

Brussels, 20 March 2013

ENP Country Progress Report 2012 – Armenia

The European Commission and the High Representative of the Union for Foreign Affairs and Security Policy published on 20 March 2013 the annual “neighbourhood package”, consisting of a joint communication (“Towards a Stronger Partnership”) making an assessment of the ENP implementation in 2012, a report on the “Partnership for Democracy and Shared prosperity” with Southern Mediterranean, an Eastern Partnership progress report, 12 country reports (on developments in 2012 and with a set of recommendations for the future), including one on Armenia, and a statistical annex.

There was intensified EU-Armenia political dialogue in 2012. Significant progress was registered in negotiations of an EU-Armenia Association Agreement, including a Deep and Comprehensive Free Trade Area. Armenia continued to implement sound macro-economic policies and structural reforms. It further progressed also towards meeting the objectives of the Action Plan in the area of poverty reduction and social cohesion. While 2012 Parliamentary election and February 2013 Presidential election was generally transparent and there was a serious effort to address issues related to human rights and fundamental freedoms, further work needs to be done, especially in the implementation and enforcement of legislation.

Armenia addressed some of the key recommendations contained in the last year's ENP progress report. It prepared a roadmap to improve the electoral process, adopted a National Human Rights Strategy and took some measures to fight corruption, to reform the judiciary and public administration, and to advance sectoral reforms and regulatory approximation to the EU acquis. Progress is needed also on other key recommendations. On the basis of this year's report and with a view to sustained implementation of the ENP Action Plan in 2013,¹ Armenia is invited to:

- Further address the shortcomings identified by the OSCE/ODIHR concerning the May 2012 parliamentary elections and February 2013 presidential elections, by implementing all OSCE/ODIHR recommendations, including changes to the legislative framework after the presidential elections.
- Fully investigate the deaths that occurred during clashes following the March 2008 presidential elections and the allegations of ill-treatment in police custody and violation of due process.

¹ The Action Plan should be replaced by the Association Agenda in the course of 2013.

- Step up efforts with Azerbaijan to reach agreement on the Madrid Principles, in accordance with the commitments made by the Presidents of Armenia and Azerbaijan within the Minsk Group.
- Ensure unimpeded access to representatives of the EU to Nagorno Karabakh and surrounding regions in support of conflict transformation activities in full complementarity with the Minsk Group activities.
- Promote an environment conducive to progress in conflict settlement, encourage and support related peace-building activities.
- Ensure implementation of the National Human Rights Strategy, formulate, adopt and implement the related Action Plan.
- Adopt amendments to the legislation on broadcasting in compliance with the recommendations of the OSCE and the Council of Europe, and ensure pluralism in the broadcasting media.
- Finalize the draft law on Conscience and Religious Freedoms, in line with international standards, as well as the legislation on alternative civilian service, in conformity with Venice Commission and OSCE recommendations.
- Adopt comprehensive anti-discrimination legislation, including further steps leading to the harmonization of legislation with the EU *acquis* in the areas of gender equality and non-discrimination.
- Intensify the prevention of and the fight against corruption, including implementation of laws adopted in 2012 and reinforcement of capacities, independence and transparency of the State Commission on the Ethics of High-Ranking Officials.
- Strengthen the implementation of governance reforms, including measures to reform the law enforcement and judicial sectors (especially to increase public trust in and the independence of the judiciary, improve the training of judges and review the code of criminal procedure).
- Continue the reform of public administration, in particular through strengthening merit-based career and pay paths in the civil service, strengthening institutional capacity of local governments and continuing with reform of the public finance management sphere.
- Continue to advance sectoral reforms and regulatory approximation to the EU *acquis* in trade and trade-related areas, in parallel to the ongoing negotiations on a DCFTA, in particular in the areas of Sanitary and Phytosanitary Measures, Technical Barriers to Trade, Intellectual Property Rights and Customs.
- Enhance efforts to provide for a competitive economic environment, including through improvements in contract enforcement, ease of paying taxes and trading across borders.
- Work towards the earliest possible closure of the Medzamor nuclear power plant and adopt a detailed decommissioning plan for this plant, taking into account the result of the 2012 stress tests report.

Reforms initiated, carried out successfully, or delayed during 2012 in the different areas of cooperation between the EU and Armenia are described in the annual country report. Some of the issues reported deserve special attention. The Armenian authorities delivered relatively transparent parliamentary **elections** in May 2012 and presidential elections in February 2013. **Freedoms of assembly, expression, and assembly** were generally respected but **media** independence remained insufficient. There was limited action against high-level **corruption**. The current framework of cooperation between government and **civil society** remains insufficient. Negotiations between Armenia and Azerbaijan to resolve the **Nagorno-Karabakh** conflict regrettably slowed down in 2012. Three negotiation rounds on a **Deep and Comprehensive Free Trade Area** (DCFTA) were concluded. The **Visa Facilitation Agreement** was signed in December. Armenia adopted a decree that lifts the visa obligation for EU Citizens as of January 2013. An increasing number of Armenian students and researchers benefited from different European programmes in the **education** area.

EU–Armenia – BACKGROUND

THE POLICY

The **European Neighbourhood Policy** governs the relations between the EU and Armenia. Since 2009 the EU implements the **Eastern Partnership**, the Eastern dimension of the ENP framework, aiming at substantially upgrading engagement with the six Eastern neighbours via:

- a Bilateral track, whose objectives include the establishing of Association Agreements with Deep and Comprehensive Free Trade Areas, once conditions have been met, as well as progress on visa and mobility issues, and
- a Multilateral track (i.e. intergovernmental platforms and Flagship Initiatives).

This approach allows for gradual political association and deeper economic integration.

FACTS AND FIGURES

1999: Entry into force of the EU-Armenia Partnership and Cooperation Agreement.

2006: Approval of the EU-Armenia Action Plan.

2009: EU Advisory Group to Armenia (financed by the EU) started its activities with the aim of supporting the Armenian authorities in the implementation of the key areas of the ENP Action Plan

2009: Neighbourhood Investment Facility committed EUR 14.6 million in grants and technical assistance for two projects in the transport sector. Armenia is also eligible for three regional projects, committing EUR 24 million in the energy and financial sectors

2007-2010: The ENPI² envelope for Armenia stands at EUR 98.4 million

² the European Neighbourhood Partnership Instrument

2010: Launch of the Association Agreement negotiations with the EU

2011-2013: The new National Indicative Programme (NIP) 2011-13 for Armenia was adopted in March 2010 and has a budget of EUR 157.3 million. The programme is geared towards supporting the achievement of key policy objectives as outlined in the EU-Armenia Action Plan and pursues three priorities: (1) democratic structures and good governance, (2) trade and investment; regulatory alignment and reform, and (3) socio-economic reform and sustainable development.

2011: Establishment of the EU-Armenia Mobility Partnership.

2011: Armenia became observer of the Energy Community.

2012: Launch of negotiations on a Deep and Comprehensive Trade Area (DCFTA)

2012: The EU and Armenia signed the Protocol to the Partnership and Cooperation Agreement on the general principles for the participation of Armenia in EU programmes.

2012: The EU and Armenia signed the Visa Facilitation Agreement.

More info at:

http://ec.europa.eu/world/enp/documents_en.htm

http://eeas.europa.eu/armenia/index_en.htm

http://eeas.europa.eu/enp/index_en.htm