.am website.

The efficiency of the exercise of the new powers of the National Assembly in the new parliamentary government system and legislative and oversight functions have been the focus of the monitoring.

The trends and indicators of the performance of the parliament of the 7th convocation over the 2nd session were summarized, as well as details on initiatives and engagement of the NA factions.

The NA oversight function was also addressed. We reviewed the practice of presentation and discussion of reports and communication by state bodies and legal regulations specific to the setup of the committees in the parliament and organization of parliamentary hearings.

We also present a brief summary review of the key data from property and income declarations filed with the Senior Officials Ethics Committee by NA deputies as of the date of taking office.

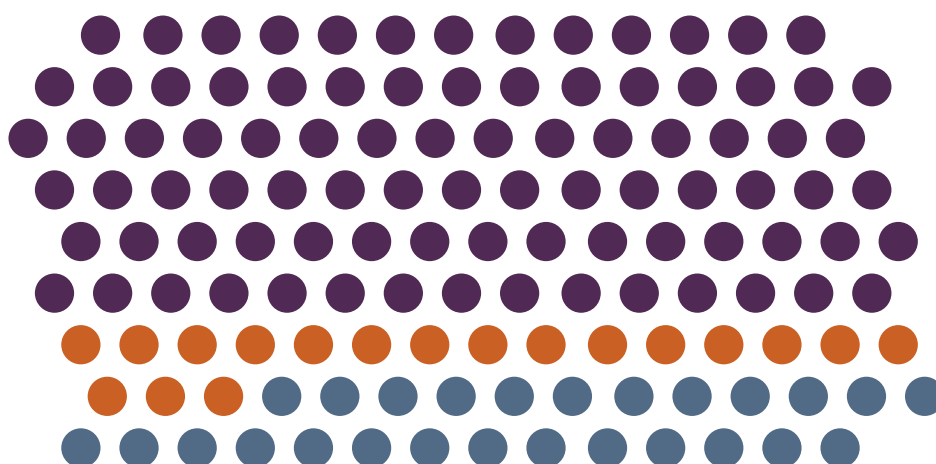
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NATIONAL ASSEMBLY OF THE 7TH CONVOCATION: 2ND SESSION

Three political forces, “My Step” bloc, “Prosperous Armenia” and “Bright Armenia” parties are represented in the National Assembly of the 7th convocation formed as a result of the early parliamentary elections of December 9, 2018.

My Step bloc secured 83.85% of the votes. Based on this and given the quota of 4 mandates for ethnic minorities, it has 88 deputies in the parliament. Taking the number of mandates of My Step forming the majority as a starting point and ensuring the fulfillment of the constitutional requirement for the parliamentary opposition to have 1/3 of the mandates the PAP faction ended up with 26, and Bright Armenia party- with 18 mandates.



132

«My Step» 88

«BAP» 18

«PAP» 26

NA work in numbers

The 2nd session of the National Assembly of the 7th convocation started on March 5, 2019 and ended on June 20. Six regular and four extraordinary sittings were convened during the session and 3 extraordinary sessions after the session ended. All the extraordinary sessions were initiated by the government.

In the 2nd session the parliament adopted 143 laws, 6 out of which are mother laws, 11 are laws-agreements and 137 are amendments and additions to the operating laws.

80 of the laws were adopted over the regular sessions, and 63 over the extraordinary sessions.



The parliament authored 12 of the adopted laws, at that 8 were submitted by the deputies and 4 by factions. The remaining 131 were initiated by the government.

Figure 3. Adopted laws by authors



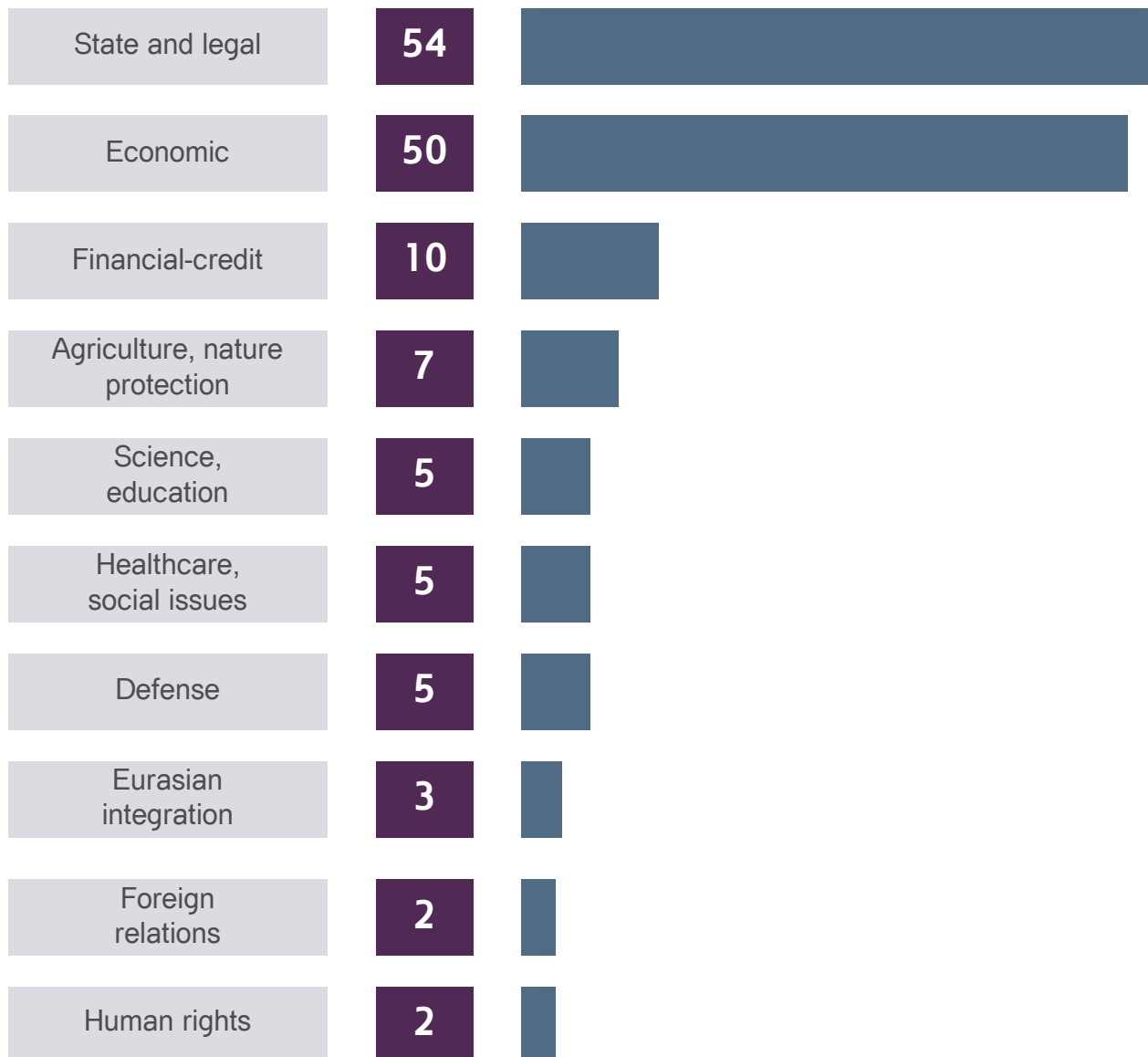
6 of the laws adopted in full are the initiatives of My Step, 2 are those of Prosperous Armenia and 4 of Bright Armenia.

28 draft laws authored by deputies and factions passed the first reading and are included on the agenda of the upcoming session. 14 of them are the initiative of My Step, 9 of Bright Armenia and 5 are those of PAP.

130 draft laws not included on the agenda of the session are in circulation with 59 of them being initiatives authored by the deputies and factions. My Step deputies have put 25 draft laws in circulation and Bright Armenia and Prosperous Armenia deputies- 17 drafts each.

The vast majority of the laws adopted concerned the state-legal (55) and economic (50) sectors.

Figure 4. Adopted laws by sectors



¹ The information includes the draft laws circulated as of July 20, the end of the NA 2nd session.

Over the 2nd session the National Assembly elected 2 members of the Supreme Judicial Council, 1 judge of the Constitutional Court, appointed 7 members of the State Commission on Protection of Economic Competition and 5 members of the Public Services Regulatory Commission.

The parliament heard for its information the report on the implementation course and results of the government program approved in 2018^թ, CEC's communication on the early parliamentary elections of December 9, 2018, annual communications on the work in 2018 by the Prosecutor's office, CTR, Audit Chamber and the annual report of the Defender of Human Rights.

Over the 2nd session 2 inquiry committees were set up in the parliament to review the efficiency of implementation of water management programs in Ararat and Armavir marzes and the circumstances of military action unfolding in April 2016.

The inclusion of 16 legislative packages on the agenda of the 2nd session of the 7th convocation was declined in a vote.

Noteworthy facts

- 9% of the laws adopted over the 2nd session of the 7th convocation were authored by the parliament, 91% by the government. In this sense the ratio of the legislature and the executive has not changed compared to the parliaments of previous convocations. The picture is different for the draft laws not fully adopted: 28 out of 29 draft laws which passed the first reading during the session are authored by the deputies. If we count those the NA-Government ratio of legislative initiatives is 30/70.
- 44% of the adopted 143 laws (63) were adopted over extraordinary sittings and sessions.
- The inclusion of 16 legislative initiatives by opposition factions on the agenda of the 2nd session of the 7th convocation was declined in a vote. A case of declining the draft submitted by the government was recorded. The parliament discussed and declined in a vote the draft amendments proposed by the government to the law on Attorneyship.
- In the 2nd session the parliament held 3 elections of the CC judge nominated by the RA President. Twice the judge was not elected. The third time attorney Vahe Grigoryan was elected as a judge. He was nominated by the president of the republic and the nomination was declined in a vote by the parliament of the previous convocation.

- The parliament held 3 elections of Supreme Judicial Council member through extraordinary sittings, within 10 days. One of the candidates nominated by the majority was not elected.
- During the session the parliament declined the candidate for SCPEC member nominated by the Prime Minister. 4 out of 5 nominated candidates were elected.
- Only 4 out of 11 NA standing committees exercised their right to hold parliamentary hearings 1 hearing was initiated by the NA President. The 3 NA factions have not held hearings during the session.
- For the first time the president of Artsakh Republic Bako Sahakyan was invited to the NA by the parliamentary majority for a closed meeting. Overall, during the session 11 officials came to the parliament upon invitation from the factions. My Step faction held the most meetings, 9, while Prosperous Armenia and Bright Armenia factions organized 1 meeting each.
- Another 3 officials, the Minister of Justice, Chief Prosecutor and Defender of Human Rights were invited to the parliament by the standing committees. Only one senior official, Head of the Supreme Judicial Council declined the invitation to meet at the National Assembly.
- No ad-hoc ethics committee was set up during the session and no ethics-related matter was discussed through set procedures, despite the fact that cases related to deputy ethics and conflict of interest were noted in the parliament.
- Over the 2nd session 2 inquiry committees were set up in the parliament to review the efficiency of implementation of water management programs in Ararat and Armavir marzes and the circumstances of military action unfolding in April 2016. Both times the initiatives came from My Step faction.
- During the session the opposition factions did not come up with an initiative to declare any of their draft laws as urgent and put it up for discussion in the regular sitting.
- Only Bright Armenia faction exercised its right to present an interpellation to the government. The interpellation concerned potential job cuts and projected savings as a result of the government's structural changes. Not satisfied with the clarifications offered the faction by virtue of law put up the draft decision to escalate the question of removal of the Minister of Finance Atom Janjughazyan from office to the Prime Minister for a vote. The decision was not adopted.

- The committee on European integration was not recognized as the lead committee for any matter discussed during the session.
- Over the 2nd session the deputy with the most votes in favor is Janibek Hayrapetyan from PAP (176), Vahagn Hovakimyan from My Step is the one who voted against the most (20) and Yerjanik Hakobyan from My Step abstained the most. The top absentee is Vardan Ghukasyan from PAP (125), and the deputy who asked questions and made speeches the most is Mikayel Melkumyan from PAP (72) .
- PAP leader Gagik Tsarukyan left his leading place as the top absentee which he held for years. The list of top ten is headed by PAP faction member Vardan Ghukasyan, Gagik Tsarukyan is the 8th on this list.
- My Step faction deputies together asked questions and made speeches 450 times, PAP members 227 times, and Bright Armenia 144 times. Each of My Step faction deputies asked 5 questions on average and each of PAP and BAP deputies on average asked 8 questions and made that many speeches.
- In the NA of the 7th convocation the number of silent deputies has significantly decreased. During the session 22 deputies out of 132, or 15 % of the total number of deputies did not ask questions or made speeches whereas during the previous convocation the silent deputies made up half of the parliament. 14 deputies from My Step faction, 7 from Prosperous Armenia and 1 deputy from Bright Armenia did not participate in discussions.
- Unlike the National Assembly of the 6th convocation which had 12 dollar millionaires, the NA of the 7th convocation has 2 dollar millionaire deputies, both from PAP. Out of 132 deputies Gagik Tsarukyan's (PAP) and Davit Manukyan's (PAP) declared monetary funds alone exceed 1 million dollars.
- 9 out of 10 deputies who have declared the most funds are PAP members and only one represents My Step faction, Tigran Karapetyan.
- All the deputies of the 7th convocation of the NA together declared funds in the amount of 1 billion 905.3 million drams, 171.6 million dollars and 31.1 million euros. The total amount in drams is around 102.17 billion drams or 211.2 million US dollars.

- PAP faction head Gagik Tsarukyan's declared total funds make 99 billion drams or 97% of all the funds declared by all NA deputies.
- In My Step faction the average amount per deputy is 8.2 million drams, in Prosperous Armenia- 3.9 billion drams (not counting Tsarukyan-92.4 million drams), and 6.4 million drams in Bright Armenia.

Proactiveness, level of engagement

My Step faction: Over the 2nd session 6 of the drafts authored by My Step faction deputies were adopted in full, 14 passed the first reading and 25 draft laws are in circulation.

According to parliamentmonitoring.am website statistics during the session in My Step faction deputy Hayk Konjoryan has voted in favor the most, 117 times. Hayk Gevorgyan and Vahagn Hovakimyan have voted against the most, 20 times. Yerjanik Hakobyan abstained in the votes the most, 13 times and Taguhi Tovmasyan did not vote the most, 42 times. Ruben Rubinyan is the top absentee, 108 absences. Edgar Arakelyan, Artak Manukyan and Heriknaz Tigranyan have asked questions the most (14 questions), and Gevorg Papoyan has made speeches the most, 13 times.

14 out of 88 deputies of the faction have not made speeches or asked questions.

Prosperous Armenia faction: 2 of the drafts authored by PAP faction deputies were adopted in full over the 2nd session, 5 passed the first reading and 17 draft laws are in circulation.

According to parliamentmonitoring.am website statistics the Prosperous Armenia faction deputy with the most votes in favor during the 2nd session is Janibek Hayrapetyan, 176 times. Arayik Aghababyan has voted against the most, 11 times. Artur Dallakyan has abstained the most, 4 times and Soghomon Soghomonyan has not voted the most, 32 times. Vardan Ghukasyan was absent the most, 125 absences. Faction deputy with the most questions asked (39) and speeches made (33) is Mikayel Melkumyan.

7 out of 26 deputies of the faction have never made a speech or asked questions.

Bright Armenia. 4 of the drafts authored by the Bright Armenia faction deputies over the 2nd session were adopted in full, 8 passed the first reading and another 17 draft laws are in circulation.

According to parliamentmonitoring.am website statistics during the 2nd regular session and the following extraordinary sessions the Bright Armenia faction's deputy who voted in favor the most is Armen Yeghiazaryan, 164 times. Karen Simonyan has voted against the most, 16 times. Harutyun Babayan has abstained the most, 6 times, and Arman Babajanyan did not vote the most, 23 times. Edmon Marukyan has been absent the most, 72 absences. The deputy of the faction with most questions asked (9) and speeches made(10) is Arkadi Khachatryan.

Only 1 out of 18 deputies of the faction has never made a speech or asked questions.

NA legislative work: practice and tendencies

The lawmaking work of the National Assembly in the 2nd session of the 7th convocation was different in certain ways from the previous convocation. This was due to the existence of a more proactive group in this parliament as well as a more active participation of the deputies from the parliamentary majority in the legislative discussions.

The parliament's lawmaking "productivity"

The parliament adopted 143 laws in the 2nd session. NA "productivity" has declined in quantitative terms. For instance, 252 laws were adopted over the 2nd session of the NA of the 6th convocation and 323 laws over the 3rd session. This difference can be explained by two main factors. First, the substantial part of the constitutional amendments adopted through the 2015 referendum was to take effect in April of 2018 which meant the operating legislation needed to be brought up into compliance with the constitutional norms. Secondly, the newly formed government was relatively at a starting point in terms of implementation of its own program.

In this sense the noted difference cannot yet be viewed as a "low productivity" indicator, since we can make a more substantiated judgment about the trends once we look at this indicator within the dynamics of adoption of laws over the next sessions. If at the beginning of the session the agendas of plenary sittings were exhausted within 3 days at the most due to the small number of drafts, at the end of the session the parliament was not managing to exhaust the agenda which necessitated extraordinary sittings and sessions.

Legislative proactiveness: NA-Government ratio

Out of 143 laws adopted over the 2nd session the parliament has authored 12 or 9 % (deputies- 8, factions- 4 laws), and the government is the author of 131 or 91 %.

During the 2nd session NA 4 extraordinary sittings and 3 extraordinary sessions were held initiated by the government and with agenda set by it. 63 out of 143 laws or 44% were adopted over these extraordinary sessions.

If counting only adopted laws the ratio of the legislature and the executive in authoring the drafts (9%-91%) did not change in comparison to the previous parliaments, however new trends were noted in the statistics of draft laws not fully adopted yet.

It is noteworthy that 28 draft laws authored by deputies and factions passed the first reading and were moved to the agenda of the 3rd session. This means that the share of drafts authored by the parliamentarians which passed the first reading is twice larger than the number of draft laws fully adopted. If we also consider the fact that 54 or 43.5% of the 124 drafts circulated but not included on the agenda of the session were also authored by deputies, it will become evident that the parliament is gradually increasing its lawmaking potential and proactiveness in an attempt to restore to some extent the NA-Government disrupted balance.

While it is still early to view this trend as a consistent pattern, the noted manifestations can be considered signs of development and establishment of a new culture.

Specifically, there were cases when the NA majority demonstrated its political stance to decline the draft of the government. The most vivid example was the declining of the draft law proposing amendments to the Law on Attorneyship submitted by the government.

Cases were also noted when the parliament or the lead committee voted in favor of drafts authored by the deputies despite the negative conclusion of the government regarding them. This way, the NA standing committee on Science, Education, Culture, Diaspora, Youth and Sport, as the lead committee issued a favorable conclusion to the draft law authored by My Step faction deputy Sisak Gabrielyan on making additions to the Tax Code proposing to set up a mechanism to refund students' tuition fees from income tax.

Or, the draft law on making an addition to the Law on Holidays and Memorial Days submitted by PAP deputies passed the first reading in the NA despite the fact that the conclusion of the government was not favorable.

Factions as authors of legislative initiatives

Under the Law on the Rules of Procedure of the National Assembly the NA faction has been given the right to come up with a legislative initiative. In the parliaments of previous convocations the factions did not enjoy such an authority.

The new function gives a certain political touch to the authority to come up with a legislative initiative, since the responsibility for the draft laws put in circulation on behalf of the faction is equally shared by all its members, regardless of whether they have been directly involved in the process of drafting and justification or not.

Bright Armenia faction fully used the new opportunity to author drafts. Bright Armenia is the only parliamentary force out of 3 which circulated almost all of its drafts on behalf of the faction (17 out of 18 drafts not included on the agenda and all the draft laws on the agenda were submitted on behalf of the faction). The PAP has 1 such draft law and the political majority has not circulated any such draft so far. Moreover, interestingly, 9 out of 13 draft laws authored by My Step representatives and included on the agenda were submitted by NA President Ararat Mirzoyan and 3 by Gevorg Papoyan. With regard to drafts not included on the agenda, My Step is much more representational, but the reality is that the political majority falls behind the opposition at this point in demonstrating a team-based, collective approach.

The role of the opposition in exercising the lawmaking and political functions of the parliament

In the parliamentary government system the parliamentary opposition is vested with the function of maintaining political balance, internal control in the legislature and promulgating legislative-political agendas. The Constitution and the NA Rules of Procedure have furnished the parliamentary opposition with more than adequate representative and operational framework and toolset to perform this function.

Specifically, the guaranteed representation of the opposition with at least 1/3 of the deputy mandates, as well as the posts of the NA 3rd vice-president, heads or deputy heads of standing committees (based on the size of the faction) were secured in the parliament, by which the opposition was also provided the opportunity given to the NA Council to participate in the performance of functions of determining the agendas of the sessions and sittings and the order of discussion of items included on the agenda, all the way to discussion of the questions of applying to CC to terminate the authorities of a deputy.

The opposition has the opportunity to set up an inquiry committee upon demand of at least 1/4 of the deputies, this way performing investigation on issues within the purview of the National Assembly and of public interest, presenting them to the National Assembly as well as an opportunity to hold the post of the head or deputy head of that committee.

The opposition is given the authority to make an interpretation to the government and based on the response and its discussion raise the question of the future service of a certain member of the government and even present a motion of no confidence to the prime minister, as well as to organize 1 NA hearing during each session on draft laws authored by a faction member. The opposition faction also has an exclusive right arising from its status to make a decision and declare 1 draft on which the lead committee has issued its conclusion or for which the deadline for issuance of conclusion has passed, urgent and put it up for discussion in one of the regular sittings by virtue of law.

The parliamentary opposition has not fully used the above-mentioned opportunities prescribed by legislation. While the total number of votes of 2 oppositional factions' deputies is sufficient to initiate the setup of a NA inquiry committee, for instance, it was not exercised over the session: 2 inquiry committees were set up but in both cases the initiative came from My Step faction.

With one exception the parliamentary opposition has not come up with an initiative to hold a NA extraordinary sitting to discuss draft laws. PAP and BAP factions initiated a collection of signatures to hold an extraordinary sitting in order to adopt a political statement. The reason was the blockage of entries and exits of court buildings by citizens in May 2019 following Prime Minister Nikol Pashinyan's call and his statement regarding the legal-judicial system reforms. The request of the opposition factions to hold an extraordinary sitting was declined by the National Assembly Council. This has been the only joint initiative by the parliamentary opposition factions.

During the session the opposition factions did not come up with the initiative to declare any of the drafts authored by them as urgent and put it up for discussion in the regular sitting, despite the fact that both factions have a large number of drafts in circulation and included on the agenda.

During the 2nd session the Bright Armenia faction was the one that used the toolset provided by legislation to the opposition most consistently, continuing, in essence, the policy adopted by "Yelk" faction in the NA of the previous convocation.

The NA Rules of Procedure state that the faction has the right to make an interpellation to the government once during each regular session. The Government must submit a response within one month which shall be put up for discussion by virtue of law. The NA Rules of Procedure set out the procedure for the discussion of the interpellation, as well as procedures for discussion of the question of removal of the cabinet member from office or a motion of no confidence to the prime minister as a result of the discussion.

Obviously, the parliamentary majority can employ this mechanism only in exceptional cases when there is a political crisis or that within the government manifesting itself as a confrontation between the parliamentary majority and the government. In this sense the mechanism of making an interpellation and raising the question of no confidence upon its discussion, as an important tool to influence the political agenda is a possibility for the opposition, even given the low probability of achieving successful results.

Only Bright Armenia faction exercised this mechanism during the 2nd session. They made an interpellation to the government in the context of initiated structural changes of the government concerned potential job cuts and projected savings as a result of these changes. Not satisfied with the clarifications offered Bright Armenia faction by virtue of law put up the draft decision to escalate the question of removal of the Minister of Finance Atom Janjughazyan from office to the Prime Minister for a vote. Under Article 121 of the NA Rules of Procedure the draft decision of the National Assembly on escalating the question of whether a given member of the cabinet should continue holding office is put up for a vote without discussion. With 41 votes in favor, 67 against and 1 abstained the draft was not adopted. The vote reflected the ratio of positions of the majority and the minority formed in the course of discussions and the fact that in this matter the Prosperous Armenia faction politically supported Bright Armenia.

While the only instance of application of the interpellation tool during the session predictably did not lead to the result arising from the NA Rules of Procedure, that is presenting the question of removal of the Minister of Finance to the Prime Minister, it did make Bright Armenia faction's viewpoints regarding the change in the government structure public and set a field for discussions around them.

The active engagement of the opposition factions was noticeable also in lawmaking. Around half of the drafts adopted in full over the session were authored by Bright Armenia and Prosperous Armenia factions, even though the number of deputies from parliamentary opposition is half the number of the NA majority deputies. We have the same picture with not fully adopted draft laws. The ruling My Step faction and the oppositional factions collectively authored 14 draft laws each.

When we review the number of the draft laws included on the agenda, not included on the agenda yet and adopted in full against the number of deputies in the factions we get the picture below:

In My Step faction with its 88-deputies every 2 deputies on average came up with 1, each of 26 deputies from Prosperous Armenia faction with 1, and each of the 18 deputies from Bright Armenia faction with 1.7 legislative initiatives.

The share of the drafts authored by the opposition among the declined drafts is also large. Their comparative analysis allows us to point out 2 main tendencies. Among the drafts not included on the agenda as a result of a vote there are quite a few authored by the opposition factions that repeat each other from the standpoint of subject and objective of regulation. One of the examples were drafts proposing amendments to the RA Criminal Code submitted separately by PAP and BAP faction deputies, by which the oppositional factions attempted to address the issue of treating 1 day of detention as 1.5 days of punishment imposed in the form of imprisonment.

On one hand this shows the internal battle for positioning of the opposition factions and on the other hand, the lack of required bilateral consensus for joint work on drafting and circulating laws. Another point in support of the latter is that no legislative initiative co-authored by the opposition factions was put in circulation.

The drafts by the opposition were often diametrically opposed to the programmatic approaches of the government and the majority, decreasing the possibility of reaching compromises in the government-opposition dimension and causing them not be included on the agenda.

NA OVERSIGHT

The practice of presentation and discussion of reports and communications by state bodies.

In the parliamentary government system the parliament is vested with massive oversight levers over the other branches of government and especially the executive. The legal guarantees and principles of parliamentary oversight are prescribed in the Constitution and the performance mechanisms are set out mainly in the constitutional law on the Rules of Procedure of the National Assembly.

The toolset for the performance of the oversight functions includes:

- Mechanisms for the election or appointment of leadership of executive, judiciary and other bodies of constitutional status as well as autonomous bodies, their removal from office or recall,
- Annual communications and reports by the executive, autonomous bodies and bodies with constitutional status on the progress and results of their work, in some cases also the discussion of their work program for the upcoming year.
- Making any question or issue a subject of review through the NA inquiry, ad-hoc committees.

Over the 2nd session the NA of the 7th convocation discussed:

- the report on the progress and outcomes of the government program in 2018,
- the annual performance report on the State Budget of the Republic of Armenia for 2018
- the annual communication on the work of the RA Defender of Human Rights and the situation with protection of human rights and freedoms in 2018
- communication on the work of the RA Prosecutor's Office in 2018

- the communication on the work of the National Commission on Television and Radio in 2018
- The annual communication of the Audit Chamber of the Republic of Armenia on its work in 2018
- The annual communication by the Central Bank of the Republic of Armenia on the work performed (Communication on Inflation).

The review of the parliamentary discussions of these documents revealed several features and consistent patterns, which attest to certain changes in the practice of performance of the oversight function in comparison with the parliaments of the previous convocations.

- The parliament no longer approves the work program of the Audit Chamber for the upcoming year, as was the case with the Control Chamber. Under the amended Constitution of 2015 this function is given to the Audit Chamber, which under the law on the Audit Chamber has the duty to simply send this program, along with the current conclusions, conclusion on the performance of the state budget and annual communication on the work done, to the parliament and the government within 3 business days of their approval. The program is not separately discussed in the NA and the NA Rules of Procedure do not provide for such a procedure. Such approach was adopted also with respect to the information provided by the Central Bank to the National Assembly regarding Central Bank's administrative expenses and capital investments.
- The parliamentary accountability practice of the Central Bank has also changed. The Central Bank would present to the NA the performance report of the monetary policy program for the past year (inflation report) and separately the monetary policy program for the upcoming year. Under the new government system in accordance with the procedure and timeline set out in the constitutional law on the National Assembly Rules of Procedure the annual communication on the work of the Central Bank is presented in the National Assembly sitting every year. It consists of communications on the monetary policy program approved in the 1st quarter of the current year and on performance of the monetary policy program in the previous year. Under the amended Constitution of 2015 the Central Bank approved the Central Bank's monetary policy and presents a communication to the NA regarding this.

This way, the former problematic practice when two documents by the Central Bank, the monetary policy program for the upcoming year and the report for the previous year were put up for discussion simultaneously, at times against the logic of the natural sequence, was de jure formulated. The same problem existed in case of Control Chamber and the issue was resolved by placing the approval of the work program outside the scope of NA authority.

- The practice of adhering to the timelines set for the presentations of communications and reports for the discussion of the NA, which was a serious problem with the parliaments of previous convocations, significantly improved. The specification and synchronization of timelines in the new NA Rules of Procedure contributed to this.

The RA Chief Prosecutor, Defender of Human Rights, Television and Radio Commission present to the NA the communications and reports on their work over the previous year by April 1 of the current year, the Central Bank presents the annual communication on its work by May 1 of the current year, the Audit Chamber (Control Chamber) by June 1 and the CEC once every two years, before April 1 or within one month of each election.

All the documents were presented to the NA before the set deadlines and discussed over the session. No case was noted when the discussions of these documents were moved to the next sessions as was in the past, when the oversight function was significantly formalized and made an end in itself.

This improved practice is also due to the legal regulations under the constitutional law on NA Rules of Procedure expediting the discussions and exchange of ideas.

- In the discussions of the mentioned documents of oversight nature one main pattern was seen: both the political majority and parliamentary opposition factions placed the emphasis mostly on the aspect of fighting corruption in the respective sectors in the context of realities within the system or the former work, property, income and conduct of officials presenting communications and reports. The discussions, for the most part turned into a certain audit accompanied by severe criticism and a large number of questions-speeches by deputies, unusual for Armenian parliamentarism. This overzealousness and level of engagement, as well as the focus on specific corruption targets caused the narrowing down of the subject of discussions and failed to highlight the fundamental issues within the system and hold content-driven, professional, all-encompassing discussions. The observations show that the discussions in the NA standing committees substance-wise were more professional and focused on issues than in the course of plenary sittings.

- With the exception of the annual performance report on the State Budget of the Republic of Armenia for 2018, in case of discussions of the other documents of oversight nature the NA only has the opportunity to hold the discussions for information purposes. This is even more pronounced when viewed against the fact of removal of the authority of the the parliament to approve the work program of the Audit Chamber for the upcoming year and Central Bank monetary policy program discussion. Despite the existing possibility to adopt a statement as a result of discussion of such documents, the absence of legal framework to express a political position towards them in the scope of this key oversight function, to an extent renders the discussions secondary, not allowing this key government body to clearly formulate a united position.
- In some cases a contributing factor to the above-mentioned tendency was the overly loaded content and volume of communications or reports, incompatible with the format of parliamentary discussions. In this sense communications on the work of the RA Defender of Human Rights and the situation with protection of human rights and freedoms in 2018 as well as that on the work of the RA Prosecutor’s Office in 2018 were especially notable. The volume of the first one, for instance, was 700 pages: the document is unprecedented in terms of its detail, all-encompassing nature and is of great interest for the professional community. Its parliamentary discussion however did not make it possible to form a general and complete understanding of the current state of affairs. The communication on the work of the RA Prosecutor’s Office in 2018 was also extensive in comparison with the previous ones, focusing not only on the statistics, but also qualitative results of the work and recommendations on legislative regulations of systemic issues. The review of the parliamentary discussion of the document shows however that the fact of being extensive makes this communication more interesting mostly for lawyer deputies familiar with the criminal justice sector without contributing to comprehensive discussions around it.

The manifestation of legal and practical “turbulence” of the NA participatory function during the session in the process of forming of governmental bodies

In the parliamentary government system the parliament is assigned an exclusive role in the establishment of the other branches of government. It is exercised through its stated authority to elect or appoint the leadership of the state system bodies, as well as to terminate the authorities of the officials appointed by it and “recall” them.

With these constitutional powers the parliament assumed a political responsibility for the work of all the other branches of the government and that of the leadership of bodies representing them.

The National Assembly, in particular, elects and “recalls” the president of the republic, RA Prime Minister, Chief Prosecutor, Defender of Human Rights, head of Audit Chamber and the other members, head of Central Bank, his/her deputies and the other board members, the head and members of the Central Electoral Commission, members of the Television and Radio Commission.

The constitution has prescribed certain restrictions for the parliament with regard to the judiciary due to the principle of providing guarantees for the independence of the latter. The parliament has the power to elect the president of the Constitutional Court and 3 out of 9 members, the head of the RA Court of Cassation and judges and 5 of the 10 judges of the Supreme Judicial Council. The National Assembly, does not however have the ability to recall them.

Over the 2nd session of the NA of the 7th convocation the parliament did not have a reason to exercise the authorities provided by the NA Rules of Procedure to terminate the authority of the officials elected by it, recall them, present a motion of no confidence and remove from office .

The odyssey of the election of the judge of the Constitutional Court

The judges of the Constitutional Court are elected by the National Assembly by at least 3/5 of votes of the total number of deputies and are in office for 12 years. The parliament elects 3 CC judges upon recommendation of the president of the Republic, another 3 of the government and the remaining 3 based on the recommendation of the General Meeting of the Judges.

Over the 2nd session two failed attempts were made in the NA of the 7th convocation to elect a member of the Constitutional Court by RA President’s quota. Through a secret ballot on April 16 the parliament with 24 votes in favor, 75 against declined Gor Hovhannisyan’s nomination, and on May 29 with 30 votes in favor and 53 against declined the next candidate, Artur Vagharshyan, head of the department of theory of state and law of the YSU faculty of law. Two days after the vote, on May 31, the president of the republic, without announcing a competition and essentially violating the instruction setting the procedure for nomination of the CC members by his quota, nominated the attorney Vahe Grigoryan, the constitutional law specialist, whose nomination had been already once declined in October 2018 in the course of the work of the NA of the previous convocation by the divided parliament working without actually having a majority.

Upon discussions the parliament elected Vahe Grigoryan CC judge on June 18 with 99 votes in favor and 22 against. The Prosperous Armenia had made a decision to let faction deputies vote individually when casting a ballot for the candidate enjoying the full support of the majority. The Bright Armenia had announced its intent to vote against Vahe Grigoryan's nomination, however in the course of speeches certain deputies from the faction openly voiced their support to him.

The situation attested to the existence of several fundamental issues in CC president-NA relations, which raises certain questions from the perspective of domestic legal security. This fact was emphasized particularly seen against Vahe Grigoryan's statement during the swearing-in ceremony as a CC judge in the NA regarding the formation and legitimacy of the existing composition of the Constitutional Court and legal grounds for him to hold the post of the CC President that caused a great stir in public and professional circles.

The process that had started in May, 2018 made it obvious that legal mechanisms of election and appointment of members of Constitutional Court are imperfect, which in practice causes a situation when the lawful exercise of authorities by two state government entities, the RA President and the NA, does not necessarily lead to the full composition of the CC. In fact, in the context of constitutional-legal regulations, the president of the republic can endlessly nominate new candidates for CC judge, and the parliament can keep not electing them or doing so for as long as the RA President has not nominated a candidate desirable for the political majority. By the way, theoretically the same situation may arise also in case of other entities, the Government and the General Meeting of the Judges vested with the authority to nominate candidates for CC judge. The reason for the existence of such an odd legal situation is that in regulating legal matters concerning this issue the legislation was not built on the so-called principle of the "primary mandate" which means that it does not specifically state whose position is decisive in case when disagreements arise. Insofar as the final choice rests with the parliament, presumably the right of "primary mandate" also belongs to the parliament.

From the perspective of political logic the legal loophole of consistently rejecting in the parliament the CC member's nominations submitted by the RA President is beyond attitudes towards specific candidates and their qualifications and professional qualities and is being directly perceived as an attitude towards the institution of the RA President. So, the problem comes down to the trust of the parliament towards the president, especially considering that the RA President is also an official elected by the

parliament. In this respect, the legislation however does not provide any mechanism for the legal solution of the crisis of trust towards the president.

This legal ambiguity can lead to an impasse when, for instance, the seats of at least 5 and more members required to secure quorum for sittings and decision making in the CC remain vacant. Such a prospect, even a theoretical one, necessitates measures to neutralize the risks caused by legal ambiguity and fill the existing legislative and constitutional gaps.

This situation came to show that there was a need for further clarification of the criteria for the election of candidates, in this case from the perspective of the legal opportunity to re-nominate the candidate already once declined in a vote by the NA. Clause 8 of Article 141 of the constitutional law on the Rules of Procedure of the National Assembly states that if no judge of Constitutional Court is elected in the National Assembly then within 10 days of the vote the competent authority, in this case the RA President, nominates a new candidate.

The term “new candidate” suggested that in case the CC judge was not elected the nominated candidate could not be the person who had failed to get elected by the NA in the past or at least not the person who the NA declined most recently. In this sense as well, this legal regulation lacks clarity since it can be broadly interpreted. However after the RA President applied to the CC in 2018 the Constitutional Court with its decision CCD-1434 dated November 6, 2018 recognized the clauses 1 and 3 of Article 141, the second sentence of clause 7 and Clause 8 of the NA Rules of Procedure as unconstitutional. Under the same CC decision these norms were considered void from April 1, 2019 and from that point in cases when CC judge is not elected the requirement not to nominate a candidate that was voted on in the past and declined became void. In this regard, the legal obstacles for Vahe Grigoryan’s re-nomination can be considered eliminated, as long as the RA President’s authority to sequentially nominate candidates has not been regulated by law.

However this decision of the Constitutional Court leads to another legal ambiguity in the sense that, as a candidate for CC judge, giving an opportunity to re-nominate the person who was declined in a NA vote in the past does not make it clear, whether theoretically the RA President can continuously propose to the NA the same candidate, for instance, or other candidates previously declined by the NA. In order to avoid strange legal situations in the future the comprehensive amendment of the constitutional law on the NA Rules of Procedures to regulate the issue shall be made as a matter of urgency.

The practice of inviting members of the government and heads of independent bodies to the parliament

In the 2nd session of the parliament of the 7th convocation the practice of inviting heads of various state bodies to the NA factions, standing committees and holding public or closed-door meetings with deputies was established. It was justified by the need to provide additional measures for parliamentary oversight and accountability of state bodies. Such a concept with appropriate procedural regulations is not stated in the NA Rules of Procedure. The meetings were organized owing to the proactiveness of deputies, committees and factions and the willingness of the invited parties.

- During the session 11 officials came to the parliament at the invitation of the factions, including the president of Artsakh Republic Bako Sahakyan and RA Prime Minister Nikol Pashinyan. My Step faction held the most of the meetings, 9, and Prosperous Armenia and Bright Armenia factions held one meeting each.
- Another 3 officials, the Minister of Justice, Chief Prosecutor and the Defender of Human Rights were invited to the parliament by the standing committees. Only one senior official, head of the Supreme Judicial Council declined the invitation to hold a meeting at the National Assembly.
- At the invitation of My Step the ministers of Regional Administration and Development, Health, Foreign Affairs, Finance, Transport, Communication and Information Technologies, head of State Revenue Committee and the Chief of Police came to the parliament.
- At the end of the session the faction invited the marzpets to a closed-door meeting.
- At the invitation of My Step Prime Minister Nikol Pashinyan has twice attended the closed-door sitting of the faction in the National Assembly. The focus of the first meeting was the topic of New Year bonuses of the members of the government, and the second one focused on the parliamentary work of the faction.
- During the session at the invitation of My Step faction Bako Sahakyan, President of Artsakh Republic also came to the parliament. The visit followed Nikol Pashinyan's statements regarding the negotiation process and Artsakh authorities.

- At the invitation of Prosperous Armenia faction Davit Ananyan, the head of State Revenue Committee came to the National Assembly and Bright Armenia invited Zohrab Mnatsakanyan, the Minister of Foreign Affairs.
- All the meetings were held behind the closed doors.

The practice of inviting senior officials to the NA was observed during the previous convocations as well, but the meetings were not of pivotal nature and were prompted by the need to receive clarifications on certain issues in a specific situation from the head of the relevant public authority in the executive branch. In the 2nd session of the 7th convocation meetings in this format were consistent and extensive including not only the executive authorities but also those representing the judicial sector.

Such a format can potentially turn into a new component of the parliamentary oversight function, raise the level of public accountability of the other branches of the government and establish a new culture in the relations between the parliament and the executive, the parliament and the judiciary. Nonetheless, as a new practice the framework needs certain finetuning in terms of efficiency and specific purpose.

- The Constitution and the Law on the NA Rules of Procedure outline the scope of the parliamentary oversight and the legal mechanisms and toolset for the performance of this function. No mechanism of initiation of such consistent meetings is provided by the legal regulations defining the scope of authority of the factions and committees and no duty for the invited party to attend is stated either. At that no legal grounds exist to prohibit or rule them out. This means that the meetings took place as a result of proactiveness of certain deputies, committees and the faction representing the political majority and the willingness and good will of the invited party.

This fact is problematic not so much from the perspective of lawfulness of the meetings, but rather in terms of efficiency. The unregulated nature of the meetings does not provide legal grounds to view the fact of non-attendance of the invited party as disregarding the parliamentary oversight function and avoiding accountability.

It should be noted that in case with the members of the government other mechanisms of accountability to the NA are in place, whereas the judicial sector authorities enjoy the guaranteed protection of the fundamental principle of separation of power and inadmissibility of interference with their work by any branch of government. In addition, if the Chief Prosecutor and the Defender of Human Rights once a year present a

communication to the parliament regarding the work done, which gives the deputies an opportunity to raise questions of concern, then for instance the president of the Supreme Judicial Council is under no such duty and the National Assembly does not actually have the authority to recall members of the Supreme Judicial Council.

Without required regulation meetings in this format can not only become an end in itself distorting the real purpose of parliamentary oversight but also leave room for viewing these initiatives as a violation of principle of checks and balances and independence of the branches of the government and abuse of parliamentary oversight function.

- Most of the meetings were held behind closed doors in the absence of other stakeholders and mass media representatives. This format was determined as a result of arrangements of the parties. While in some cases, such as the meetings with the Chief Prosecutor, Minister of Foreign Affairs, Chief of Police, the decision to hold them behind closed doors is not only logical but also mandatory, the principle by which the other meetings were held behind closed doors remain unclear: no valid reasoning was presented by the factions. On the other hand, over the days following the meetings there were publications in the press on the details of their substance which were not refuted. So it is obvious that the so called “closed-door” meetings suffered information leakage making it pointless to hold them behind closed doors.

The Prime Minister’s 2 meetings with My Step faction were also held behind closed doors. Apart from confirming the fact of meetings no additional information was communicated on the need for such meetings and their substance. The public mode of the meetings or at least the participation of the opposition factions as well could ensure that no leaks happen and there is no lack of clarity over certain questions.

- In fact, the closed-door meeting of My Step faction with the President of Artsakh Republic in the parliament was unprecedented. Artsakh presidents had been invited to the NA in the scope of official events in accordance with all the protocol rules. In this particular case the meeting could be called a working one, during which judging from the limited information they discussed questions around the relations between Armenian and Artsakh authorities and the motion presented by Bako Sahakyan in Robert Kocharyan’s criminal case. By agreeing to participate in a meeting of such format, the President of Artsakh Republic demonstrated willingness to work out the issues in the political dimension and ease the existing tension. So the meeting was not of oversight but of political significance, and the attendance of all parliamentary factions would be reasonable.

During the sessions invitations to the meetings in this format were extended to RA Minister of Health, RA Minister of Foreign Affairs, RA Minister of Finance, former RA Minister of Transport, Communication and Information Technologies, RA Minister of Justice, head of RA State Revenue Committee, RA Chief of Police, RA Defender of Human Rights, RA Chief Prosecutor, former President of the RA Supreme Judicial Council (the latter declined the invitation) and others. These meetings were held randomly, without any clear principle and in order to discuss specific or general issues within sectors.

ETHICS AND CONFLICT OF INTEREST: FACTORS OF FAILURE OF THE INSTITUTION

During the 2nd session of the 7th convocation of the NA no ad-hoc ethics committee was set up and no ethics-related matter was discussed through set procedures. We have this picture since the adoption of the law on the NA Rules of Procedure.

The new parliament is different from the previous ones in term of ethical conduct` due to the fact that it has less deputies exhibiting unethical behavior. In this case, however this is not the main reason that no proceedings for formal discussions of violations of ethics were initiated, given that during the session a public initiative to set up an ethics committee was expressed at least twice. It is the institutional legal regulations, which provide for the matters of maintaining the norms of ethics and making them subjects of review.

Firstly, the initiation of the question of violation of ethical norms was placed into a political dimension. The system of having an ethics committee set up in different proportions practically throughout the entire convocation was abolished. Instead the ethics committee has acquired a status of an ad-hoc committee, which can be set up only for a specific case by the decision of the NA and with the authority and duties arising from that specific situation. And the authority to initiate the setup of an ethics committee is given exclusively to NA factions without setting legal standards and thresholds for initiation of proceedings or making the matter a subject of review.

Article 16 of the law on the NA Rules of Procedure clearly states that the ad-hoc committee is set up by the decision of the National Assembly and the faction has the right to submit the draft decision. Leaving the right to set up an ad-hoc ethics committee solely at the political discretion of the factions has in fact made the parliamentary majority's political role and will decisive.

Since the setup of an ad-hoc ethics committee directly depends on the will of the NA majority, the initiation of questions of violation of the ethical norms by deputies, citizens or political, public associations has become indirect, whereas in the past everybody could apply to the ethics committee for matters regarding deputy ethics. The procedure of initiation of issues of deputy integrity and consequently its oversight by the public sector has become twice as hard, in practice making it possible to kill the initiation of any such question if desired or opening it to political speculations. Moreover, under the parliamentary government system the oversight levers for citizens and the civil society to influence deputies' ethical conduct have been minimized.

These legal obstacles have manifested themselves in 3 instances over the 2nd session:

Note: On April 6 over a dozen NGOs issued a joint statement calling on the NA President and deputies to put up the conduct of the head of the NA standing committee Naira Zohrabyan for discussion in the format of the Ethics Committee. The NGOs viewed as “discriminatory and degrading” Naira Zohrabyan's speech following the Right Side NGO President, transgender woman Lilit Martirosyan's speech on April 5 during the parliamentary hearings initiated by the NA Standing Committee on Human Rights and Public Affairs entitled “National agenda of Human Rights: UN Universal Periodic Review”.

The statement by the NGOs did not receive any proper feedback. In the previous framework these organizations could directly apply to the ethics committee, which had to make a decision on admitting the application for review or not, and in case of admission also present to the parliament its conclusion whether there was a violation of ethical norms in deputy's actions or not.

Note: “Citizen’s decision” party called on the heads of 3 NA factions to come up with an initiative to set up a NA ad-hoc committee to discuss issues regarding violation by Gagik Tsarukyan of deputy ethics and present a conclusion to the NA.

The reason was PAP member Gagik Tsarukyan’s statements in the course of parliamentary discussions around the imposition of state duty on imported cement. Citizen’s Decision had seen in them a violation of the constitutional obstacle for a deputy to engage in entrepreneurial activity, and deputy ethics rule set out in Point 4 of Clause 3 of Article 3 of the RA Law on Guarantees of work of the deputy of the RA National Assembly.

The statement by the “Citizen’s Decision” caused heated political debates among parliamentary forces and those outside the parliament, even prompting the NA President to issue a statement, but no initiative was seen in the NA to set up an ad-hoc committee, claiming that the “Citizen’s Decision” had submitted a report on crime to the law enforcement bodies regarding the issue and they should wait for the legal opinions. The Special Investigative Service refused to initiate a criminal case due to the absence of criminal offense, even though the dismissal of the criminal proceedings could not be considered a restricting factor for the initiation of disciplinary proceedings against the deputy. The matter was settled by a call-statement of the NA President Ararat Mirzoyan addressed to Gagik Tsarukyan with the following opening words: “Noting that existing legal regulations provide broad political discretion with respect to the setup and work of the ethics committee and can leave room for various speculations ...”

Note: Journalist organizations demanded that head of Prosperous Armenia faction Gagik Tsarukyan officially apologize to the journalists. On June 19 responding in the parliament to the question of the journalist about obeying the law, Gagik Tsarukyan had said, “You yourself and your family go and obey the law.” PAP President had also threatened another journalist whose question he did not like, that they would be held to account. The organizations called on the NA leadership to put up for discussion Gagik Tsarukyan’s conduct towards the journalists and voice its position from the standpoint of deputy ethics.

The above cases justify the need to raise the functional role of the ethics code and set up an ethics committee working on a permanent basis which cannot be fulfilled without comprehensive amendments to the Law on the NA Rules of Procedure: In the situation around Gagik Tsarukyan arising during the session the NA political majority sent certain political signals acknowledging this need and their intention for corresponding legislative amendments. The faction plans to come up with an initiative for specific legislative amendments in the future.



DECLARATIONS

Part of the 132 deputies of the NA of the 7th convocation (86 deputies) filed declaration as of the time of taking office, January 14, 2019. The others (46 deputies) filed annual declarations for 2018, since prior to being elected deputies they held a public post. For this reason the comparison of the data on NA 132 deputies' monetary funds and borrowings extended was performed as of the end of 2018 for one part, and as of January 14, 2019 for the rest.

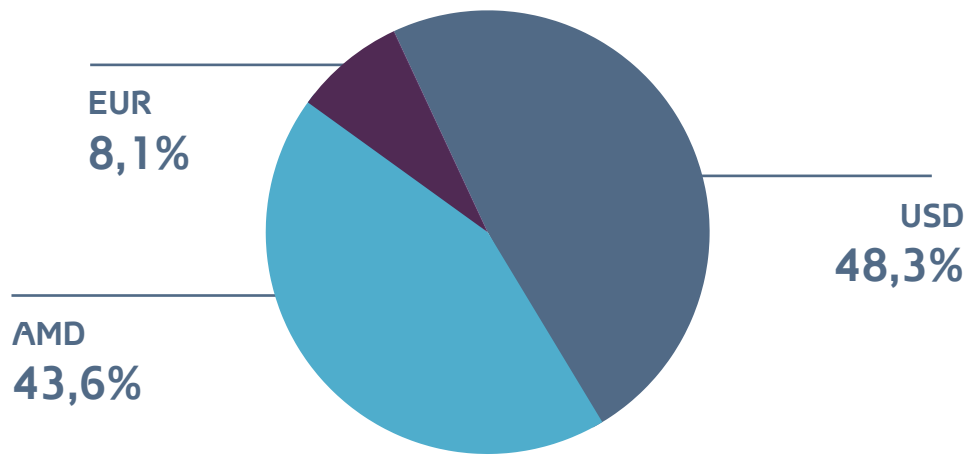
We reviewed the income of only those deputies who had filed annual declarations for 2018 (the rest were to declare data only on income received in 2 weeks, January 1-14, 2019).

Monetary funds

Together all the deputies of the NA 7th convocation declared funds in the amount of 1 billion 905.3 million drams, 171.6 million dollars and 31.1 million euros. The total amount expressed in drams is around 102.17 billion and 211.2 million in US dollars. Most of the funds belong to PAP faction leader Gagik Tsarukyan, who keeps them mostly in dollars and euros.

PAP leader declared 543.8 million drams, 168.5 million dollars and 30.6 million euros. The total amount of Tsarukyan's declared funds expressed in drams is 99 billion drams or 97% of all the funds declared by all NA deputies.

The other 131 deputies together declared 1 billion 361.5 million drams, 3 million 121 thousand dollars and 454.2 thousand euros. The currency distribution of the funds they declared is more balanced.



NA deputies of the 7th convocation (not counting Tsarukyan) keep 43.6% of their declared funds in RA drams, 48.3% in US dollars and 8.1% in Euros.

Among the 3 NA factions Prosperous Armenia leads the way by the largest amount of funds declared.

The 88-member My Step faction's total funds expressed in drams total 713 million drams.

The 26-member Prosperous Armenia faction's declared funds expressed in drams total 101.4 billion drams and without Gagik Tsarukyan's declaration (PAP-2 in the table)- 2.3 billion drams.

Bright Armenia's declared funds expressed in drams are 115.5 million:

Monetary funds of each of the factions below:

Faction	Total million drams / 8.2 million	AMD	USD	EUR	RUS
My Step	713 million drams / 8.2 million	386,3 million	523,1 thousand	130,4 thousand	200 thousand
PAP	101 billion 436.3 million / 3.9 billion	1 billion 460.4 million	171 million	30.9 million	1.9 million
PAP-2	2 billion 311.2 million / 92.4 million	916 million 575.7 thousand	2 million 511.1 thousand	01.3 thousand	1.9 million
BAP	115.5 million / 6.4 million	58.6 million	86.8 thousand	22.5 thousand	353 thousand

In My Step faction the average amount per deputy is 8.2 million drams, in Prosperous Armenia-3.9 billion drams (not counting Tsarukyan- 92.4 million drams), and in Bright Armenia- 6.4 million drams.

Who has the most money

Unlike the National Assembly of the previous, 6th convocation, which had 12 dollar millionaires, the National Assembly of the 7th convocation has 2 deputies who are dollar millionaires, both from PAP.

Out of 132 deputies only Gagik Tsarukyan's (PAP) and Davit Manukyan's (PAP) declared funds exceed 1 million when expressed in dollars.

Monetary funds

ID	Name, Last name	Faction	Total in AMD	Total in USD	AMD	USD	EUR	RUS
1	Gagik Kolya Tsarukyan	PAP	99 035 105 900,0	204 723 733,1	543 845 000,0	168 531 000,0	30 641 000,0	0,0
2	Davit Andranik Manukyan	PAP	979 708 250,0	2 025 236,7	268 595 750,0	1 470 000,0	0,0	0,0
3	Eduard Vladimir Babayan	PAP	358 106 288,5	740 271,4	101 235 000,0	400 530,0	100 540,0	1 069 000,0
4	Artur Grisha Grigoryan	PAP	294 537 000,0	608 862,0	150 000 000,0	150 000,0	130 000,0	0,0
5	Tigran Gor Karapetyan	My Step	214 262 500,0	442 919,9	103 000 000,0	230 000,0	0,0	0,0
6	Sergey Papash Bagratyan	PAP	150 000 000,0	310 077,5	150 000 000,0	0,0	0,0	0,0
7	Mikayel Sergey Melkumyan	PAP	137 031 250,0	283 268,7	4 000 000,0	275 000,0	0,0	0,0
8	Hrant Robert Madatyan	PAP	83 000 000,0	171 576,2	83 000 000,0	0,0	0,0	0,0
9	Tigran Vachik Stepanyan	PAP	63 000 000,0	130 232,6	63 000 000,0	0,0	0,0	0,0
10	Vardevan Fabritsus Grigoryan	PAP	62 353 175,0	128 895,5	34 330 000,0	38 700,0	17 000,0	0,0

Tsarukyan's declared funds expressed in dollars total around 205 million. He is followed by PAP member Davit Manukyan, whose declared total monetary funds expressed in dollars exceed 2 million dollars (268.6 million drams and 1 million 470 thousand dollars).

Eduard Bababyan, former chief of Tsarukyan's security is the third one among the ten deputies who declared the most funds. He declared funds for a total amount equivalent to 740 thousand dollars.

It is noteworthy that 9 out of 10 deputies who have declared the most funds are PAP members, and only one is from My Step faction, Tigran Karapetyan. Karapetyan, elected from Syunik marz through the rating system is a former businessman and has declared funds equivalent to 443 thousand dollars.

48 out of 132 deputies have not declared funds or declared zero dram (they do not have funds).

Borrowings

Borrowings include both the money lent by the officials (to individuals and legal entities), and term deposits in the bank.

According to the declarations as of the beginning of 2019 20 out of 132 deputies had extended borrowings in different currencies.

The list of deputies who have filed the borrowings they extended.

Name, Last name	Faction	Total in AMD	Total in USD	AMD	USD	EUR	RUS
Gagik Kolya Tsarukyan	PAP	66 753 145 948,3	137 990 999,4	31 010 071 859,0	31 738 128,0	34 077 142,0	218 500 000,0
Artur Grisha Grigoryan	PAP	140 000 000,0	289 405,7	140 000 000,0	0,0	0,0	0
Koryun Levon Mkrtychyan	My Step	101 614 207,5	210 055,2	0,0	94 690,0	100 800,0	0
Hovhannes Henzik Igityan	My Step	88 472 000,0	182 877,9	38 000 000,0	70 000,0	30 000,0	0
Arsen Levon Julfalakyan	My Step	51 375 000,0	106 201,6	3 000 000,0	100 000,0	0,0	0
Hamazasp Grigor Danelyan	My Step	41 653 112,5	86 104,6	3 490 000,0	50 850,0	24 500,0	0
Arkadi Sanasar Khachatryan	BAP	40 202 732,1	83 106,4	35 365 232,1	10 000,0	0,0	0
Naira Vahan Zohrabyan	PAP	39 538 087,2	81 732,5	0,0	81 732,5	0,0	0
Artak Chubar Manukyan	My Step	16 931 250,0	35 000,0	0,0	35 000,0	0,0	0
Hrant Gnuni Ayvazyan	BAP	16 593 475,0	34 301,8	2 110 000,0	29 940,0	0,0	0
Heriknaz Sargis Tigranyan	My Step	10 089 888,0	20 857,6	10 089 888,0	0,0	0,0	0
Aleksey Ivan Sandikov	My Step	9 406 300,0	19 444,5	9 406 300,0	0,0	0,0	0
Aleksandr Melsik Avetisyan	My Step	7 000 000,0	14 470,3	7 000 000,0	0,0	0,0	0
Vardan Nahapet Vardanyan	PAP	5 050 350,0	10 440,0	0,0	10 440,0	0,0	0
Mikayel Sergey Melkumyan	PAP	4 837 500,0	10 000,0	0,0	10 000,0	0,0	0
Gevorg Harutyun Papoyan	My Step	4 828 125,0	9 980,6	1 200 000,0	7 500,0	0,0	0
Arusyak Tovmas Julhakyen	My Step	3 100 000,0	6 408,3	3 100 000,0	0,0	0,0	0
Armen Edik Eghiazaryan	BAP	2 500 000,0	5 168,0	2 500 000,0	0,0	0,0	0
Anna Samvel Karapetyan	My Step	1 693 125,0	3 500,0	0,0	3 500,0	0,0	0
Arpine Hrahat Davoyan	My Step	394 676,0	815,9	394 676,0	0,0	0,0	0

PAP leader Gagik Tsarukyan is the first in terms of money lent. He declared borrowings extended in the amount of 31 billion drams, 31.7 million dollars, 34 million euros and 218.5 million roubles. Tsarukyan's total extended borrowings expressed in drams are 66.7 billion drams, expressed in dollars- 138 million.

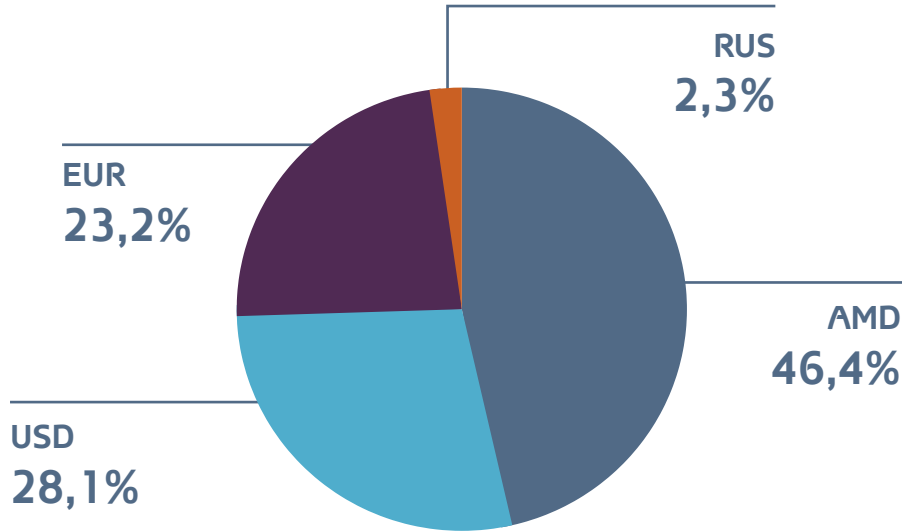
The second largest lender is also from PAP faction, former minister of Energy Infrastructures and Natural resources Artur Grigoryan. He declared borrowings of 140 million drams (all in RA drams).

The third one is My Step faction member Koryun Mkrtychyan, whose lent funds expressed in drams total 101.6 million drams. At that, Mkrtychyan does not have borrowings extended in drams. He has lent his money in dollars and euros.

Hovhannes Igityan (My Step) Arsen Julfalakyan (My Step), Hamazasp Danelyan (My Step), Arkadi Khachatryan (BAP) and others are also among those deputies who have lent the most funds.

Overall, all the 20 deputies together have declared 67 billion 338.4 million drams or an amount equivalent to 139.2 million dollars as borrowings.

The currency structure of the borrowings extended



The share of the borrowings extended in RA drams is 46.4% (31.2 billion drams), 23.2% in dollars (32.2 million dollars), 28.1% in euros (34.2 million euros) and 2.3% in roubles (218.5 million roubles).

Income

It is not possible to draw overall comparison of income of the deputies of the 7th convocation of the National Assembly, since one part of them (86) filed declarations as of the time of taking office with income received between 1-14 January, 2019 and the other part (46) filed annual declarations for 2018 reflecting the income received over the previous year.

In terms of timing these data are not comparable so the review of income from 86 declarations filed as of the time of taking office and 46 declarations filed for the entire year is presented below separately.

The income of those filing declarations for the first time

86 out of 132 deputies have filed declaration when taking office. In January 1-14, 2019 they have received a total income of around 16.2 million drams. Most of it, 13.9 million drams (86%) is in RA drams, the rest in foreign currency (mainly in dollars).

Over the first two weeks of the current year My Step faction member Narek Zeynalyan and BAP member Karen Simonyan had the largest income.

Name, Last name	Faction	Total in AMD
Narek Artavazd Zeynalyan	My Step	2 922 253,8
Karen Manvel Simonyan	BAP	2 771 790,0
Anna Samvel Karapetyan	My Step	1 585 108,0
Kristine Atom Poghosyan	My Step	824 996,0
Vagharshak Sos Hakobyan	My Step	780 000,0
Arsen Levon Julfalakyan	My Step	772 800,0
Artak Chubar Manukyan	My Step	736 420,0
Sona Ara Ghazaryan	My Step	560 000,0
Hamazasp Grigor Danelyan	My Step	439 110,0
Ani Tachat Samsonyan	BAP	375 000,0

Narek Zeynalyan received an income of around 2.92 million drams between January 1 and 14 of 2019 with most of it, 2.85 million drams being dividends.

2.08 million drams out of Karen Simonyan's 2.77 million-dram income is from borrowings (loan). K. Simonyan also received a donation of 437 million drams and 255 thousand drams as salary.

1.58 million drams received by Anna Karapetyan is entirely from salary.

It should also be noted that 56 out of 86 deputies filing declarations when taking office have indicated that they have not received income in the first two weeks of the year.

Those who have filed annual declarations

46 out of 132 deputies of the NA 7th convocation have filed annual declarations for 2018. So they have declared the income for the whole year by source and currency.

46 deputies together had income of 5.2 billion drams in 2018. Over 4.7 billion drams out of 5.2 billion belongs to Gagik Tsarukyan. This means that if we are to analyze the income of 46 deputies by their origins and currency we will mostly have the picture of G. Tsarukyan's income. For this reason we will present the picture of his income and the collective picture for the remaining 45 deputies separately.

Gagik Tsarukyan, PAP faction head

In the course of 2018 as per the declaration he had income equivalent to 4 billion 474.4 million drams.

Most of the income of the deputy, 3.1 billion drams (65.5% of total income) was received from dividends.

The next large source is the interest or repayment of borrowings extended. As of the end of 2018 G. Tsarukyan had borrowings extended in the amount of 66.7 billion drams for which he received interest in the amount of 1.47 billion drams.

89% of Gagik Tsarukyan's income (4 billion 184.6 million drams) are in RA drams, the rest in foreign currency.

Income of 45 deputies who have filed annual declarations (without Gagik Tsarukyan)

Together the 45 deputies who filed annual declarations for 2018 had income equivalent to 461 million drams in 2018. This income is almost entirely (99%) in RA drams.

The largest source of income is the salary and equivalent pay.

In 2018 these 45 deputies received salaries in the amount of 290 million drams, which makes 63% of total income.

Remuneration and/or other equivalent pay	290 020 416,0	
Interest received for borrowings (loans) extended and other compensation	2 420 055,0	
Borrowings (loans) received	61 121 272,0	
Lease payment received or other compensation	4 852 800,0	
Dividends	55 805 000,0	
Income received from entrepreneurial activity	17 220 000,0	
Income from sale of property	23 154 385,0	
Pension	1 300 800,0	
Other income	5 140 029,0	

The next large sources are the received borrowings (loans). In the course of 2018 the 45 deputies having filed annual declarations have together received borrowings in the amount of 55.8 million drams.

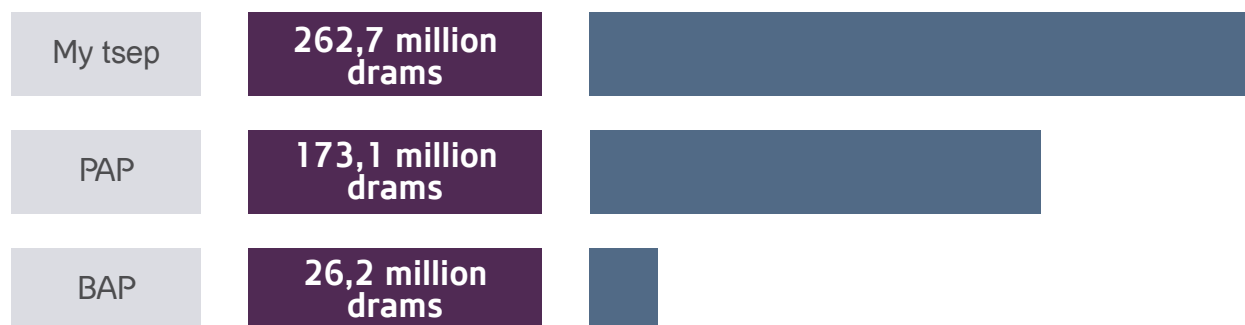
Ararat Mirzoyan has 34.8 million drams out of these 55.8 million drams. The NA President has received a loan.

Among recipients of large loans are also My Step faction members Hovhannes Hovhannisyanyan (10.8 million drams) and Karen Sarukhanyan (8.9 million drams).

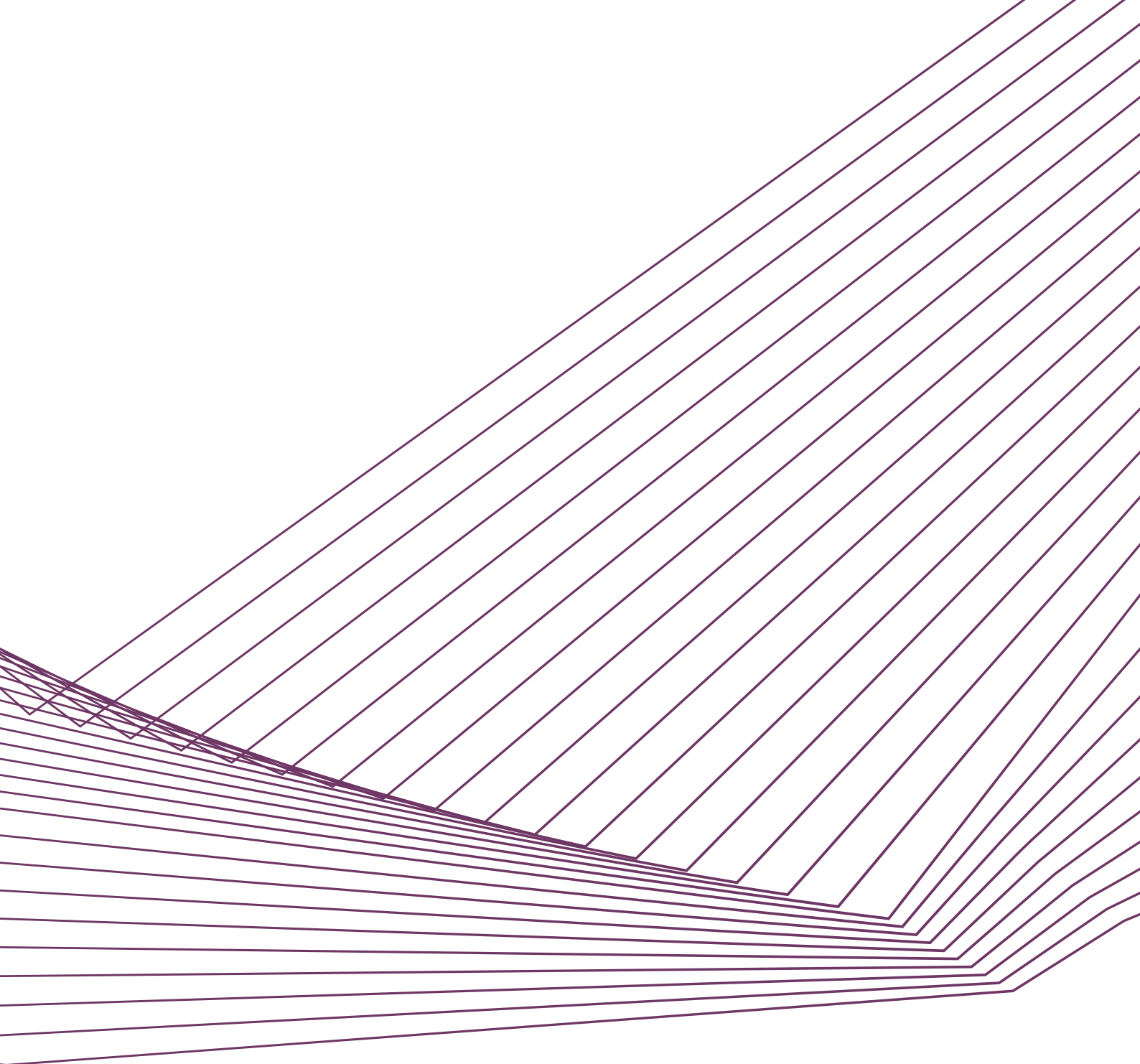
The third largest source of income is dividends, 55.8 million drams or 12.1% of total income. Two deputies, have received dividends, PAP member Davit Manukyan, 55.76 million drams and Hrant Madatyan, 40,000 drams.

The deputies received income also from entrepreneurial activities (17.2 million drams), sale of property (23.1 million drams), etc.

Income distribution by factions: My Step- 261.7 million drams, Prosperous Armenia- 173.1 million drams, Bright Armenia- 26.2 million drams.



This picture changes when we calculate the average income per deputy of each faction. In this case the Prosperous Armenia faction leads the way, with its each deputy getting 11.5 million drams on average, in My Step this figure is 9.7 million drams, in BAP, 8.7 million drams.



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