



**The European Neighbourhood Partnership Instrument
for the Republic of Armenia**

European Union Advisory Group to the Republic of Armenia

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List of Abbreviations

CIB	Comprehensive Institution Building
DHR	Democracy and Human Rights
DCFTA	Deep and Comprehensive Free Trade Area
DG TRADE	European Commission Directorate General for Trade
EaP	Eastern Partnership
ENP	European Neighbourhood Policy
EP	European Parliament
EU	European Union
EUAG	European Union Advisory Group
EURONEST PA	EU-Neighbourhood East Parliamentary Assembly
HRDO	Human Rights Defender's Office
IOM	International Organisation for Migration
IPR	Intellectual Property Rights
JLS	Justice, Liberty and Security
MFA	Ministry of Foreign Affairs
MOF	Ministry of Finance
MoE	Ministry of Economy
MoJ	Ministry of Justice
MS	Member States
NA	National Assembly
NSC	National Security Council
NSS	National Security Service
OECD	Organisation for Economic Co-operation and Development
PAR	Public Administration Reform
PMO	Prime Minister's Office
RA	Republic of Armenia
RA NA	National Assembly of the Republic of Armenia
RA PM	Prime Minister of the Republic of Armenia
SDP	Sustainable Development Programme
SMS	State Migration Service
SPS	Sanitary and Phytosanitary Issues
SRC	State Revenue Committee
SSFS	State Service for Food Safety
TAIEX	Instrument for Technical Assistance and Information Exchange
TBTs	Technical Barriers to Trade
UNHCR	United Nations High Commissioner for Refugees
VF&RA	Visa Facilitation and Re-admission Agreements

I. Executive Summary

“At present, large-scale reforms are implemented in Armenia. In particular, radical reforms in the economic, legal, judicial, educational, social, agricultural and other pivotal fields are in the focus of attention. In this context, the assistance of the EU Advisory Group is very important – an instrument to stimulate and foster economic and political integration with the EU.”

Artur Baghdasaryan, Secretary of the National Security Council, 29 August 2012

In line with the European Neighbourhood Policy Action Plan, the EU Advisory Group (EUAG) supports the Republic of Armenia (RA) in the implementation of an ambitious political and economic reform agenda. EUAG activities result in better legislation, strategies and action plans, and bring them in-line with EU standards. Through EUAG policy advice on reforms across sectors are implemented faster and more efficiently and approximation with the EU laws and regulations is driven forward. Furthermore, it helps to achieve policy reforms by promoting and assisting with the utilisation of relevant EU technical assistance and financing instruments. 2012 also marked the opening for Armenia of the access to EU programmes relevant to the Eastern Partnership countries and the applicable agreement was signed in December 2012.

The most visible progress achieved in the field of Justice, Freedom and Security (JLS) was the signing of the Visa facilitation agreement between the Republic of Armenia and the European Union in December 2012. The agreement will make it easier and cheaper for Armenian citizens to acquire short-stay visas, allowing them to travel to and freely throughout the EU. EUAG's advice and recommendations on Armenia's migration policies facilitated the opening of negotiations early in the year. Its continued assistance on specific issues during the negotiations helped drive them forward quickly. Further progress recognised in JLS reforms facilitated by the EUAG included initial steps taken towards the establishment of a probation service along European standards, as well as an increased awareness among Armenian authorities regarding personal data protection and the certification of real estate transactions.

In view of Democracy and Human Rights (DHR), gradual progress in parliamentary reform and improved interaction with civil society organisations resulted from EUAG activities directed at the National Assembly. The EUAG succeeded to further increase the understanding of the role and functions of the consultative mechanism and to promote public debate with civil society. Amongst other activities, the EUAG organised a high-level seminar, in which Štefan Füle, EU Commissioner for Enlargement and European Neighbourhood Policy, delivered a keynote speech stressing the role of civil society as a driving force for change in the Eastern Partnership. With EUAG support, the National Assembly (NA) also managed to move closer to EU institutions and to increase its involvement in the EURONEST Parliamentary Assembly of the Eastern Partnership. Most significantly, following EUAG recommendations, a first meeting of the EURONEST Committee on Social Affairs, Education, Culture and Civil Society outside the European Parliament premises was organised in Yerevan with the participation of the Azerbaijan delegation. The integration of Armenian political parties into their EU political families was also supported and led to an observer member

status for three parties in the European People's Party. Regarding human rights, the National Strategy on Human Rights Protection was adopted in autumn 2012 with the support of the EUAG. Together with a related Action Plan that should be adopted during the first half of 2013, the strategy would contribute to strengthening the promotion and protection of human rights and fundamental freedoms. The EUAG also assisted the Human Rights Defender's Office (HRDO) in the process of elaborating a law on anti-discrimination. EUAG's advice and recommendations contributed to progress made in the prevention of torture in penitentiary institutions as well as in the handling and documentation of complaints about violations of human rights and fundamental freedoms. The HRDO was, in addition, supported in terms of capacity-building and also advised on legislation securing its scope and financial independence.

Preparations for negotiations on a Deep and Comprehensive Free Trade Area (DCFTA) have been facilitated by the EUAG since 2009. Following the launch of negotiations in February 2012, the EU and the Armenian government quickly made progress based on the targeted policy advice provided by the EUAG on specific trade-related reforms. By the end of 2012, two chapters were already preliminarily closed. Furthermore, the EUAG coordinated and provided advice on: draft strategies and legislation related to Armenian quality infrastructure; the enforcement of intellectual property rights; food safety and the customs administration.

In view of Public Administration Reform (PAR), the Civil Service Council has agreed upon EUAG recommendations to draft a reform strategy which, when finalised in mid-2013, will address internal civil service reform and the current fragmentation of the public service. The EUAG also undertook a diagnostic analysis to develop a reform roadmap and drafted a comprehensive concept paper for a government web portal offering useful information for citizens.

In all the above areas, the EUAG not only helped in driving forward reforms, but also contributed to raising awareness on these. In total, 16 public events were organised for stakeholders, civil society and the public. The EUAG also organised two series of lectures in spring and autumn 2012 to inform on its contribution to the Armenian reform process. Lectures delivered by EUAG advisors on trade, public administration reform, EU institutions, human rights, food safety and phytosanitary issues, intellectual property rights and migration provided students with an opportunity to learn about and discuss the latest developments in EU-Armenia relations and EU best practices.

II. Background: The European Union Advisory Group

The European Union is seeking closer relations with the Republic of Armenia aiming to move from current cooperation, governed through the EU-Armenia Partnership and Cooperation Agreement signed in 1999, to gradual economic integration and deeper political ties defined through an Association Agreement.

Initiating reforms in a wide range of areas, including democracy and human rights, justice, freedom and security, as well as trade and public administration, was required before launching negotiations on the Association Agreement in 2010. At the request of the Republic of Armenia, the European Union initiated the

EU Advisory Group in 2009 to assist the country in shaping and implementing an ambitious reform agenda. Since then, the high-profile EUAG international and national experts have been providing the Armenian government and other national authorities with tailored advice on legal, democratic, economic and institutional reform issues as relevant to areas of the European Neighbourhood Policy (ENP) Action Plan.

The EUAG concretely ensures that Armenian authorities have direct access to best practices and reform experiences from the European Union. It serves to strengthen the policy-making process by helping the government formulate sectoral policies, ensure effective policy implementation, as well as consult civil society and raise awareness on reforms among key stakeholders and the public.

The EUAG also assists with the effective use of the Comprehensive Institution Building (CIB) programme and other tools of EU technical assistance and capacity-building such as Twinning, the Instrument for Technical Assistance and Information Exchange (TAIEX), Budget Support, Framework Contracts etc.

Policy advice provided by the EUAG is directed at the four following areas:

- Strengthening human rights and fundamental freedoms as well as enhancing democratic structures;
- Supporting reforms in the field of justice, liberty and security;
- Enhancing the economic integration of Armenia into the European Union's internal market;
- Increasing the efficiency of the public administration.

Activities carried out between 1 January and 31 December 2012 in these areas are detailed below.

III. Justice, Liberty and Security

Regarding the justice, liberty and security sector, activities of the EU Advisory Group in 2012 helped to reform Armenia's justice system, and contributed to improving law enforcement and managing migration. On these issues, the EUAG cooperated primarily with the National Security Council (NSC), the Ministry of Justice (MoJ), the Police, and the State Migration Service (SMS).

The most visible political progress achieved last year, and made possible with the continuous support of the EUAG, was the signing of the Visa facilitation agreement between the Republic of Armenia and the European Union on 17 December 2012. Once implemented the agreement will make it easier, faster and cheaper for Armenian citizens to acquire short-stay visas, allowing them to travel to the EU-Schengen Member States. For some categories of frequent travellers and under certain conditions, EU Member States are expected to issue multiple-entry visas. The Visa facilitation agreement goes hand-in-hand with a re-admission agreement. The re-admission agreement with Armenia is expected to be signed in the first quarter of 2013 and will set out clear obligations and procedures for the authorities of EU Member States and the Republic of Armenia as to when and how to return own nationals, third country nationals and stateless persons, who are illegally residing in the territories of the parties. Both visa facilitation and readmission agreements will enter into force simultaneously.

Further progress recognised in reforms that was facilitated by the EUAG included initial steps towards the establishment of a probation service in-line with European standards, support to several strategies, as well as an increased awareness among Armenian authorities regarding personal data protection and the certification of real estate transaction.

1. Justice

Contributing to the overall reform of Armenia's penitentiary system, the EUAG undertook various initiatives to encourage the Ministry of Justice (MoJ) to establish a probation service in-line with European standards. Following the publication of the policy paper: *Towards the creation of a probation service in Armenia*, the EUAG, together with the MoJ, organised a public seminar to discuss potential advantages and challenges the country may face in structuring a probation service. The event raised awareness on the issue among key policy makers, national authorities, international organisations and civil society groups. In addition, a closed workshop was held on security issues related to the establishment of a probation service. It encouraged debate among various state bodies, including the National Security Council, the Ministries of Health, Education and Science, and Labour and Social Issues, the Drug Rehabilitation Centre and the Chamber of Advocates.

Further activities directed at the MoJ included the drafting of policy papers analysing EU legislation on personal data protection and the certification of real estate transaction. In addition, information was provided on the function of notaries and the effects of shifting the legal determination of facts from courts to notaries.

The Working Group in charge of drafting the Criminal Procedure of the RA sought advice from the EUAG on shifting of the burden of proof and the standards of proof. The EUAG prepared a draft policy paper on the burden of proof, which presented EU good practices in view of the possible derogations from the presumption of innocence.

2. Law Enforcement and Security

At the request of the Head of the General Department for Combating Organised Crime of the RA Police, the EUAG developed a proposal to partially restructure the department's operational divisions in charge of the fight against economic and financial crimes to make these more coherent and efficient.

For the Police and the Prosecutor General's Office, the EUAG facilitated TAIEX support. This helped to increase the understanding of cybercrime and human trafficking; strengthened cooperation between the Police and the judiciary; and improved the management of operational information. A Twinning request to enhance the capacity of the information centre of the Police, by modernising its procedures, was also supported by the EUAG. Ultimately, this activity is expected to result in more rapid investigations of criminal activities in all sectors. Another TAIEX request from the Police was recently filed with the support of the EUAG. This request concerns plans to upgrade the cybercrime division.

The National Security Council requested the EUAG to gather background information on the EU Joint Situation Centre. This is a counterterrorist body that analyses public security information and provides early warning assessments in case of emergency. The research then formed the basis for EUAG recommendations on how to establish such a structure in Armenia.

The EUAG also provided advice to the NSC on the possible legal structure of a foundation promoting business exchanges between Armenia and the EU. Advice was also provided on a training centre for border security personnel. Regarding the latter, UNHCR already expressed its interest to cooperate in providing a module concerning the treatment of refugees.

Finally, the Police launched a new website that aims to enhance the transparency of its activities towards civil society and the public. Information provided through this website is considered to be in-line with EUAG recommendations provided over the past two years.

3. Migration

Negotiations on Visa facilitation and Re-admission Agreements between Armenia and the EU were launched on 27 February 2012 with the negotiations on Visa facilitation closed within less than ten months. The EUAG continuously supported the Armenian government in the negotiation process by presenting them a comparative analysis of the Georgian and Moldovan visa facilitation and readmission agreements, giving information on key topics to be taken into account in the negotiation process and by contributing to the preparatory meetings of the Armenian delegation and participation in a number of negotiations.

At the same time, the EUAG tried to raise public awareness and to manage unrealistic expectations in view of visa facilitation, which is different from visa liberalisation. A seminar was organised for journalists and selected civil society organisations and a leaflet was produced for this event, providing basic information on the issue.

Towards the end of the negotiations and upon a request from the Ministry of Foreign Affairs, the EUAG drafted an advisory paper providing insights into the visa dialogue process, and outlining possible steps to be taken by Armenia to move from visa facilitation to visa liberalisation.

Furthermore, to help align Armenian migration and asylum policies with European standards and taking the reform process further, a series of other EUAG policy and advisory papers were provided. In-line with the Action Plan for implementing a *Policy Concept for State Regulation of Migration*, EU good practices on the organisation of asylum and migration policies were presented in a policy paper to the Armenian migration authorities. Another paper presented opportunities and instruments available for Armenia to expand and deepen its cooperation with the EU on migration. This paper was followed up by concrete recommendations on cooperating with EU agencies in the area of migration.

The benchmarking of collecting migration data in Armenia against EU standards was the subject of a third policy paper. Shortcomings were identified in view of the collection and storage as well as the quality of data. Consequently recommendations were made on how to close these gaps.

IV. Democracy and Human Rights

Regarding the strengthening of democratic structures, the EUAG encouraged the participation of the Armenian National Assembly and other officials in the framework of the European Neighbourhood Policy (ENP) and the Eastern Partnership (EaP). The social legitimacy of the National Assembly could be increased through EUAG support in taking further steps to involve civil society more genuinely in the legislative process- as a follow up to the parliamentary elections held in 2012.

In view of human rights, the priority of the EUAG was strengthening the legal framework and the respect for human rights and fundamental freedoms in compliance with international commitments undertaken by Armenia. In 2012, the EUAG helped to foster the scope and financial independence of the Human Rights Defender and, among other activities, to improve the process of complaints investigation regarding violations of fundamental freedoms and human rights. Thorough advice was also provided on an upcoming anti-discrimination law. In October 2012 National Strategy on Human Rights Protection was adopted, following which started elaboration of the Action Plan on Human Rights Protection which should be adopted by summer of 2013.

1. Democratic Structures

Parliamentary reform and improved interaction with civil society organisations were the focus of EUAG activities directed at the National Assembly. The aim was to further increase the understanding of the role and functions of the consultative mechanism, and to promote public debate with civil society.

The EUAG organised a high-level seminar dedicated to the development of civil society in Armenia. The EU Commissioner for Enlargement and European Neighbourhood Policy, Štefan Füle, delivered a keynote speech stressing the role of civil society as a driving force for change in the Eastern Partnership. The seminar provided an opportunity for more than 100 participants from civil society, international organisations and state agencies to discuss the impact and sustainability of civil society. It addressed challenges related to the legal and regulatory framework for civil society organisations, as well as questions on internal governance, transparency and accountability. Participants also discussed the role of civil society as an agent of change and promoted the participation of civil society in public policy processes.

“We also look to our friends in civil society to give us a dose of reality. Whether you come from a non-governmental organisation fostering human rights, a think-tank, a trade union, an employers’ organisation or a women’s association, there is something in Armenia’s cooperation with the European Union, and in the new Association Agreement which we are negotiating, which will interest you. And only you can tell us how to make it work in the specific context of Armenia.”

Štefan Füle, EU Commissioner for Enlargement and European Neighbourhood Policy, 27 September 2012

The EUAG organised another seminar on participatory democracy to present and discuss best practices of self-organisation and representation of civil society in EU member states' public councils. The objective was to spark off public debate ahead of the reform of the Armenian public council. The EUAG further helped to raise awareness among members and staff of the National Assembly through a seminar on the role of civil society in participatory democracy and a concept paper on visitor group access to the National Assembly.

The EUAG also drafted a policy paper on the interaction among Armenian state institutions in the framework of EU-Armenia integration, which was presented in a seminar entitled: *Towards a Common Inter-Institutional Approach for EU-Armenia Integration*.

In addition, the EUAG co-organised public hearings: on the gender equality draft law; on road safety issues; and, on the human rights situation in penitentiary institutions and police detention facilities.

Despite all the progress made throughout 2012, it should be noted that it remains a challenge to raise awareness in the National Assembly on the need for a broader parliamentary.

2. Parliamentary Cooperation

To further deepen political and institutional cooperation between Armenia and the EU through the parliamentary track, the National Assembly was advised to host a meeting of the EURONEST Committee on Social Affairs, Education, Culture and Civil Society in Yerevan in February – the first of its kind outside the European Parliament premises. The EUAG went on to facilitate the participation of the complete Azerbaijan delegation in this meeting and encouraged the Armenian delegation to participate in the follow-up plenary meeting in Baku, Azerbaijan, in April. The Armenian delegation to the EURONEST Parliamentary Assembly was, at the same time, continuously assisted in identifying and negotiating amendments in the various working groups.

Regular EUAG participation in EURONEST Parliamentary Assembly Bureau meetings contributed to reaching mutual agreement among the delegations of Armenia, Azerbaijan and Georgia to – at least in principle – withdraw all amendments related to territorial disputes. Following EUAG advice it was also agreed that the EaP Civil Society Forum will participate in the respective EURONEST Standing Committees.

To boost EU-Armenia parliamentary cooperation, Armenian parties that had applied for integration into their respective EU political families were supported. As a result, three Armenian parties received observer member status in the European People's Party in February 2012, which implies, inter alia, participation in biannual preparatory meetings with a vast majority of EU Heads of State/Government as well as the European Council prior of every EU Summit. To discuss the benefits and challenges of this process, presentation of a case analysis on *Eastern Partner Countries National Parties' Integration into the EU Political Families* was hosted by the EUAG. The presentation targeted political parties and organisations

interested in the process of political integration. Participants noted that the acceptance of political parties into EU political families may enhance the EU's knowledge and understanding of EaP countries.

The EUAG also raised awareness on mechanisms and procedures in view of the work of the NA Delegation to the European Parliament EU-Armenia Parliamentary Cooperation Committee. Other EUAG activities aimed at strengthening institutional cooperation focused on encouraging and facilitating the participation of Armenian officials and political party representatives in meetings on European level.

Finally, the EUAG contributed to building the capacity of NA staff by arranging trainings and study visits in the European Parliament. These included organisation of a traineeship in the EP for the advisor to the Head of the NA Delegation to the EURONEST PA.

3. Human Rights

Activities regarding human rights focused on strengthening the Armenian Human Rights Defender by building the capacity of the institution. At the same time, the EUAG helped to improve the legal framework and to raise awareness on specific human rights issues.

The National Strategy on Human Rights Protection was drafted with the continuous support of the EUAG throughout 2011 and adopted in October 2012. During the second stage of the process, i.e. drafting the Action Plan, EUAG assisted both the HRDO and the Ministry of Justice in developing the document in line with international human rights standards as well as ensuring genuine inclusion of the civil society. The Strategy and the Action Plan will ensure implementation of a more consistent and systemised policy in the field, raising the level of education and awareness as well as meeting the international and bilateral commitments undertaken by Armenia.

The EUAG assisted the Human Rights Defender's Office (HRDO) in the process of elaborating a law on anti-discrimination. A policy paper outlined key elements for ensuring the conformance of the forthcoming law with EU legislation and international standards. On this basis, the HRDO is expected to draft the law on anti-discrimination in 2013.

A policy paper on torture prevention in penitentiary institutions was drafted. It makes recommendations for legislative amendments to the draft Criminal Procedure Code, the Penitentiary Code and relevant by-laws. When researching this paper, the EUAG visited and assessed Armenian prisons together with experts from the National Preventive Mechanism, as well as carried out desk research on Armenia's penitentiary legislation and prepared an overview of reports of international organisations on conditions in places of detention in Armenia. The policy paper was presented in a seminar to the HRDO, human rights civil society organisations and representatives of the MoJ.

“The EU Delegation to Armenia is encouraged to see that the Republic of Armenia is following a path of reforms in its penal legislation and bringing it in-line with EU best practices.”

Ambassador Traian Hristea, Head of EU Delegation to Armenia, 29 June 2012

For its work on the handling of complaints about violations of human rights and fundamental freedoms, the EUAG researched best practices in EU Member States. Information collected through the desk research, together with feedback from personal interviews with HRDO lawyers and investigators formed the basis for comprehensive guidelines on the process of complaint investigation. Recommendations in the guidelines touched on the procedure of complaint investigation, on the necessary stages and on the level of responsibility etc.

In addition, the EUAG provided comments on a template for HRDO decisions aimed at making the final account of each investigation more comprehensive, informative and standardised. HRDO decisions, even in cases where no violation is eventually found, could then be used for raising public awareness on human rights, relevant legislation and the functions of state institutions and agencies.

The EUAG also contributed to raising awareness on human rights by participating in round-table discussions with civil society representatives from the Vanadzor region on the mandate and status of the Ombudsman institution in Armenia in comparison to EU countries. Upon the request of the National Assembly, the EUAG started to work more closely with the Standing Committee on Human Rights and Public Affairs to strengthen and promote cooperation between the Committee and the HRDO. The public hearing on the human rights situation in penitentiary institutions and police detention facilities held at the National Assembly was a first positive result.

Last but not least, the HRDO was advised on amendments to the law on the institution itself. In its recommendations, the EUAG aimed to secure a broader mandate for the institution, its financial independence, staff immunity, and comprehensive provisions for the national preventive mechanism.

V. Deep and Comprehensive Free Trade Area

On 20 February 2012, the European Union and Armenia launched negotiations towards a Deep and Comprehensive Free Trade Area (DCFTA) aiming to bring Armenia economically closer to the EU. This major step forward in economic cooperation between the EU and Armenia has been facilitated since 2009 through sustained EUAG efforts.

The DCFTA will help to significantly expand future trade relations. The negotiations cover matters that have become crucial to a modern, transparent and predictable trade and investment environment. They will not only address conditions of market access but also focus on approximating the regulatory framework in order to allow closer economic integration of Armenia with the EU.

“In recent years, European integration processes have been deepened and strengthened. The launch of the Association agreement and Deep and Comprehensive Free Trade Area negotiations opened a significantly enhanced phase for EU-Armenia cooperation dialogue. The EUAG has an important role in these processes from the perspective of activating and increasing the effectiveness of the EU-Armenia cooperation.

Garegin Melkonyan, Deputy Minister of Economy, 25 February 2013

In 2012, the EUAG continued its comprehensive support to the Armenian government. It assisted in the preparations of the negotiations and provided targeted policy and technical advice on specific trade-related reforms that went hand-in-hand with the negotiation process. As a result, by the end of the year, two chapters were already preliminarily closed following the first three rounds of negotiations. Required reform on important horizontal and vertical trade legislation is also well underway.

With regard to the DCFTA negotiations, the EUAG primarily cooperated with governmental bodies that are coordinated by the Ministry of Economy and that work on trade and trade-related issues. Specific topics covered included: technical barriers to trade, sanitary and phytosanitary issues, trade facilitation and customs administration, as well as the protection of intellectual property rights.

1. General Support to DCFTA Negotiations

Following the official launch of the DCFTA negotiations, the EUAG assisted the Ministry of Economy in its preparations for the first round of talks with the European Commission’s DG Trade and the European External Action Service. A tangible EUAG output of this activity was an advisory briefing paper on follow-up actions and measures that were expected to be requested from Armenian authorities in seven areas: tariff and non-tariff barriers; trade facilitation and customs administration; rules of origin; services and investment; public procurement; competition; and sustainable development.

Early on in the negotiation process, the EUAG commented on the *Common Understanding* document, which was agreed between both sides in a technical preparatory meeting. The purpose of the meeting was to clarify the scope and content of the negotiations. Ahead of the historic first round of negotiations, the EUAG also provided detailed comments and questions on ten Issue Papers prepared by DG Trade. The focus of the review lay on the scope and coverage which the European Commission approach implied including whether there was the distinct possibility of the RA entering into commitments or obligations decisively beyond those made to the World Trade Organisation. Furthermore, technical terminology that could potentially create confusion was identified and clarified. Meanwhile helpful comparisons were offered with other recent free trade agreements, such as the one between the EU and South Korea.

In the negotiation rounds the EUAG participated as observer in various working groups, which contributed to a positive and constructive atmosphere and helped the Armenian delegation to liaise with senior officials of the European Commission on policy issues. After each negotiation round, a debriefing note was

prepared for both the Ministry of Economy and the EU Delegation in Armenia on the main operational conclusions. In-between the negotiation rounds, the EUAG helped Armenian authorities to prepare for upcoming rounds by providing concrete policy advice on transition periods for approximation programmes, sectoral priorities and negotiation positions.

The EUAG also assisted in raising awareness about the negotiations. In close collaboration with the Ministry of Economy, it organised a seminar on challenges and opportunities of the EU-Armenia DCFTA negotiations aimed to analyse the opportunities this process might bring to Armenia and to discuss the challenges ahead. Other activities to inform the public included a series of interviews of EUAG advisors with Armenian newspapers.

2. Approximation of Trade Legislation and Institutional Reform

Technical Barriers to Trade

Removing and avoiding technical barriers to trade is a key element in the DCFTA negotiations. Technical barriers to trade (TBTs) refer to technical regulations, minimum standards and certification systems which may result in the erection of barriers when trading goods and services. TBTs are generally caused by the different application of technical regulations, standards and certification systems between domestic and foreign suppliers.

In-line with EU best practices, the EUAG supported the drafting of a *first pack* of four horizontal laws on metrology, accreditation, standardisation and technical regulations to pre-empt the emergence of new technical barriers. When these laws were approved by the Armenian President in March, the EUAG organised a workshop to outline their implications to key experts of the Armenian quality infrastructure sector, representatives of the state institutions and international organisations.

The focus of the EUAG then shifted to supporting work on secondary decrees that will ensure the implementation of these laws. Specific advice was provided to the Ministry of Economy on decrees related to: the use of conformity assessments in technical regulations; the strategic direction of accreditation; and the creation of a quality council. It was furthermore recommended to consider an EU framework contract rather than Twinning to support developments in the metrology sector.

Further advice was provided on the approximation of the technical regulation for toy safety. This included recommendations on the degree of compatibility that is practicable in view of recent on-going changes in EU regulatory instruments related to chemical properties. The Accreditation Agency was advised on its organisational reform: on the need for appropriate membership of European and international bodies; as well as on the initiation of working practices in-line with international standards.

Following continued advice by the EUAG throughout the year, considerable progress could finally also be recorded on the preparations of the *second pack* of horizontal laws on market surveillance, general product safety and product liability. When commenting on the amended market surveillance and the general

product safety laws, the EUAG closely coordinated its activities with the market surveillance Twinning project to provide a coherent response.

Sanitary and Phytosanitary Sector

In-line with international and EU standards, advice on sanitary and phytosanitary issues (i.e. food safety and animal and plant health measures) was provided to the Armenian State Service for Food Safety (SFSS), which is under the direct supervision of the Prime Minister.

To safeguard effective implementation of legislation and improve the performance of the food and feed safety control system, the EUAG continuously advised the SSFS on developing the capacity of food safety and plant health laboratories; on conducting a laboratory needs assessment; and on establishing a laboratory network.

The EUAG also analysed gaps in veterinary legislation and phytosanitary provisions. Amongst other activities, comments were provided on fish and crayfish export certificates to the EU and on potential export of dairy products export to the EU. In addition, the SFSS was supported in drafting Guidelines for Pest Risk Analysis as well as a manual for import inspection, both in-line with international standards. On request of the SSFS, the EUAG provided information on the EU identification and registration system of bovine animals and assisted in developing surveillance and monitoring annual plans for inspectors based on data of phytosanitary register.

A policy paper on residue testing in animal origin foodstuffs was submitted to the SSFS. The EUAG furthermore assisted in the drafting of an annual monitoring plan for the detection of harmful organisms in the territory of Armenia. It also proposed the establishment of a control procedure for the detection of potato wart disease. This was based on the EU Directive for the control of quarantine pest potato wart disease. Additional EUAG assistance was requested in the area of animal welfare.

Assistance to the Ministry of Agriculture included an evaluation of a draft government decree on organic agriculture products. Another evaluation was carried out for the Ministry of Economy. This evaluation focused on the draft government decree on the approval of the programme on approximation of legal framework of agro-economy and agro-processing sectors to the EU legal framework.

To raise awareness about the food safety strategy, which seeks to bring Armenia's food system in-line with relevant EU legislative and institutional requirements, the EUAG organised a seminar in cooperation with the Ministry of Agriculture and the SSFS. Government officials, representatives of international organisations, food industry representatives and key stakeholders with an interest in the safety and quality of food production and supply were presented with a detailed review of the strategy and the action plan.

Intellectual Property Rights

In order to support the enforcement of intellectual property rights (IPR), the EUAG assisted awareness raising measures and capacity building activities of the RA enforcement bodies. It also contributed to institutional reforms of IPR enforcement authorities, including the Police, customs and the judiciary.

Assistance was provided to the creation of a database on IPR-related judicial acts and the setting up of a customs register, where companies can request trademark registration. The EUAG furthermore provided a comprehensive analysis and subsequent recommendations to the Police on its proposed reform of IPR-related provisions in the criminal and administrative codes.

A Twinning project on IPR enforcement, encouraged by the EUAG, was launched in March and helped Armenian authorities to implement policy advice provided by the EUAG on IPR related issues. It will continue to accelerate on-going IPR reforms until the end of 2014.

Customs Administration

The EUAG advised the Ministry of Finance (MoF) and the State Revenue Committee (SRC) in advance of the various rounds of negotiations in relation to the Deep and Comprehensive Free Trade Area with the EU. It reviewed a draft protocol on the concept of originating status and methods of administrative cooperation for the Ministry of Economy (MoE).

At the request of the National Security Council, the EUAG prepared a 'visions' paper on reforms of the customs service. This paper was presented to the sub-committee of the Inter-Agency Commission, the body responsible for overseeing the implementation of the customs reform strategy, including a 'one-stop-shop'. Unfortunately, since its inaugural meeting in September 2012, there have been no further meetings, which might have reduced the involvement of stakeholders in the preparation of the reform strategy.

The EUAG also provided advice and recommendations for the SRC relating to Customs Control Areas, Simplified Procedures and Post Clearance Controls, based on EU best practice, as well as prepared a briefing document on a new procedure for controlling the use of tax stamps on excisable products in Armenia (which was accepted by the Government and passed into law).

For the MoF, the EUAG provided recommendations on proposed legislation on risk management and the bank guarantee system, based on EU best practices.

For the MoE, the EUAG prepared analysis on two pieces of draft legislation on market surveillance with particular emphasis on the role of customs as well as the customs procedure governing the temporary importation and exportation of diamonds.

The EUAG provided advice to all three beneficiaries on other customs topics, such as the use of bar codes as a customs control tool and the possibility of using the rules of 'cumulation' in the context of granting Armenian preferential originating status on certain exports.

VI. Public Administration

One of the priorities for relations between Armenia and the European Union is the strengthening of democratic structures and the rule of law. An important aspect of this is regulating how ministries and agencies function. In Armenia, further reform is required to improve the efficiency, effectiveness, and openness of the public service system and bring it closer to European standards – i.e. make it more citizen-orientated, more accountable and more transparent.

In 2012, the Civil Service Council agreed to draft a reform strategy which, when finalised in mid-2013, will address certain areas of internal civil service reform and the current fragmentation of the public service. This decision was taken following a review of the 2009 PAR concept paper submitted by the EUAG to the Prime Minister's Office. In this paper, the EUAG observed that the government strategy (as set out in the 2009 paper) does not address these issues sufficiently.

The EUAG also undertook a Public Administration Reform (PAR) diagnostic analysis. This involved taking stock of the implementation of the country's main strategic documents, including the Sustainable Development Programme (SDP), the Government Programme for 2012-2017 and the Government's 2009 PAR Concept Paper. The aim of the analysis was to formulate a Roadmap for PAR to be finalised in 2013.

In reaction to the government's request to monitor a range of public services, the EUAG drafted an interim report, which highlighted to the Prime Minister's Office a number of current failings in various services. This report was later presented and discussed in a EUAG roundtable meeting in April with the government as well as donor and civil society organisations present. Following up on this activity, the EUAG developed a concept paper for a government web portal offering useful information for citizens. Such a portal is expected to reduce corruption by increasing transparency and accountability, as well as enabling citizens to better understand their rights and how they can access services.

Two EUAG roundtable meetings sought to address the lack of coordination across government as well as with international donors. The first meeting focused on identifying key priorities for public administration reform and was attended by the Civil Service Council, the Ethics Commission, the MoJ and relevant donor organisations. The second meeting concentrated on the design and implementation of anti-corruption measures and saw the participation of the President's advisor and a range of donor and civil society organisations. The EUAG presented good practices in the development and consultation of anti-corruption strategies. In 2013, the EUAG plans to further elaborate this topic in a policy paper on an anti-corruption framework.

Last but not least, the EUAG evaluated a government communication campaign on EU-related reform activities called *es gitem* (I know). It concluded that the campaign could have been more effective if it had provided clearer information to its various target audiences. Some basic recommendations were made in order to improve the comprehensibility of the campaign while it is still running. The government was advised to prepare future campaigns in more detail and to base them on a more strategic communication approach.

Annex One : List of Personnel

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Annex Two: Key Events and Meetings

Date	Event	Description
<p>25 April 2012</p> <p>02 July 2012</p> <p>02 December 2012</p>	<p>9th EUAG Advisory Board Meeting</p> <p>10th EAUG Advisory Board Meeting</p> <p>11th EUAG Advisory Board Meeting</p>	<p>At the EUAG Advisory Board Meetings, the work of the EUAG was assessed and future activities and fields of advice were discussed and agreed upon.</p> <p>The EUAG Advisory Board consists of high-level representatives from Armenian state institutions, the European Commission, the United Nations Development Programme and the EU Advisory Group.</p> <p>The 9th, 10th and 11th meetings were co-chaired by Artur Baghdasaryan, Secretary of the National Security Council, and Traian Hristea, EU Ambassador to Armenia.</p>
<p>19 January 2012</p>	<p>Public Hearing on the RA Draft Law on Ensuring Equal Rights and Equal Opportunities of Women and Men</p>	<p>The Parliamentary Public Hearing was organised by the RA NA Standing Committee on Protection of Human Rights and Public Affairs and the Standing Committee on European Integration, in cooperation with the EUAG. The goal of this Draft Law is to ensure equality in all the spheres of social life, legal protection of men and women from gender discrimination, as well as support to civil society development in this important field.</p>
<p>31 January 2012</p>	<p>Presentation of the Draft Government List of Activities related to EU-Armenia Cooperation for 2012-2013: Strategic Actions towards Reform</p>	<p>Draft Government List of Activities related to EU-Armenia Cooperation for 2012-2013 was presented. The list aims at ensuring the implementation of the extended EU-Armenia ENP Action Plan. The workshop brought together members of the Interagency Commission, Armenian state bodies and European structures, as well as representatives of EU Member States Embassies and international organisations.</p>

17 February 2012	Seminar on Participative Democracy: the Role of the Civil Society	The objective of the seminar was to provide Armenian counterparts with clear guidelines on how to encourage interaction between civil society and state institutions in accordance with EU best practices. The seminar brought together representatives of civil society, state institutions and international organisations.
07 March 2012	Closed meeting on drug use and trafficking	Gathering of middle management representatives from RA State Bodies involved in the struggle against the use and trafficking of narcotics.
04 April 2012	Seminar on New Horizontal Legislation Related to Technical Barriers to Trade.	The objective of the seminar was to present new horizontal legislation related to TBT and to clarify the EU approach for the TBT related legal framework. It introduced the institutional changes proposed by the new legislation and provided explanations and clarifications of the Armenian TBT related new legislation's impact on the quality infrastructure reform.
13-30 April 2012	Spring EUAG Lecture Series	The students were offered an opportunity to learn about and discuss the latest EU-Armenian developments and EU best practices through a series of lectures at various Armenian universities. Topics included: DCFTA, public administration reform, EU institutions, food safety and phytosanitary issues, intellectual property rights and migration.
21 May 2012	Seminar on Food Safety Strategy and Action Plan	This event was aimed at creating public awareness around the Food Safety Strategy and Action Plan, which were adopted in November 2011. It informed the economic operators about the specific aspects of the action plan and the implications for the RA food production and processing (e.g. residue monitoring). The 19 participants worked in group sessions.
12 June 2012	Case Analysis Presentation on Eastern Partner Countries National Parties' Integration into the EU Political Families	The aim of this event was to create public awareness about the Armenian political parties' integration process into their respective EU political families. It offered a detailed presentation on the integration process itself: how it was achieved, what are the engagements of parties, as well opportunities that the EU political families provide in close political cooperation with these parties. It provided a clear vision of the steps political parties need to take in

		order to make full use of these EU political platforms.
28-29 June 2012	Closed workshop and seminar on the creation of a Probation Service in Armenia	The main objective of this two-day seminar was to discuss the creation of a Probation Service in Armenia. The legal, administrative and human resource aspects were examined in the light of EU best practices. The seminar provided a forum for the participants to examine the consequences of establishing a similar service in Armenia.
20 July 2012	DCFTA–EU-Armenia: Challenges and Opportunities in the Negotiations Process towards a Deep and Comprehensive Free Trade Area	This high-level seminar focused on the challenges and opportunities for Armenia arising from the on-going negotiations towards a deep and comprehensive free trade agreement. It invited RA business associations, public authorities, members of the DCFTA negotiation team of RA, media and EU Embassies. Debriefing of the on-going negotiations and areas covered.
27-28 September 2012	Strengthening the Role of Civil Society in Democratic Governance	The general objective of the seminar was to provide guidelines to Armenian civil society on how to further develop in order to increase their role in the Armenian socio-political landscape based on European Union best practices and become key players in promoting democratic governance, equitable development and inclusive growth. It invited representatives from the National Assembly, political parties, state agencies, civil society organisations, international organisations and EU MS Embassies.
05 October 2012	Round Table on Public Administration Reforms	The specific topics of the round table included implementation of the Government's Programme for 2012-2017; the issue of fragmentation of the public service sector; ways in which the provision of services to the public could be improved in terms of their accessibility, quality and efficiency.
12 October–03 December 2012	Autumn EUAG Lecture Series	The students were offered an opportunity to learn about and discuss the latest EU-Armenian developments and EU best practices through a series of lectures at various Armenian universities. Topics included: DCFTA, public administration reform, EU institutions, food safety and phytosanitary issues, intellectual property rights and migration.

12 November 2012	Seminar on EU Visa Facilitation for Armenia	A seminar aimed at introducing the purpose and the specific content of the Visa Facilitation and Re-admission Agreement. One specific objective is to explain the difference between Visa Facilitation, Visa Waiver and Visa Free Regime.
20 November 2012	Seminar on an Inter-Institutional Common Approach towards EU-Armenia Integration	This event focused on the ways of interaction, cooperation, and coordination between the National Assembly and RA State institutions in the framework of the EU-Armenia integration process, especially against the background of the on-going EU-Armenia negotiations. Based on an EUAG policy paper on this topic, a set of recommendations were provided to the NA on (i) how to achieve a common approach amongst the RA main institutions; (ii) and to increase the level of parliamentary oversight.
05 December 2012	Round Table on the Implementation of the International Conventions on Torture Prevention in Armenia	The aim of the discussion was to remind of the international standards, the case-law of the European Court of Human Rights and to provide recommendations for improving the situation, mainly through amendments to the existing laws.
07 December 2012	Round Table on the Development of the Framework of Anti-corruption Actions in Armenia.	The best practices related to the analysis of the causes of corruption, strategy formulation and measures to strengthen the anti-corruption framework were discussed. The EU perspective on the anti-corruption framework and civil society participation in the strategy formulation were presented.

Annex Three: Policy Papers

Date	Policy Paper
22 May 2012	Policy Paper: Analysis of the EU legislation on Personal Data Protection
13 June 2012	Case Analysis: EP Countries National Parties' Integration into EU Political Families
23 August 2012	Comparative Analysis: EU experience in the institutional organization of Asylum and Migration Policies
17 October 2012	Policy Paper: Strengthening Civil Society and its Interaction with State Institutions
21 November 2012	Policy Paper: The Interaction among State Institutions in the framework of EU-Armenia Integration
06 December 2012	Policy Paper Draft for Comments: Implementation of Armenia's international commitments on torture prevention in penitentiary institutions