EU–Armenian relations have undergone continuous progress during the past 15 years, reaching the Eastern Partnership (EaP) stage. They enjoy official, political, and public support: all the players in Armenia’s socio-political arena have particular incentives and interests – albeit different and sometimes even contradictory – regarding the EaP. This includes the government (both executive and legislative branches), the opposition, and civil society. The EU and its representatives, however, are taking a very cautious and sometimes quite controversial approach towards the EaP. This creates a measure of uncertainty and hence diverging interpretations and expectations of the goals of and prospects for the EaP. At the same time, coordination of the efforts and expectations surrounding the EaP among the main players in Armenia and their development of a mutually agreed agenda in that regard may convince the EU to support such an agenda and to engage more in bilateral relations. Armenian civil society should push for such a national consensus on the reform agenda and demand commitment and accountability on the part of the government.

Armenia’s Relations with the EU

Armenia and the EU first established formal relations in 1996 through their Partnership and Cooperation Agreement, which entered into force in 1999. In 2004, the European Council decided to offer Armenia, Azerbaijan, and Georgia the opportunity to participate in the European Neighbourhood Policy (ENP). On this basis, the EU–Armenia ENP Action Plan was approved in 2006 for a period of five years. The Country Strategy Paper for Armenia thus covers the period from 2007 to 2013. Assistance to Armenia over that period will be provided principally under the new European Neighbourhood and Partnership Instrument (ENPI). The principal objective of EU–Armenia cooperation at this stage is to...
develop an increasingly close relationship, going beyond past levels of collaboration to a deepening of political cooperation accompanied by continued economic growth and further reductions in poverty. EU assistance over the period covered by this strategy will help to achieve the above-mentioned policy objectives.

The strengthening of the EU Delegation in Yerevan, established in 2008, has further facilitated the enhancement of EU–Armenian relations. Armenia welcomed the idea of establishing the EU Advisory Group to the Republic of Armenia, which commenced its activities in 2009 with the aim of supporting the Armenian authorities in implementing the key areas of the ENP Action Plan. This included strengthening democratic structures and human rights, anticorruption measures, trade and customs, and fiscal policy, including debt management. Armenia also expressed its readiness to start an EU–Armenia Human Rights Dialogue, and the first meeting took place in December 2009.

The Armenian authorities and civil society representatives have actively participated in the multilateral framework of the EaP launched at the Prague Summit in May 2009. This participation manifested itself in open dialogue and contributions to the working programs of the four thematic platforms (»Democracy, Good Governance, and Stability«; »Economic Integration and Convergence with EU Policies«; »Energy Security«; and »Contacts between People«). Together with the bilateral elements of the EaP, this contributed to the overall strengthening of EU–Armenian relations and reinforcement of the follow-up on the priorities of the ENP Action Plan. In 2010, the EU Council approved mandates for the negotiation of association agreements with Armenia, Azerbaijan, and Georgia aimed at upgrading relations with those three countries.

Already in 2003, the EU Council appointed the first EU Special Representative (EUSR) for the Southern Caucasus. The aim was to assist the Council in developing a comprehensive policy towards the Southern Caucasus, to contribute to conflict prevention, and to assist in bringing about the cessation of conflict in the region. The diplomats occupying that position visit Armenia regularly and pay particular attention to the conflict over Nagorno-Karabakh. Armenia has demonstrated deep interest and enthusiasm in all the above-mentioned stages of relations with the EU. At the same time, in a few instances Yerevan and Brussels have had problems achieving full understanding and consensus.

The issue of the Metzamor Nuclear Power Plant (Metzamor) has been an important item on the EU–Armenian agenda for a number of
years. Early closure of Metzamor was identified as a key EU objective, in line with its general policy towards such first-generation Soviet-built plants. In 2001, the EU offered to organize a donors’ conference to create a fund to finance alternative energy production and to contribute up to 100 million euros if a binding agreement could be concluded on a closure date for Metzamor. To date, no agreement has been reached within EU–Armenian dialogue. Armenia has pointed out to the EU that energy production capacity must take account of the future expected energy needs of Armenia, the need to strengthen energy security, and the need to offset the impact of the closure of Metzamor on electricity tariffs. The EU has indicated that it will take this position into account in considering Armenia’s access to the benefits opened up by its inclusion in the ENP. In October 2009, Armenia adopted a law on constructing a new nuclear power plant. A tender to select the plant’s constructor is under preparation. Armenia plans to close Metzamor by 2016, before the design lifetime, provided that alternative capacity is available. Armenia has continued to build up its Nuclear Decommissioning Fund and to explore, jointly with the Russian Federation, uranium reserves. This issue remains the subject of EU concerns.

Another issue where potential controversies between Yerevan and Brussels should be considered is that of Armenia’s relations with two of its neighbors: Azerbaijan and Turkey. Armenians appreciate the stance of the European Parliament towards the genocide of 1915 in the Ottoman Empire, and especially the resolution of 1987 recognizing this historic fact. The statement of April 6, 2010 by the spokesperson of the High Representative, Catherine Ashton, on the normalization of relations between Turkey and Armenia was received positively in Armenia. However, Armenians expressed a certain disappointment with the fact that overcoming certain historic problems and the opening of Turkish–Armenian borders were not laid down by the EU as preconditions for accession talks with Turkey.

In contrast, Armenia’s reaction to the European Parliament’s Resolution on »The Need for an EU Strategy for the South Caucasus« (May 20, 2010) was negative. On May 21, the President of the National Assembly of the Republic of Armenia, Hovik Abrahamyan, sent a letter to the President of the European Parliament, Jerzy Buzek, in which he expressed his concerns. In particular, they referred to the »wording that runs contrary to the negotiation process on peaceful settlement of the conflict, and to the position of the OSCE and EU concerning Nagorno-Karabakh.«
The controversies regarding Nagorno-Karabakh also emerged in the preparatory stage of EuroNest, the Parliamentary format of EaP.

**Perceptions of the EaP’s Most Important Advantages and Shortcomings**

The perception of the EaP in Armenia could be characterized as one of »positive uncertainty.« At almost every level it has received positive feedback: however, its priorities have been understood differently. The proportions of enthusiasm and scepticism are also different, as are the incentives for joining this EU initiative.

The government is interested in cooperation with the EU in general, and with the EaP in particular, for three main reasons:

1. The geopolitical situation of Armenia is highly complex (land-locked country, closed borders to the west with Turkey and to the east with Azerbaijan), and this compels it to base its foreign policy on the pursuit of »multidirectional complementarity,« whereby the country seeks to maintain strong relations with relevant partners such as the EU, Russia, and the USA.
2. Having limited possibilities to attract investments, Armenia must welcome any and all international financial aid, and amounts provided by the EU are quite relevant for economic and financial stability (the national currency). In 2007–2010 the ENP envelope for Armenia stood at 98.4 euros million. The Indicative ENPI envelope for 2011–2013, as announced by the Commission, will be 157.3 million euros. About 40 million euros more are available through other EU programs.
3. For the government the main and the most important component of the EaP is the EU–Armenia Deep and Comprehensive Free Trade Area (DCFTA). In fact, the DCFTA does not add much advantage in comparison with the EU’s Generalized System of Preferences Plus (GSP+), which Armenia already benefits from. However, GSP+ is envisaged for 2009–2011 only, while DCFTA will provide longer-lasting stability in trade relations with the EU.

Thus, for the government the added value of the EaP vis-à-vis the ENP is, first of all, that it upgrades the level of cooperation with the EU through the Association Agreement; second, it opens up new opportunities for receiving EU funding; and third, it allows Armenia to ease the burden of relative economic isolation.
Within Armenia’s expert community an extensive debate is ongoing regarding the goals and prospects of the EaP. The two dominant notions are that: (i) the EaP is just a slightly modified version of the ENP, the EU is not ready to offer a strong political component, and thus the »purely« economic expectations of the government are entirely pertinent; and (ii) the EaP offers an opportunity to foster real democratic reforms, and the political component of the new initiative should be prioritized. To a certain extent these differences with regard to the perception of the EaP stem from controversial statements made by EU officials themselves.

In his report to the European Parliament after his visit to Armenia, Azerbaijan, and Georgia in April, the Commissioner for Enlargement and European Neighbourhood Policy, Štefan Füle, stressed: »In Armenia I urged all political leaders to advance political reforms, to improve electoral standards, and to speed up the process of addressing some of the political issues emanating from the post-presidential elections of March 2008 allowing for national reconciliation and thus releasing the full potential of society.«

On the other hand, the President of the European Commission José Barroso in his statement following his meeting with the President of Armenia Serzh Sargsyan in Brussels on May 26, 2010, offered quite a different message. He mentioned various aspects of EU–Armenia relations, but not once did he mention »democracy,« »elections,« or »human rights.«

The Attitudes of Armenia’s Political Opposition and Armenian Society to the EU

There is consensus among the major political forces in Armenia regarding the need to upgrade relations with the European Union. None of them, however, has openly presented a strategy for joining the EU in the future. Nonetheless, there is controversy about whether the European Union should exert pressure on behalf of democratic reforms in Armenia, as well as about the efficiency of EU structures in promoting such reforms.

On several occasions the Armenian opposition has expressed its disappointment over the inconsistency of EU institutions in their assessment of the political situation in Armenia. This disappointment sharply worsened after the presidential elections of 2008 and the tragic events of...
May 1–2 (when deadly force was used against the opposition) as the EU was expected to take a more critical stance towards the Armenian authorities. The oppositional Armenian National Congress (ANC) continuously criticizes European institutions for being insufficiently demanding on the issue of political prisoners. The ANC insists that the EU should impose preconditions before offering Armenia the opportunity to join new programs and providing aid to the country.

During the visit to Armenia of the European Union Ministerial Delegation (Troika), headed by the Foreign Minister of Spain Miguel Angel Moratinos, on March 2, 2010, the leader of the ANC Levon Ter-Petrosyan passed him a letter addressed to the Spanish Presidency of the EU, and another to the High Representative of the EU for Foreign Affairs and Security Policy, Catherine Ashton. In those letters he raised the issue of political prisoners. On March 10, the European Union issued a statement on the situation in Armenia, wherein it demanded a solution to the problem of political prisoners. The response of Catherine Ashton to Levon Ter-Petrosyan was received on May 6, and thus the ANC learned about the March 10 statement. The ANC welcomed the positions of the EU and its high-ranking officials on the issue. However, they requested explanations of why the EU delegation in Yerevan did not distribute the document in a timely fashion.

Some local civic groups also believe that EU involvement in building democracy in Armenia has been insufficient. Therefore they are cautious in terms of any positive expectations regarding new EU initiatives, such as the EaP. In the opinion of watchdog organizations the EaP will reflect positively on democratic changes in Armenia only if the European structures present the authorities with serious demands.

Many in Armenia think that the litmus test of the EU’s effectiveness will be the upcoming parliamentary and presidential elections in 2012 and 2013. As stated by the EU delegation in Yerevan, assistance will be provided for the improvement of the electoral code and for training the members of the election commissions. However, Armenian opposition groups and civil society representatives believe that such programs in Armenia will not address the root causes of the country’s increasingly entrenched culture of electoral fraud. They say that the problem is not so much in flawed legislation, but in practice. Thus, they believe that even if members of an election commission are fully cognizant of the electoral legislation, if they receive an order from above to turn a blind eye to fraud, they will duly comply.
The common perception is that US officials have been more vocal (at least in public) in criticizing the Armenian government’s 2008 bloody post-election crackdown on the opposition and mass arrests. The dominant sense among local opposition and civic groups is that EU pressure on the Armenian authorities has so far been too weak to generate any meaningful democratic change. They regard Armenia’s participation in the ENP as practically fruitless.

In a recent assessment report, the European Commission determined that Yerevan has made »progress in several areas« of an ENP Action Plan aimed at bringing the country’s political and economic systems into greater conformity with European standards. Again, watchdog organizations are quite disappointed with this, as well as with previous reports insisting that the European Commission’s definitions in most cases are too soft. One of the most important complaints directed towards the ENP is that it has been too focused on institutional or formal reforms, such as the adoption of laws and structural improvements, although that thrust is only a partial solution. If people see no serious changes in their relationships with state institutions and in their lives in general, then those formal changes not only become meaningless, but could also be harmful, as they discredit the very idea of reform. There is no serious »institutionalized« resistance to pro-European politics in Armenia, nor are there generation-specific attitudes. However, Euro-scepticism and ignorance about EU policies is present in public opinion and perceptions. According to a survey conducted in Yerevan by the Armenian-European Policy and Legal Advice Center (AEPLAC) in October 2009, the idea of European integration enjoyed broad public support overall. Respondents were also strongly convinced that Armenia would benefit from EU–Armenian cooperation. An overwhelming majority of Yerevan residents (86.3 percent) think Armenia should integrate with the EU. The level of trust that citizens have in European institutions is fairly high (43 percent vs. 33 percent of those who tend not to trust); more tellingly, it is 2.5 times higher than the trust placed in national institutions.

Against this background of positive attitudes, however, there are concerns among people in Yerevan regarding Armenia’s European integration. This pertains in particular to the possible loss of cultural identity and to overvalued religious and sexual minority rights, something mentioned by 21 percent and 12 percent of respondents, respectively. It is worth noting that such concerns exist among both the older and younger generations.

Another conclusion drawn from the survey is that further effort is
needed to enhance public awareness of European integration. Every eleventh respondent (9 percent) mentioned the name of one or more EU institutions; 13.4 percent of respondents had heard about the EaP; and about one-fourth of respondents claimed to have heard of the European Neighbourhood Policy (25.9 percent). When asked five »quiz questions« about their knowledge of the EU, 67.3 percent of respondents gave at least one correct answer, but only 0.8 percent gave correct answers to all five questions.

Government Engagement in EaP Activities

The first elections to appoint the Mayor and Council of Elders of the City of Yerevan were held in May 2009. This was to comply with the commitments of Armenia to the Council of Europe. International observers concluded that, while the organizational framework of the elections had been broadly in line with European standards, the improvement of the electoral process and the fostering of a genuinely democratic culture remained unaddressed by the authorities. Irregularities occurred during the conduct of the elections, including pre-election violence, instances of ballot stuffing, multiple voting and voter intimidation.

The authorities took a number of steps to address the political crisis linked to the 2008 presidential elections and the subsequent violent events of March 2008. An amnesty was adopted by the National Assembly in June 2009, which affected a large majority of cases related to the March 2008 events, but ten persons detained on charges linked to those events still remain in detention, some of them considered political prisoners. The monitoring of trials related to the March 2008 events identified various shortcomings regarding the right to a fair trial and the right to liberty, including excessive use of pre-trial detention, the lack of impartiality and independence of judges, the use of incriminating police testimony and unlawfully obtained evidence, and the holding of a number of trials in absentia. The investigations into the ten deaths have yet to lead to any indictments.

An Anti-Corruption Strategy and its action plan for 2009–2012, which includes the establishment of a monitoring and evaluation system, was adopted in October 2009. In September 2009, Armenia became a signatory to the OECD Astana Declaration on Good Governance and Fighting Corruption. However, despite a positive assessment by the
EU of the legislative progress, no reduction of perceived corruption was reported by international surveys in 2009.

International organizations expended enormous effort on behalf of the independence of the Human Rights Defender (HRDO) within the political system, and strongly supported its role in the protection of human rights. However, the general impression of the initiatives, reports, and statements of the HRDO over the past year is that the HRDO has become more cautious and compromising than during the previous period.

Legislation was amended in the area of freedom of expression and the media. In April 2009 a package of laws was adopted to amend the statutes of the National Commission of the Television and Radio and Public Television and Radio Council. However, the composition and the means of appointing members of the broadcasting regulatory bodies still do not provide for their independence and impartiality. Following the 2008 moratorium on the issuing of radio and television licenses until July 2010, and using the excuse of the ongoing process of digitalization of TV and radio broadcasting, in November 2009 the government released a Draft Concept on Switching to Digital Broadcasting, covering only a few technological and economic aspects of the digitalization process and completely undermining the issue of ensuring the diversity of content and ownership.

The Law on Rallies and Demonstrations still contains provisions allowing the authorities to broadly interpret the grounds for prohibiting public assembly. Applications to organize rallies submitted by the opposition are still being rejected by the authorities. Also, numerous cases were recorded of refusals to provide conference halls to the opposition and to watchdog NGOs, purportedly for political reasons.

The global economic downturn, and particularly the rapid deterioration of the Russian economy, deeply affected the Armenian economy in 2009. Economic activity, which had started to fall in the last quarter of 2008, contracted by around 15.4 percent in 2009. The official unemployment rate was estimated at 7.1 percent at the end of 2009. Young people and women continued to be particularly affected, accounting for 20.7 percent and 70.7 percent, respectively, of official unemployment. EU exports to Armenia declined by 20.6 percent, while exports of Armenian products to the EU decreased by 49.3 percent in 2009. The EU is Armenia’s main trading partner, with a one-third share in its overall external trade. The crisis also forced the Armenian government to temporarily suspend the Sustainable Development Program
on poverty reduction. The introduction of the new pension system was postponed to 2011.

Since Armenia is isolated from regional projects on energy supply and energy security because of existing problems with its neighbors, its engagement in the third Thematic Platform of the EaP is focused on the issues of the Nuclear Power Plan. With regard to EU assistance in the area of nuclear safety, projects providing on-site assistance and supply of equipment to the Metzamor Nuclear Power Plant worth 11 million euros are being implemented within the framework of the Instrument for Nuclear Safety Cooperation (INSC) Action Program. Two other projects aimed at improving the safety culture of the Armenian Nuclear Regulatory Authority for the overall sum of 2.3 million euros are under way.

In the area of people-to-people contacts and youth exchange Armenia continued its active participation in the Erasmus Mundus scholarship program, as well as in Tempus IV.

The Response of Civil Society to the EaP

Armenian civil society is more committed to the prospect of EU membership for Armenia than the government, political parties, or the general public. It also considers the EaP a viable opportunity for getting closer to the EU. Civil society organizations wish to play an essential role with regard to fostering reforms aimed at democratization and a liberal market economy in the context of the EaP.

The first EaP Civil Society Forum (CSF) conducted in Brussels in 2009 encouraged Armenian Civil Society Organizations to formulate their institutional role in the EaP, ensure their participation in the oversight of public services, and to strengthen public confidence in them.

A total of 21 Armenian csos took part in the Forum and contributed to the development of recommendations by the working groups formed according to the four thematic platforms of the EaP. Upon their return home the Armenian delegates established an initiative group aimed at founding the CSF National Platform (NP). The mission of the Armenian NP was formulated as that of developing recommendations for the EaP Action Plans, ensuring compliance with the solutions offered for domestic issues to EU standards, including all groups in society, and raising social awareness. The importance of holding governments accountable for the progress of reform is also stressed.
The idea was properly promoted and widely supported by Armenian csos. Whereas only 50 organizations applied for participation in the CSF in 2009, the initiative group of the National Platform received more than 170 applications to join. The founding meeting of the Armenian NP took place on June 7, 2010, and it appeared that Armenian csos were ahead of their colleagues in the five other EaP countries in the formation of their National Platform.

The National Platform Initiative group established contacts with the relevant governmental structures seeking cooperation and coordination of efforts with the other two formats of EU–Armenian relations: the governmental and the parliamentary. Interest in cooperating was expressed during all meetings. At the same time, the Armenian National Platform of the CSF also embraces organizations that are known as watchdogs, and they are planning to conduct thorough monitoring of reforms in Armenia in the context of the EaP, as they did during the previous five years.

**The EaP in the Future – Prognoses**

As has been described, the approaches of the government, the opposition, and Armenian civil society towards the EaP are quite different. The success of the policy in Armenia will depend on whether they all become partners or at least interested stakeholders. Civil society is expected to be the moving force in this process. Armenian NGOs made significant progress in identifying their mission and role in the EaP.

At the same time there are factors speaking both in favor of the EaP’s success and against optimistic expectations. According to the assessment of the situation by watchdog organizations, the current state of human rights and fundamental freedoms, the rule of law, good governance and justice in Armenia is not conducive to deepening a relationship based on values.

Despite some negative developments in the past year, the upcoming years will yield opportunities for steady democratic development in Armenia. This is due primarily to the huge pressure the incumbent authorities are currently facing within the country, due to social and economic tensions – as well as from the international community. There is also an understanding that increased authoritarianism and »firm grip« policies are not well received by Armenian society and the general public.
Thus, the outcome for the EaP will depend strongly on how active, involved, and interested the general public will be in the near future. In this respect, the role of the media is extremely important. Until recently, the media remained fairly indifferent to the EaP – and even to EU–Armenian relations in general. A brief survey of 15 leading Armenian newspapers conducted by the Yerevan Press Club in March and April 2010 revealed that only 91 publications in all reviewed media during those two months were dedicated to the EU (most of them brief news reports). Moreover, only 20 of those 91 mentioned the EaP. Therefore, one cannot expect the public to be aware of and interested in the EU initiative. On the other hand, the start of negotiations on the Association Agreement, as well as raising the involvement of Armenian civil society in the EaP (especially the public nature of such involvement) will probably result in an increase in media coverage and its quality. In this way, the EaP has a chance of becoming one of the key issues in Armenia’s socio-political life, and this could foster a favorable outcome.

References

General information regarding EU initiatives in which Armenia is involved may be found at: http://ec.europa.eu/world/enp/documents_en.htm
More specific data about the ENP and the EaP, statements of EU officials are available at: http://ec.europa.eu/external_relations/eastern/index_en.htm
http://ec.europa.eu/world/enp/index_en.htm
http://ec.europa.eu/external_relations/enp/index_en.htm
Information about specific programs implemented within the framework of EU–Armenian relations, as well as their assessment can be found at:
http://ec.europa.eu/external_relations/armenia/index_en.htm
www.delarm.ec.europa.eu
The Armenian approach to its relations with the EU is reflected on the following websites:
www.president.am
www.mineconomy.am/en/
www.parliament.am
Materials on civil society’s involvement in the EaP are available at: http://ec.europa.eu/external_relations/eastern/civil_society/second_csfen.htm
For civil society’s input into EU–Armenian relations, including initiatives, statements, and assessments, the following websites can be recommended:
www.ypc.am (section »Studies«) and www.partnership.am