

## **THE OMBUDSMAN HAS SUBMITTED AN URGENT APPLICATION TO THE CONSTITUTIONAL COURT ON THE APPLICATION OF THE LAW ON MANDATORY FUNDED PENSIONS**

On February 17, numerous employees of the Armenian Nuclear Power Plant submitted a public application to the Human Rights Defender after which the Ombudsman appealed to the Constitutional Court with an urgent letter. Below we present the complete text of the Ombudsman.

“High Court,

The procedural decision on the Law of Funded Pensions made by the Constitutional Court on January 24 led to various interpretations and actions by employers, employees and heads of state bodies. Making reference to the provisions of law which were not suspended, some employers claimed that the Law on Funded Pensions is in force, is valid and the five per cent stipulated for funded pensions was charged. Employees in their turn put forward the decision of the Constitutional Court on suspension and demanded not to charge five per cent. As a result of this mess many citizens, complaining that their employers make retentions from their salaries against their will, went out to the streets to express their will/ dissatisfaction. In separate cases those employees who took part in actions were fired by the initiative of their management as a result of their protest, as the employees claimed.

This chaotic situation became more aggravated as a result of announcements made by some state bodies. Firstly, the RA State Revenue Committee stated that the calculation program module of the mandatory funded contributions provides for the automatic calculation of mandatory funded contributions. Therefore, the SRC is not eligible to violate the law requirement by eliminating the mandatory funded contributions field from the report form.

([http://taxservice.am/MD\\_News.aspx?ntname=MDPubClarifications&nid=2061](http://taxservice.am/MD_News.aspx?ntname=MDPubClarifications&nid=2061)).

Immediately after it the Central Bank issued a statement once again reminding the citizens that the Constitutional Court through its procedural decision didn't release employers from the responsibility to make mandatory funded contributions. Moreover, the Central Bank announced that “in case if the disputed provisions are in compliance with the RA Constitution the consequences for participants of mandatory funded component will probably be worse and will lead to lump funded payments for the missed period.” ([https://www.cba.am/AM/News/Pages/news\\_07-02-14.aspx](https://www.cba.am/AM/News/Pages/news_07-02-14.aspx)).

After the aforementioned announcements, many citizens began to alarm to the Human Rights Defender fearing that later they will be obliged to pay also funded contributions for previous months. Furthermore, on February 18, a group of employees of the Nuclear Power Plant appealed for the defense of their rights.

Based on the current provisions of law, procedural decision made by the Constitutional Court, as well as on norms of constitutional right and standards of the human rights rule

of law, the Ombudsman made clarifications on the questions of citizens on mandatory funded contributions. ([http://pashtpan.am/library/view\\_news/article/1125](http://pashtpan.am/library/view_news/article/1125)).

After our clarifications Arushan Hakobyan, the Head of the Staff of the Constitutional Court, mentioned during his conversation with a journalist that “the person who did it in the Central Bank opposed not only the RA laws, but also the Constitutional relevant definitions ...none of employers and payers has the right to make retentions from salaries of previous three months. It is forbidden by the Law... they don't have the right to comment what kind of decisions the Constitutional Court will make after two or three months... No one can make retentions from salaries for previous three months”. ([http://www.lin.am/arm/armenia\\_society\\_249962.html](http://www.lin.am/arm/armenia_society_249962.html)).

Being well aware that the members and the staff of the Constitutional Court have to refrain from interpreting the decision of the Constitutional Court, as well as without having an intention to influence on the final decision of the Constitutional Court, however taking into consideration the current chaos and unacceptable situation, as well the pressures on employers and citizens, I find it necessary to apply to High Court informing on the issue and its urgency.

With Respect

K. ANDREASYAN”

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