

July 2019

European democracy support in Armenia

*A case study reviewing European
democracy support.*

Executive Summary

Armenia has in some ways been a classic example of a country caught in a grey zone or hybrid regime, with its mixture of features of democratic and authoritarian systems. In concert with the rest of the Eurasian region, Armenia had been viewed in recent years as a country subject to the gradual advance of authoritarian governance. The current government led by Nikol Pashinyan is in a remarkably dominant position - similar to those that came before, albeit with significantly higher levels of public support.

The 2018 Velvet Revolution could be seen as an entirely unexpected event but it was also possible thanks to the multitude of protests in the country in recent years that received significantly less international attention. The elements of political competition within the system were vital in allowing for change. While the shadow cast by the revolution conditions any contemporary analysis of Armenian politics, it is vital to recognise that the fundamental challenges still remain the same. It is highly unlikely that democratic development will flourish without a greater dispersal of political and economic power.

The paper outlines a series of recommendations for updating and improving European efforts to support democracy in Armenia. It was commissioned by the European Partnership for Democracy in the context of a 'Review of European democracy support'. Armenia was chosen among a series of country cases due to its geographical location (in the EU neighbourhood), ties to a major power (Russia) and the changes brought about by the 2018 revolution. The recommendations from the paper are split into four thematic areas, each containing specific recommendations. These are:

- **European engagement**

The EU and European governments have maintained a consistent position of supporting democratic development in the country despite the ups and downs of official engagement. Given the opportunities at present, this political and financial cooperation should be strengthened. The EU-Armenia Comprehensive and Enhanced Partnership Agreement (CEPA) is an important opportunity to further European cooperation with Armenia and must be a major focus of political and economic relations. At the same time, European states should closely monitor Russian engagement in the country considering the potential impact this will have on democracy.

- **Coordination**

Successful on-going efforts of political coordination should be complemented by an increased focus on programmatic cooperation between European states. A greater focus on the role of civil society, particularly in policy dialogue, could help increase the transparency of decision-making and improve oversight of the executive.

- **Knowledge development**

The years before the revolution brought to light the difficulties of bringing about change without political will. Technical support can only go so far in combating the power of oligarchs or corruption of the justice system. European states need to take advantage of the current climate to invest more in understanding the fundamental drivers of political change in the country. There is also a clear need for more reliable data on funding in order to drive assessments of what works and what does not.

- **Sectoral recommendations**

A majority of European funding for democracy in the last decade has been focused on the executive and judicial branches of government. Yet other areas deserve greater attention, including enhanced support to: political parties and the parliamentary system, the independence of local authorities and media actors as well as to strengthening the expertise of civil society organisations.

The Velvet Revolution created a swelling of hope for representative and accountable government on the part of Armenian citizens. These hopes are likely to be tested in the coming years as the country faces the realities of a democratic 'transition'. Still, hope is a powerful political vehicle and the opportunities for democratic development are higher than at any moment in recent Armenian history. The political capital accumulated by the current government and by Armenian citizens themselves means that the time to reform the system is now.

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Introduction

Since the 2000s the people of the Republic of Armenia have witnessed a variety of political developments that were accompanied by limitation of freedoms but at the same time active political competition. In this, it is an example of a post-Soviet country that has the trappings of a democratic system that allows for active political opposition and strong civic participation but still misses a concerted dispersion of political power. The country is typically characterised as a semi-consolidated authoritarian state, dominated by human rights violations, weak rule of law and election fraud. At the same time it is clear that it has become a centre of civic activism in the last decade, replete with multiple significant protest movements and an active and vibrant civil society.

This ‘hybrid’ political system is reflective of many regimes around the world that are variously described as competitive authoritarian, electoral democracies or illiberal democracies by academics and commentators. In the context of a wider study reviewing European democracy support over the last ten years, this paper presents a useful glimpse into the challenges and rewards of supporting democracy in the EU neighbourhood in such circumstances. Moreover, as Armenia falls under the Eastern Partnership, the study has implications for European attempts to counter Russian influence on the functioning of democracy.

In order to assess European efforts to support democracy, the paper provides a detailed background of the political trajectory of the country and the evolution of EU-Armenia relations, including cooperation on democratic development. The paper follows this by looking at the relevance of European support, how well these European efforts were coordinated, how consistent support has been and to which extent the EU and EU member states (EUMS) contributed to democratic reforms. It concludes with a number of ideas for what can be done to further democratic reforms in the country.



1.

Country Context

1.1 Democratic trends and events in Armenia

Armenian politics from the turn of the century until 2008

The long period from 2000 until 2008, under the rule of president Robert Kocharyan, was characterised by limited information and scarce independence of media, as well as limited media access for opposition parties. Kocharyan was first elected as an independent candidate without any political party affiliation, but relied on support from the two major political parties: the Prosperous Party and the Republican Party.

Various forms and attempts at political opposition were suppressed during this period. In 2001 and 2002, the independent television companies A1+ and Noyan Tapan were shut down. The limitation of freedoms did not prevent opposition leaders from running for office, and led to a reinforcement of efforts by civil society to ensure free and fair elections. In this regard, the electoral process and the results of most of the parliamentary and presidential elections were not recognised by opposition parties and were followed by protests. The electoral process was also criticised by international election observation missions deployed by the Office for Democratic Institutions and Human Rights of the OSCE (OSCE/ODIHR), the Parliamentary Assembly of the Council of Europe, and by the European Parliament.

The first large scale protests against Kocharyan occurred in April 2003. After the presidential elections, the opposition candidate Stepan Demirchayn (Justice Party), who was defeated by Kocharyan, contested the electoral results by organising sit-in protests that were brutally suppressed by the police. From that moment on, the Republican Party became the ruling and dominant party in the country. In 2005, Kocharyan went further with his attempts to consolidate power and initiated the process of reforming the Constitution of Armenia with changes that were consistent with the democratic norms and requirements of the Council of Europe, but that included certain provisions -

such as Article 55(6)- that were clearly designed in favour of the ruling elites of Armenia¹: The National Security Council of Armenia was defined as a constitutional institution and the police and the national security structures of Armenia came under the direct control of the President. These amendments centralised power in the executive branch and contributed to the pervasive atmosphere of fear that dominated politics for many years.

Due to term limits imposed under Armenian law, Kocharyan was no longer able to run for elections in 2008. Consequently, the most prominent candidates were Levon Ter-Petrosyan (former and first President of Armenia) and Serzh Sargsyan, from the Republican Party, who was to become Kocharyan's successor. Alleged fraud in the elections of February 2008 led to large scale protests in the country that lasted for 10 days and gathered at Freedom Square in Yerevan. However, protests were ultimately suppressed by deploying the armed forces that, on 1 March 2008, opened fire on the crowd, killing 10 people. With the approval of the Armenian parliament, Kocharyan declared a 20-day state of emergency, banning possible demonstrations and censoring the media from broadcasting any political news except those messages issued by official state press releases.

The Republican Party starting from 2008: More freedoms but gradual consolidation of authoritarianism

Starting from 2008, with another spate of brutal suppressions of protests, the new President Sergh Sargsyan and the still-dominant Republican Party sidelined any kind of opposition parties that would pose a major threat to the ruling regime. From one election to another, the Republican Party increased its seats in the Parliament: in 2012 it received 44.1% of the votes, while in 2017 the party obtained 49.15% of votes, resulting in 58 seats in the Parliament. With such a dominant position in the formal structures of power, decisions in the country continued to lie in the hands of the Republican Party.

Although Sargsyan came to power through contested elections and the suppression of street protests, he left some limited space for protest regarding social issues. Starting from 2010, the lack of political and economic reforms led to various small and large scale social protests against issues such as construction in a park in Yerevan, electricity price hikes and unfair pension system reforms. Starting from 2008, independent online media sources started to operate and report on different political events. Civil society actively worked on democratic reforms in a wide variety of sectors. Civil society was also involved in raising public awareness of the political situation in the country and spreading

¹ The Article 55 of the Constitution of Armenia of 2005 included the provisions of the role of the President of Armenia. The Article 55(6) reads that the President of the Republic "shall form and preside over the National Security Council, and establish other advisory bodies". The National Security Council includes official representatives such as the head of the police of the Republic and the head of the National Security Service of Armenia. In December 2015, when the political system of Armenia was transformed into a parliamentary system, the same provision remained in force – the National Security Council is now headed by the Prime Minister of Armenia (Article 152(1), Constitution of the RA 2015).

information to a wider audience. Both internal and foreign developments may have conditioned this limited opening of civil society space.

At the same time, the foreign policy of Armenia started to prioritise strengthening relations with the European Union (EU). In 2009, the country joined the EU's newly created Eastern Partnership (EaP) initiative and began negotiations with the EU over a potential Association Agreement and a Deep and Comprehensive Free Trade Agreement. There was also an improvement in relations with neighbouring Turkey thanks to the so-called “football” diplomacy that started in 2008 and continued with Armenian-Turkish rapprochement protocol negotiations. However, the protocols were signed but not ratified and the process seeped into a gradual deadlock.

Despite EU monitoring of democratic freedoms, the electoral process in Armenia continued to be fraudulent - a clear sign that the ruling elites would not allow a transfer of power via the ballot box. Although international election observers recognised the results of the 2013 presidential elections, the conduct of the vote was heavily criticised by the OSCE/ODIHR election observation mission.² The main opposition candidate Raffi Hovhannisyan (from the Heritage Party) obtained 37% of votes, which many analysts argued was a substantial number of votes in light of the rigging of the elections. Once again, the result led to protests that were brutally suppressed.

The restrictions on certain rights picked up in 2013, meaning any social or political protests were subject to police intimidation in order to prevent further escalation. On 3 September 2013, Armenia refused to sign the Association Agreement with the EU and started the process of joining the Russia-led Eurasian Economic Union (EAEU). This process signified a deepening of integration with Russia with the concomitant risk of increased corruption and limitations in political space.

Despite the increased clampdown on democratic freedoms, citizen movements surfaced at various moments during this period. These protest movements mobilised spontaneously around certain socio-economic policies, but they were framed through a wider democratic reform agenda. Civil society organisations were vital during these movements, as they provided expertise, media coverage, and monitoring of the situation during the protests. For instance, in the summer of 2013 protests complained against the increase in the cost of public transport. A social movement named “I Will Only Pay 100 Dram” aimed to contain the prices while drawing the attention of the authorities to the lack of maintenance and the state of decay of public vehicles. For several weeks, from July to August of 2013, civic activists and many concerned citizens protested at each bus stop in Armenia. Such social protests continued with each perceived attempt by the authorities to violate the social rights of the population. To name just a couple of examples, in June and July 2015 the “No to Plunder” movement was organised in opposition to the electricity price hikes, which became well-known under

² OSCE (2013) OSCE/ODIHR Election Observation Mission Final Report. Available at: <https://www.osce.org/odihr/elections/101314?download=true>

the name Electric Yerevan, and from 2014-2015 small and medium enterprise owners protested against the amendments to the Turnover Tax law.

In 2015, President Sargsyan embarked on constitutional changes that sought to transform the semi-presidential system into a parliamentary one. On the one hand, this model was seen as a positive means of stimulating a multi-party system and procuring a stronger role for political parties and parliament in shaping policies. On the other hand, it was a common opinion in Armenia that these changes were undertaken for Sargsyan to be able to dodge term limits and assume the position of Prime Minister. In response, activists formed the “No Pasaran” movement to campaign against the constitutional amendments and raise awareness that the amendments may lead to the continuation of Sargsyan’s rule. On 4 April 2014, Sargsyan declared that he will never seek nomination for the position of President or display any claim on the position of Prime Minister during a meeting with members of the Specialized Commission for Constitutional Amendments. Despite such an explicit statement, Sargsyan was elected by the Parliament as the Prime Minister of Armenia on 17 April 2018, which was possible due to the 58 seat majority of the Republican Party in the 105 seat Parliament.

At that time, the remainder of seats in parliament was occupied by three other factions: the Prosperous Party, the Armenian Revolutionary Federation, and the Way Out Alliance. The only real opposition in parliament was the Way Out Alliance, as both the Prosperous Party and the Armenian Revolutionary Federation had a history of ruling in coalitions with the Republican Party. The Way Out Alliance was created in December 2016 in order to pass the electoral threshold of 5%, and consisted of 3 political parties - Civil Contract, the Republic Party³ and Bright Armenia. Having obtained 9 seats - or 7.78% of the vote - during the 2017 elections, the Alliance took up a critical position towards the ruling elites in the parliament. In response to price hikes, the Way Out alliance moved its activities from the parliament to the street in protest in early 2018⁴. The evident lie by Sargsyan about his ambition to be elected as a Prime Minister became the final trigger that led directly to the large-scale mobilisation of protestors by the Way Out alliance and its leader Nikol Pashinyan. Channeled through the leadership of Pashinyan, a large wave of public resistance in the early spring of 2018 resulted in the Velvet Revolution, which in many ways can be seen as the corollary of the series of organised protests that has characterised democratic dynamics in Armenia’s recent political history.

The Velvet Revolution: Nikol Pashinyan and the My Step Party

Triggered by Sargsyan’s election as Prime Minister, Armenians’ desire to change the repressive and oligarchic system unfolded in a series of events in April and May 2018, which are now named the

³ Not to be confused with the ruling Republican Party from which the Republic Party split in 2001.

⁴ Radio Free Europe (2018) ‘Way Out Alliance will continue the struggle by protests’, 19 January. Available at: <https://www.azatutyun.am/a/28985564.html>

Velvet Revolution. The Velvet Revolution itself, although unexpected, was not spontaneous. First, as described above, various opposition leaders and civil society activists had frequently organised protests after those elections that were perceived as being rigged by political elites - civic unrest was therefore already a frequent phenomenon in the country. Second, Pashinyan himself had been active both in politics and journalism for many years and was therefore no political novice. Before his political career, he was the main editor of the Armenian Times, a prominent opposition newspaper, and developed excellent public communication skills.

On 31 March, Pashinyan started a march from Gyumri, the second largest city in the country, to Yerevan, aiming to reach his destination on 13 April.⁵ On 11 April, two Members of Parliament (MPs) from the Way Out Alliance, Ararat Mirzoyan and Lena Nazaryan, read out a statement calling for the people to stand up against the regime and then burnt flares in the assembly hall of the Parliament. However, during the first days of protests, the Way Out Alliance split, as the leaders of Bright Armenia and the Republic Party opposed the idea of a revolution, arguing that it was still possible to bring about democratic change through debates and criticism in parliament. On the other side, Pashinyan and his party Civil Contract opted for blocking the streets of Yerevan and mobilising the citizenry, thereby paving the way for a revolution that would upend the existing elite dynamics and fundamentally change the politics. Under the undisputed leadership of Pashinyan, the revolution included citizens from all different sectors, ages and classes of Armenian society and achieved Sargsyan's resignation in a peaceful manner.

The revolution was a country-wide resistance movement, conducted in a peaceful manner thanks to a clear non-violent strategy that sought to avoid the dramatic consequences of previous protests. Pashinyan started the protests outside of Yerevan, with a march from the regions of Armenia and crossed Armenia's main cities before reaching Yerevan. Such a march attracted the attention of the whole country and also connected people from different parts of the country. Pashinyan frequently made references to the fact that the protests were non-violent, raising the 'hands-up' sign and announcing that the police was not the enemy of the population. He also announced that the protests were not 'coloured', in allusion to previous protests in other post-soviet states, so as to escape the fate of the Rose Revolution in Georgia and the Orange Revolution in Ukraine. Foreign flags were not permitted in the protests, as a sign that protests were not aimed at any other external power.

In contrast to previous protests that had been organised on the main streets and squares of the capital city, the strategy of blocking various roads made it much harder for the police to disperse protesters, as the demonstrations did not have one permanent centre of assembly. That being said, the core of the rassemblement did centre around Republican Square, the main square of Yerevan, with the aim of proving that the number of supporters of the revolution was so large that the Republican Square would be a sea of bodies. Far from homogeneous, the protestors were highly diverse and were led by

⁵ *Radio Free Europe* (2018) 'Nikol Pashinyan started the protests march from Gyumri – against the rule of Serzh Sargsyan', 31 March. Available at: <https://www.azatutyun.am/a/29137214.html>

a wide range of activist from civil society sector, particularly young people who were knowledgeable of their rights and immediately adhered to the non-violent philosophy of the protests. Besides citizens from the capital, the demonstrations also included people from other regions of the country, who were not only driven by political repression but also by socio-economic motives such as unemployment, poverty and a lack of modernisation.

Factors such as the strengthening of independent media and internet penetration also played an important role in the revolutionary process. While in 2008 only 6.2% of population used the internet, in 2016 a total of 67% of citizens were connected.⁶ Whereas limited access to the internet during the protests of 2008 prevented alternative information about the internal situation in the country from reaching a critical mass of citizens, the widespread use of social media in 2018 allowed the protesters to share real time information on what was going on and connect with each other in order to spread tactical information. Online TV channels, such as Factor TV, Radio Free Europe (“Azatutyun.am”), 1in.am and A1+ news portals, were also active in covering the protests.

As a result of the pressure coming from the streets, Pashinyan was elected Prime Minister of Armenia by the Parliament - despite it still being composed by a majority of members from the Republican Party. Such unprecedented political success was confirmed later by the strong performance of his new political alliance (called My Step Alliance) in the snap parliamentary elections on 9 December 2018, winning 70.4% of votes against just 8.3 % for Prosperous Armenia and 6.4 % for Bright Armenia.⁷ The My Step Alliance had the Civil Contract party as its foundation and also included various civil society representatives and politicians. It was founded in August of 2018, prior to the Yerevan City Council elections, where My Step Alliance received 81% of votes, in contrast to a mere 7% of votes for Prosperous Armenia and 5% for the Bright Alliance (which consisted of Bright Armenia and the Republic Party).⁸ Both the City Council elections and the Parliamentary elections reasserted the popular support for Pashinyan and his My Step Alliance after the Revolution.

Geo-political tensions: Armenia-Russia relations before and after the Revolution

Although there has been a change of power in Armenia, it seems that the new authorities will continue the balancing foreign policy of the Republican Party. During the protests Pashinyan repeatedly announced that the revolution aimed at solving internal issues and was not directed against any external power, a clear indicator of his intention to avoid sudden or unexpected reverses in the country's foreign policy. There is no clear line as to whether the new government strives to

⁶ World Bank (n.d.), *Individuals Using the Internet (% of population)* | Data, available at: <https://data.worldbank.org/indicator/IT.NET.USER.ZS?locations=AM>

⁷ <https://www.osce.org/odihr/elections/armenia/413555?download=true>

⁸ OC Media (2018), ‘Pashinyan block wins landslide in Yerevan Council elections’ 24 September. Available at: <https://oc-media.org/pashinyan-block-wins-landslide-in-yerevan-council-elections/>

deepen its relations with the EU or with Russia, as overtures to both are visible and not necessarily compatible.

In practice, Pashinyan's government has aligned itself to Russia. After the elections of December 2018, the newly formed Parliament created a new Standing Committee on Regional and Eurasian Integration. On 18 December 2018 during the UN General Assembly, Armenia together with Russia, voted against the resolution related to Ukraine and the Russian military build-up in Crimea and its occupation (thus confirming the continuity of foreign policy, as formerly Armenia frequently voted in support of Russia at the UN). In February 2019, Armenian authorities also sent military de-miners and medics to Syria under the Russian mission, albeit in a humanitarian capacity.

This alignment is the result of a longstanding trend of very close economic and military ties to Russia. Firstly, Armenia is the only country in the South Caucasus where Russia managed to maintain its military bases after the collapse of the Soviet Union. Secondly, Armenia has deepened its economic dependence on Russia since the 'Assets for Debt' policy introduced in the 2000s. As a result, the main strategic assets in Armenia are owned by Russia. Around 80% of the country's energy comes from Russia, and Russian companies hold a monopoly over the electricity network and natural gas.⁹ The monopoly in the energy sector makes it difficult for Armenia to shift to renewable energy sources - a sector that is often prioritised by the EU, and is also included in the Comprehensive and Enhanced Partnership Agreement (CEPA). In addition, the Armenian railway system is Russian-owned and Armenia has harmonised important pieces of legislation with Russia on customs and trade in its accession to the Russia-led Eurasian Economic Union.

Although Armenian government officials frequently make visits to Russia, relations with the EU are becoming more important. The CEPA that was signed in November 2017 creates a major opportunity for the government to diversify its partners abroad. In March 2019, Pashinyan made an official visit to Brussels, where he highlighted the importance of the CEPA, as well as Armenia-EU visa-dialogue. However, there have been no specific actions so far to back up the rhetoric, despite the fact that the EU and EUMS remain the main actors that can assist the new government in transforming its commitments towards the Armenian people into concrete actions for democratic reform. It would be to naive to pretend that such strong cooperation ties with Russia are not to become an obstacle to establishing further relations with the EU¹⁰; consequently, some commentators go as far as to argue that stronger relations with the EU will culminate in a repetition of the cases of Russian aggression in Ukraine and Georgia, and that this would risk another war in Nagorno-Karabakh.

⁹ TASS (2017), 'Armenian-Russian Relations' 23 August. (in Russian). Available at: <https://tass.ru/info/803765>

¹⁰ EUMS diplomats interviewed in this research made it clear that there is significant tension in this regard, Yerevan, December 2018, and January 2019

The Nagorno-Karabakh conflict - link between the internal and foreign policy of Armenia

Along with internal issues related to democracy, Armenia also has longstanding problems with its neighbour Azerbaijan, with whom it has been in conflict since the collapse of the Soviet Union despite the ceasefire agreement signed between Armenia, Nagorno-Karabakh and Azerbaijan in 1994. Since then the conflict has remained largely unresolved, as the OSCE Minsk Group - which was established as a structure to promote a peaceful resolution to the conflict - has not managed to come up with a viable solution accepted by both sides. From 2003 to 2007, a number of frequent meetings and negotiations between officials from Armenia and Azerbaijan took place in the framework of the OSCE Minsk Group and other international forums. This process culminated in the drafting of the Madrid Principles in November 2007, which suggested the deployment of peacekeepers, the withdrawal of Armenian troops from the disputed territories, the exchange of refugees and a referendum that would define the status of Nagorno-Karabakh.¹¹ Despite the lengthy negotiation process and numerous meetings, no final peace agreement was signed and the Madrid Principles remained a paper trail of a failed process. Far from innocuous, this deadlock in the negotiations led to the Four-Day War in April 2016.

The Nagorno-Karabakh conflict remains central to the ideology of political parties and the overall political discourse. The conflict is often used for gaining public support, rather than regarded as an issue that needs to be discussed in order to find possible solutions to the impasse. The issue of security and the unresolved conflict was again at the forefront of rhetoric employed during the Velvet Revolution. For example, on 17 April 2018, during the elections of the Prime Minister by the Parliament of Armenia, Serzh Sargsyan announced that the security and empowerment of the army of Armenia remains the main priority for the party.¹² Similarly, Sargsyan's main challenger, Nikol Pashinyan, often referred to the importance of Nagorno Karabakh during the days of the revolution, even promising a united Armenia with Nagorno Karabakh.¹³

Such strong rhetoric makes it difficult for the various actors involved, including civil society, to focus on peacebuilding activities. It also distracts from issues of internal security and democracy building. Indeed, although political parties emphasise the issue of security and the unresolved conflict, few focus on challenges within the army, which easily escapes democratic control; in December 2018, for instance, the news of a killed Armenian soldier was revealed only several months after his actual death.¹⁴ Political parties do not debate civilian control over military forces, but rather draw attention to the imminent threat of conflict to avoid interfering with the army. In May 2018, as soon as Pashinyan was elected prime minister, he deployed an Armenian police division to the Tavush region at the Armenian-Azerbaijani border, so as to emphasise the importance of security in his agenda.

¹¹ The document of Madrid Principles is available at: <http://www.anicr.am/2016/04/11/madrid-principles-full-text/>

¹² *News.am* (2018) 'Security Continues to be Number 1 Priority, Serzh Sargsyan', 17 April. Available at: <https://news.am/arm/news/446764.html>

¹³ See for example Nikol Pashinyan's speech on May 2, 2018: <https://www.youtube.com/watch?v=j7AeXvqp230>

¹⁴ *Tert.am* (2019) 'A soldier died from a gunshot injury in one of the military units: The Defense Ministry and Investigation Committee did not reported about it.' 9 February. Available at: https://www.tert.am/am/news/2019/02/09/Soldier/2917508?fbclid=IwAR0zwmC-N2I4wHH-SfXFy8QC9kMcqzoi0duZ8v93K4yzcLIJ_hO0IaUIYvg

These political moves have the effect of militarising society and exacerbating political rhetoric about the conflict, setting a clear belligerent tendency that is also shared by Azerbaijan.

1.2 Summarising the main challenges to democracy in Armenia from the past and present

As Armenia did not acquire a fully authoritarian system upon independence, the institutional structure included certain democratic features, albeit with restrictions. For example, although opposition political parties operate in the country, all parliamentary elections have been marked by tampering. These electoral violations were acknowledged by international observers in Armenia during different parliamentary and presidential elections. Yet, there was a positive upswing in the quality of the electoral process after the Velvet Revolution. The 9 December elections were the first elections largely trusted by the population. That being said, the OSCE/ODIHR Election Observation Mission did note that there was inflammatory rhetoric against different candidates running for the elections during the electoral campaign on online media, particularly on Facebook.¹⁵

In addition, while Armenia shifted to a parliamentary system, it has not yet developed a multi-party system. Historically, the major political parties were always led by oligarchs. Newly formed political parties are currently not able to compete with the larger political players. As a consequence of the outcome of the Velvet Revolution and the subsequent elections, the Prime Minister has accumulated significant political power. As a result of this, checks and balances have been traditionally weak - specifically oversight of the executive branch of government. The justice sector is dependent on ruling elites and is widely regarded as being susceptible to corruption. Civil society has played an important role in recent years. Yet, more often than not, policy recommendations from civil society are only partially considered by the government. The most recent example is the design of the new Electoral Code in 2018 to which civil society provided input. However, in the end the Code was not adopted by Parliament and the snap elections of 9 December 2018 had to be organised according to the former Electoral Code.

At the same time there is also a strong dependence of local authorities on the central government, which makes it hard to regard local authorities as independent institutions with strong accountability links towards citizens. According to the constitution, the police and security sector of Armenia are out of the control of Parliament but are instead controlled by the Prime Minister. In short, setting up appropriate checks and balances is still the most important challenge for the country's democratic development.

¹⁵ OSCE (2018) OSCE/ODIHR Election Observation Mission Final Report. Available at: <https://www.osce.org/odihr/elections/armenia/413555?download=true>

1.3 Priority areas of the EU and EUMS in Armenia

The EU and EUMS have assisted Armenia both economically and politically over recent years. In the 1990s, assistance from Europe was often humanitarian in nature. It also included assistance aiming to diversify Armenia's economy in support to its transition to a market economy. From the mid 2000s, assistance from the EU and EUMS followed a more value-based agenda and began focusing more on the political system of the country. This is reflected in the EU-Armenia Comprehensive and Enhanced Partnership Agreement (CEPA), which was signed in November 2017 and provides the main framework for CEPA.

Overall, priority areas of the EU and EUMS frequently dovetailed with those of the government of Armenia, which often included such priorities as protecting the independence of judiciary, strengthening local government bodies and promoting political freedoms and economic welfare of citizens. These are areas that are also frequently favoured by EU and EUMS cooperation.

Figure 1 shows the amount of funding by the EU, EUMS, Switzerland and Norway to democratic development next to the total amount of Official Development Aid (ODA), using OECD data.¹⁶ The data illustrate the relative importance of support to democracy as a share of total development cooperation. While the amount of funding to democracy is more or less stable over the last decade, despite surges in 2009 and 2016, the relative importance of democracy seems to be in decline from 2011 onwards.

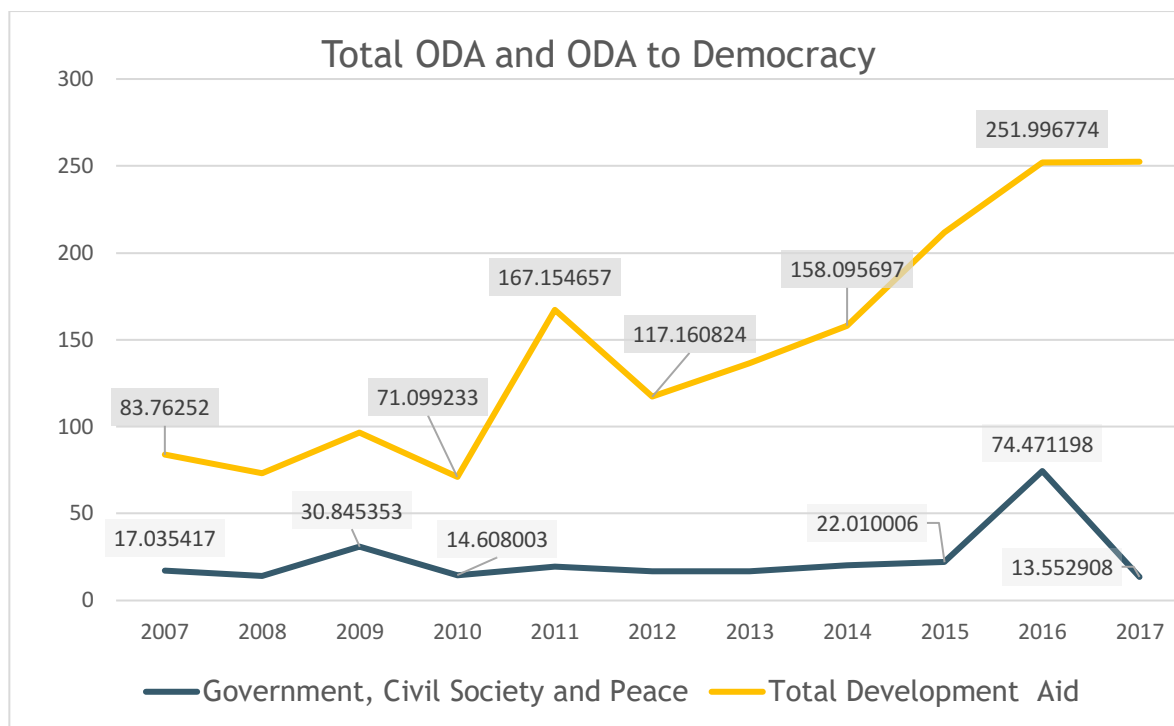
The research has made apparent that there are major shortcomings in the data available on democracy support. OECD data does not categorise democracy support with sufficient detail to conduct a substantial analysis, and the data often differs from amounts stated by individual EUMS. There is no agreed-upon framework for providing detailed, reliable and comparable data on financial support to democracy. This, along with the lack of reliable data from individual EUMS, forms a significant obstacle to research on European support to democracy in Armenia.

Figure 1: Net official development assistance (ODA) received from the EU institutions, EUMS, Norway and Switzerland from 2007 to 2017 (in millions of US Dollars (current)).¹⁷

¹⁶ Switzerland and Norway were taken up in the analysis given their significance as European democracy support donors. Norway is particularly relevant in terms of civil society and media support, whereas Switzerland stands out for its strong support to decentralisation and local authorities. This is relevant, given the paper's ambition to capture European democracy support as a whole, including non-EUMS.

¹⁷ Data is retrieved from OECD official website: <https://stats.oecd.org/qwids/>

Funding to democracy was identified using the OECD category "Government and Civil Society, Total", which includes areas such as judiciary, civil society, media and peacebuilding. While acknowledging the shortcomings of this category and the data, it is the best approximation of amounts that is comparable across different donors.



In terms of democracy support, the EU, EUMS, Switzerland and Norway allocated funds to state institutions, the civil society sector and media to support good governance, transparency and justice, gender equality and human rights. Through the European Neighbourhood Instrument (ENI), Armenia is to receive between €252 million and €308 million for the period of 2014-2020. A total of 15% is allocated for strengthening institutions and good governance, while the rest was provided to the sectors of economic development and market opportunities (indicatively 35% of the total budget), connectivity, energy efficiency, environment and climate change (indicatively 15% of the total budget) and mobility and people-to-people contacts (indicatively 15% of the total budget). Another 15% was envisaged for complementary support for capacity development, institution building and strategic communication, and 5% for complementary support to civil society development.¹⁸

Support to the electoral process is another sector where EU assistance has played a key role, as exemplified by the basket fund to support the administration of the parliamentary elections in December 2018, in which the EU was swiftly and effectively joined by the United Kingdom, Germany and Sweden.

While the justice sector, the rule of law, and the implementation of international human rights conventions have been supported by a majority of EUMS, other sectors received heightened attention by specific donors, such as local government (supported by Germany, Switzerland and Denmark), parliament and political parties (UK and Germany) or transparency, management of financial

¹⁸ Single Support Framework for EU Support to Armenia (2017-2020), available at: https://ec.europa.eu/neighbourhood-enlargement/sites/near/files/armenia_ssf_2017-2020_final.pdf

resources and anti-corruption (Estonia, Germany). The next section presents a detailed explanation of major democracy related sectors that were supported by the EU and EUMS.

2.

Relevance

2.1 The hybrid nature of the regime

In light of the hybrid nature of the regime, several European governments have sought to assist different actors in the country. Support was mostly allocated to the state institutions for democratisation that would envisage transparency in the activities of the government, independence of the judiciary, and the police's compliance with the rule of law. Financial assistance was also provided to local authorities and the electoral process, and to a lesser extent to civil society, the media and peace-building. Such support was clearly relevant considering internal realities. Table 1 includes the total amount allocated by the EU, EUMS, Norway and Switzerland per sector for the time period of 2007-2017, for the sectors that received the largest amount of support.

Table 1: Amount of support to the democracy related sectors from the EU, EUMS, Norway and Switzerland in the framework of the ODA from 2007-2017 (numbers are rounded)¹⁹

Sector	Allocated amount in US Dollar (2007-2017)
Legal and Judicial Development	64.5 million
Human Rights	26 million
Democratisation and Civil Society	24.8 million
Conflict, Peace and Security	12.1 million
Small and Medium Enterprises development	9.5 million
Decentralisation and Support to Subnational Government	8.7 million
Elections	7.8 million
Media and free flow of information	3.9 million

¹⁹ Data is retrieved from OECD official website: <https://stats.oecd.org/qwids/>. It is an aggregation of OECD data from the EU institutions and EUMS per sector for the period of 2007 to 2017, expressed in millions of current US Dollars.

The table clearly shows support to legal and judicial development was the priority focus of the EU and EUMS. A major focal area within European support to judicial development was support to reforms and harmonisation of national legislation with international and European standards, as well as capacity building of institutions and staff. Given Armenia's ambition to comply with legislative requirements of international organisations such as the Council of Europe, support to reforms was relevant. At the same time it should be noted that European support failed to appropriately respond to the lack of independence of the judicial system and the rampant corruption in the sector, as argued below.

An important amount of funding was directed at civil society organisations, and a small amount was dedicated to the media sector. Given the lack of unbiased information and restrictions in political freedoms, both media and civil society support were very relevant. Recent EU and EUMS' support to elections was also appropriate given the mass scale violations during past elections. While such support strengthened the electoral process and allowed for enhanced competition among political parties, it failed to address one of the main areas of electoral manipulation: the abuse of administrative sources. The sections below analyse the relevance of each of the sectors that were supported by the EU and EUMS.

2.2 Relevance of support to governance

Justice and the rule of law

Justice and the rule of law have been among the main priority areas for EU democracy support, receiving the largest amount of funding for democracy. EUMS have clearly strived to strengthen the implementation of international human rights conventions in Armenia. In the framework of the support to human rights, Sweden has focused on raising awareness on tolerance, human rights and international conventions among civil servants as well as judges. Institutions such as the Court of Cassation, Ministry of Justice, the penitentiary, the Prosecutor's office, the Judicial department and the law enforcement agencies received financial support and capacity building from Sweden and the EU.

Despite extensive support to the justice sector, judicial bodies cannot be said to be truly independent. The mechanism of appointing judges is particularly problematic in this regard. According to the Constitution of Armenia (Article 164, 165 of Chapter 7)²⁰, judges of the Constitutional Court and judges of the Court of Cassation shall be nominated by the President and elected by the National Assembly by at least three fifths of votes. However, considering that both

²⁰ Constitution of the Republic of Armenia, adopted 06.12.2015, available at: <https://www.president.am/en/constitution-2015/>

during the rule of the Republican Party and after the Velvet Revolution the qualified majority in Parliament belongs to one ruling party, it can be said that through the existing mechanism judges are essentially elected by approval of one political force. The partiality of the justice system under Republican rule was confirmed by a study of the Office of the Ombudsman of Armenia from 2013. The study analysed the rulings over 7 years by the Courts and the Council of Justice, and found evidence for the partiality of judges and the flagrant corruption in courts, citing bribes ranging from \$500 to \$10.000 and higher.²¹

The dependence of the judiciary on ruling elites continues to be an obstacle to the separation of powers in post-revolutionary Armenia. While the parliament still needs to accept nominated judges with a qualified majority, the dominant position of the ruling party places a lot of political influence over the judiciary in the hands of the executive. Indeed, in 2018 and in 2019 the My Step Alliance blocked the candidacy of three candidates for the Constitutional Court through their position in parliament.²² While it is important that the parliament can provide the necessary checks and balances to the President's power, this dynamic heavily politicises the judiciary, harming its independence and credibility. With its focus on technical aspects of judicial reform, EU support has somehow failed to address this key obstacle to judicial independence that has very strong political implications and is a detriment for the proper functioning of the system's checks and balances.

Electoral processes

Support to the electoral processes has been an important, highly visible area of cooperation for European donors, in particular the EU. Many international election observers have reported that past elections were characterised by election fraud, manipulation, vote rigging and abuse of administrative resources²³. European support to electoral processes thus responded to a very pressing issue preventing democratic change in Armenia.

During the last ten years the EU, EUMS, Switzerland and Norway provided assistance to independent observers so that they could monitor the electoral process and issue recommendations. In total, the EU provided approximately €7 million in electoral assistance, including support to electoral reform and election observation.²⁴ Through a UN Basket Fund to Support Electoral Processes in Armenia (SEPA), the EU, Germany and the UK provided approximately €4.7 million to the reform process of the Electoral Code and provide technical assistance for 2016 to 2017.²⁵ Following the so-called

²¹ Azatutyun.am (2013) 'Armenia's Ombudsman Highlights Court Graft With Bribery 'Price List'', 11 December, available at: <https://www.rferl.org/a/armenia-judicial-corruption-price-list/25197495.html>

²² Azatutyun.am (2019) 'Armenian Parliament Rejects Constitutional Court Nominee', 16 April. Available at: <https://www.azatutyun.am/a/29884612.html>

²³ See for example OSCE (2017) OSCE/ODIHR Election Observation Mission Final Report. Available at: <https://www.osce.org/odihr/328226?download=true>

²⁴ <http://asbarez.com/157674/eu-to-allocate-e7-million-for-electoral-reform-in-armenia/>

²⁵ http://www.am.undp.org/content/armenia/en/home/operations/projects/democratic_governance/support-to-the-electoral-process-in-armenia-sepa-.html

“4+4+4” format, the legislative component of the project brought together representatives of the ruling party, opposition parties and NGOs to discuss the new Electoral Code.²⁶ This resulted in the elections of April 2017 being the first to unfold under the new parliamentary system and with the new Electoral Code and reformed Constitution. While the violations of the elections were of a smaller scale this time, they were still tainted by an abuse of administrative resources and vote buying.

After the Velvet Revolution, the EU, as well as individual member states re-emphasised the importance of the electoral process and provided further financial assistance aimed at strengthening the capabilities of Armenia’s electoral bodies so as to ensure that such critical elections were inclusive and transparent. Financial assistance was provided by the European Union (€1.5 million), Germany (€700.000), UK (£500.000) and Sweden (1.5 million Swedish krona), with the purpose of introducing voter identification devices and installing web cameras to enable live broadcasting from around 1500 polling stations.²⁷ Given the tight deadlines of the snap elections, this case of EU and EUMS coordination represents a good example of swift and effective electoral support.

Electoral support remains relevant, given the new tendencies noted by the international observers, i.e. an increase of hostile rhetoric against individual candidates on social media during the electoral campaign as well as intentional disinformation. Also, it is important to note that in the past all officials of state institutions and bodies that were under the control of the authorities were informally obliged to vote for the ruling elites. Such a pattern of abuse of administrative resources may be re-established later on.

Local Authorities

Local authorities are another recipient of support from the EUMS and Switzerland within the framework of support to decentralisation. Countries such as Sweden, Austria and Germany have allocated funds to improve ties between the citizens and local government bodies, called “Councils of Elders”. Switzerland has focused its assistance on supporting decentralisation efforts and strengthening local self-governments in public service provision and increasing citizen’s participation in local decision-making processes.²⁸

While such support is very relevant for democracy, the budgetary dependence of the local authorities on the central government form a major obstacle to the effectiveness of such support in strengthening local democracy. This is because of the dual system of regional administration and local self-government bodies. On the one hand, there is the Council of Elders, which is a local self-

²⁶ <https://transparency.am/en/news/view/1439>

²⁷ *ArmenPress* (2018) ‘EU, Germany, UK and Sweden to Provide Support for Armenia’s Early Parliamentary Elections’ 14 November. Available at: <https://armenpress.am/eng/news/954492.html>

²⁸ <https://www.eda.admin.ch/dam/countries/countries-content/georgia/en/Strategy%20Leaflet%202017-2020%20South%20Caucasus.pdf>
<https://stats.oecd.org/qwids/microdata.html?q=1:22+2:9+3:295+4:1+5:3+6:2015+7:1+8:85+9:85&ds=CRS1&f=json>

government body directly elected by citizens. The Council of Elders serves as an intermediary between local communities, citizens and the government.²⁹ On the other hand, there is the regional administration, which is part of the centralised national administration. The heads of the regional administration are appointed by the Prime Minister, and thus politically dependent on the ruling coalition at the national level. This creates a problematic relationship between the elected local bodies and the state administration, as the state administration usually directly or indirectly controls local affairs.³⁰

The budgetary procedures are particularly telling of the dependence of locally elected bodies on the national government. Even though the Council of Elders has the right to discuss the community budgets, they need to send their budgets to the regional administration for examination.³¹ Such a budgetary approval procedure does not ensure the independence of local authorities and serves as an obstacle in the relationship between citizens and their local representatives. Furthermore, local authorities function in a closed manner, and often citizens do not know that they have the right to attend public sessions of the local authorities.

The dependence of local authorities on the regional administration not only weakens the link between the citizens and local authorities, but also undermines the inclusiveness of communities in certain cases. There are, for instance, some villages (e.g. Shamiram village) consisting mostly of ethnic minorities in which their willingness to actively participate in local government and see their linguistic rights recognised (such as ensuring the translation of legislation into their respective minority languages) are not being acknowledged. This has major implications for the inclusiveness and representativeness of local government.

Economic governance in an oligarchic system

Although support to a market economy is not traditionally linked directly to democracy support, it is important to mention that the EU and EUMS have allocated significant assistance to small and medium enterprises, in order to diversify the economy of Armenia. Between 2013 and 2017, around \$6 million was dedicated to small and medium enterprises. The key issue here in relation to democratic governance is the link with the oligarchic system, which has an obvious negative impact on the functioning of the parliament and politics more generally. Under the regime of the former ruling elites, many parliament members were connected with businesses in Armenia, which led to an intersection between political and economic interests. Businessmen with economic power would use their political influence to avoid paying taxes through ad hoc regulations that increased their

²⁹ European Committee of the Regions, Armenia: <https://portal.cor.europa.eu/divisionpowers/Pages/Armenia.aspx>

³⁰ Role and Responsibilities of Mayors and Local Councillors in Armenia, Azerbaijan, Georgia, Moldova, Ukraine and Belarus. Available at: <https://rm.coe.int/168071b235>

³¹ Law on Budgetary System of the Republic of Armenia adopted in June 1997 and reformed in 2017, available at: <https://www.arlis.am/DocumentView.aspx?docID=75497>

comparative advantage. Consequently, this has made it harder for small and medium enterprises to survive in an oligarchic economic system, which makes support to this sector highly relevant for breaking down the controlled economy of Armenia. Considering the poor record of reform up until now, donors may need to reassess funding to SMEs and take into account the impact of the regressive taxation system on oligarchic political influence.

2.3 Relevance of support to oversight

Independent media and disinformation

The Armenian media landscape has been marked by a number of challenges, including the partiality of certain platforms and gaps in the legal framework. In the early 2000s, the media was regarded as unfree as independent media outlets were repeatedly shut down. Online independent news sources have gained prominence since 2008, showing a strong potential to provide alternative views and to combat propaganda and disinformation. Some of these online sources and media organisations have acquired investigative features and contributed to exposing corruption cases in the country, thanks in part to European support. The EU and EUMS mostly focused on capacity building on digital skills and techniques to fight disinformation. Norway provided significant support to the development of quality journalism on regional and domestic events, political matters and democratic values, rights and duties.³²

In contrast, other pressing challenges to the media landscape have remained largely unaddressed by European democracy support. First of all, TV broadcasting remains strongly biased and reflects the opinions of either its owners or the government currently in power. A good example is the first Public TV channel (H1), which used to broadcast the government's views before the Velvet Revolution and even today, under Prime Minister Pashinyan, is still prone to express the opinions of the new ruling party. Moreover, a number of media representatives moved to the new government and thus switched the orientation of their previously associated media outlets in favour of the new government's strategic interests.

Secondly, the legislative framework on media in Armenia is in urgent need of improvement. The Law on Mass Media does not have any provisions on the declaration of media organisations' ownership³³, which presents a legislative gap that obstructs transparency in the media sector and masks the partiality of media outlets. Likewise, the law's definition of mass media also includes social media posts that are public (Article 3, provision 1).³⁴ Such a provision legitimises social media posts as a

³² See amongst others: <https://stats.oecd.org/qwids/microdata.html?q=1:18+2:9+3:299+4:1+5:3+6:2012+7:1+8:85+9:85&ds=CRS1&f=json>

³³ OSI Armenia (2018). Strategy of Reforms for Recovery of the Republic of Armenia. (in Armenian). Available at: <http://www.osf.am/wp-content/uploads/2019/01/ArmRefConcept-9.12.2018.pdf>

³⁴ Law on Mass Media of the RA, adopted on January 14, 2004, available at: <https://www.arlis.am/documentview.aspx?docid=1379>

recognised media source, which is problematic given the widespread abuse of social media platforms for disinformation, particularly in the countryside.

Beyond the traditional media sector, political discussions often take place on social media - mostly on Facebook and to some extent on Twitter. During the Velvet Revolution, Prime Minister Pashinyan has shifted the population's attention to Facebook as a source of information through live broadcasts on his Facebook page. While this creates the perception of transparency if it is being used by government representatives, it also blurs the distinction between official communication on the one hand, and disinformation and sensationalist debates on the other hand. Some Russian-led disinformation platforms have published false information about civil society organisations and members of the newly formed government which, given the lack of media literacy in the country, is a major challenge with an associated impact on the quality of democratic discourse. This distracts the attention of the population from fact-based information sources and draws attention to issues of secondary importance but with strongly emotional undertones. While programmes strengthening organisations in countering disinformation are a good start, falsified news also needs to be addressed on an official level, through governmental decision and strategy.³⁵

The European support has thus been relevant in strengthening professional journalism and fighting disinformation, given the lack of independence and truthfulness of some media platforms. At the same time, the issue of media ownership and online disinformation remain largely unaddressed.

Parliamentary system

On 15 December 2016 Armenia shifted from a semi-Presidential to a parliamentary system of government, a significant change for a country that has not yet developed a functioning multi-party system.³⁶ Considering that the new constitutional “rules of the game” envisage a larger role for parliament in holding the executive accountable, it is paramount for the National Assembly to increase its overall capacity. This is needed so as to attain the level required by its newly acquired competences and to avoid the concentration of power in the hands of one leader - even if, in principle, they are as well-intentioned and committed to democracy as the new Prime Minister presents himself to be.

Moreover, with the qualified majority falling in the hands of one party, the role to be played by the few opposition parties present in the parliament may decrease the diversity of political opinions in the National Assembly of Armenia. In this light, the role of the standing committees and their capacity to reflect the different views of Armenians regarding a diversity of issues will be key in ensuring citizen's representation and accountability.

³⁵ Interviews with EUMS diplomats, Yerevan, December 2018, and January 2019

³⁶ Interviews with EUMS diplomats, Yerevan, December 2018, and January 2019

European support in this area largely focused on assisting the Armenian government in the transition to a parliamentary system, by supporting inclusive negotiations for amending the Electoral Code.³⁷ To a lesser extent, support focused on strengthening the parliament itself. From 2017 to 2019, the UK supported a project aiming to strengthen the National Assembly's institutional capacity, performance, accountability and transparency.³⁸ European support to the parliament was thus relevant, but comparatively limited and once again mostly focused on technical issues, while disregarding the strong political implications of the shift to a parliamentary system and the parliament's role in oversight.

Political parties

Since the 1999 elections, various politicians who are directly or indirectly involved in business have been elected to the parliament, leading to a clear division between the newly formed political parties and the old parties that include, or are led by, oligarchs. Whereas the new parties have limited resources and difficulties competing in elections, the older parties include oligarch representatives who influence policy-processes for their own economic interest and engage in vote-buying.

In addition, political parties are distributed across the country unevenly and have support in different regions. As smaller parties struggle to reach remote areas, the impact of the abuse of administrative resources by the ruling elites is significant. It is clear that all political parties tend to rely on individual leaders, rather than on ideologies. There is no clear ideological spectrum or left-right divide. Similar to the other post-Communist countries, it is hard for political parties to convey the ideology of socialism as it is often associated with the Soviet legacy rather than Western social democracy and social welfare, which limits the diversity of the ideological spectrum.

Another challenge to small political parties are the restrictions on financial support, as only political parties that have received at least 3% of votes during the latest elections are entitled to state funding from the government of Armenia.³⁹ The law also restricts financial support from other external donors.

Following the elections of December 2018, new challenges have arisen with the new ruling party which consists of parliament members from the My Step movement, civil society representatives and youth, including many pro-Western representatives, as well as people from NGOs and former politicians and parliament members. As a newly established party with such a diversity of

³⁷ Delegation of the EU to Armenia (2016). Local EU Statement on Electoral Reforms in Armenia. Available at: https://eeas.europa.eu/delegations/armenia/16231/local-eu-statement-electoral-reform-armenia_en

³⁸ UK Aid 2017. Available at:

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/612334/NA_Project_Concept.pdf

³⁹ Constitutional Law of RA on Political Parties of December 2016 (Article 26), available at:

<https://www.arlis.am/DocumentView.aspx?docID=110534>

backgrounds amongst its members, the My Step Alliance may face certain challenges in the future. It can either split due to this diversity or it can consolidate into a strongly disciplined and hierarchical organisation that would make any political debates impossible and bring the country back to a one-party system.

European democracy donors have provided some support to political parties in response to these challenges, but it has been rather limited. For example, Germany and the United Kingdom have organised capacity building activities for the Republican Party, the Armenian National Congress, Bright Armenia and the new ruling My Step Alliance. As direct financial support by foreign donors to political parties is not allowed, EU assistance has taken the form of capacity building training and schools for political parties that, in some cases, follow a multiparty approach that favours dialogue and mutual understanding.

Civil society

It should be noted that although Armenian authorities had adopted certain authoritarian features, civil society in Armenia continued to push for democratic reforms, thanks in great measure to the support received from the EU and EUMS. Civil society was the second most funded sector of democracy support for the EU, second only to judicial and legal development.

Throughout the years, civil society organisations have focused on different issues in the country, either specialising in awareness raising, human rights, democracy, disinformation and corruption, or focusing on the foreign policy of the country. These activities are mostly implemented through conferences, trainings, publications, monitoring of government bodies and reports issuing recommendations. The sector is characterised by proactive efforts to link up with media and civic activists and has often played a major role in reforms, striving to assist the government of Armenia in these processes.

Support to civil society was extremely relevant in building the necessary capacity and vibrancy of a variety of civil society organisations, who ultimately played a primary role in the Velvet Revolution. Civil society actors were able to mobilise and organise the protest movement in an effective and peaceful manner, in part because many organisations had been strengthened with European support. This support enabled civil society organisations to react quickly and organise effectively whenever a window of opportunity for democratic change opened.

Respondents interviewed for this paper have noted that civil society's capacity to monitor the executive and legislative branches, and weigh in on policy-making has also been strengthened through European support, thereby empowering civil society as a watchdog and as a resource for democratic decision-making. Many projects have supported civil society organisations in monitoring the

implementation of Armenia's international human rights commitments. For instance, a number of civil society organisations have pushed for the implementation of international women's rights conventions.⁴⁰ Other civil society organisations have held the government accountable to their commitment to enhance transparency.⁴¹ Support to policy dialogue then empowered civil society organisations to make a meaningful contribution to policy processes and closely monitor reform processes and budgetary decisions.⁴²

Civil society support has also focused on raising awareness on democratic principles and human rights to the wider public. A recent example is the "EU4HumanRights" project, which has supported Armenian civil society organisations in engaging youth, journalists and human rights advocates in debates on human rights topics such as domestic violence, fair trials, torture, and tolerance.⁴³ Such support is relevant for fostering wide-spread support for democratic principles and values.

The EU has been particularly active in supporting civil society during elections, providing financial support to CSOs for organising election observation missions and increasing citizen participation. A number of CSOs were involved in encouraging participation in the 2018 Parliamentary elections, for instance.⁴⁴ Other organisations were supported to observe the voting process and monitor the conduct of those elections.⁴⁵

Along with the support from the EU, a number of European and American civil society organisations have provided support to civil society in Armenia. The European Endowment for Democracy (EED) has, for instance, supported civil society organisations, activists, independent lawyers and independent media platforms.⁴⁶ American donors such as the NED, NDI and the Open Society Foundations, have also provided support to independent media, human rights, the justice sector and elections.^{47 48}

While recognising variation in terms of impact level change, European support has greatly contributed to civil society's capacity to support successful democratic reform such as the emblematic events of the Velvet Revolution. At the same time, civil society also faces challenges of sustainability,

⁴⁰ The Women's Resource Centre has worked on empowering women in general, while OxyGEN has organised policy dialogues in order to ensure gender equality in the labour market.

⁴¹ For instance, the Freedom of Information Centre of Armenia monitors the implementation of the Open Government Partnership Initiative Action Plan by the government of Armenia.

⁴² OXFAM GB LBG implemented a project aiming at strengthening CSOs in building accountable reform monitoring mechanisms through policy dialogue, with EU support for 608,762 Euro from December 2013- January 2017. From December 12- September 2019, Freedom of Information Center of Armenia (FOICA), Maastricht-based European Journalism Center are implementing a project "Access to Information and Investigative Journalism for Better Informed Citizens" training CSOs on monitoring state budget and assisting Armenian citizens.

⁴³ "EU4HumanRights: Pursuing Positive Change through Empowering Civil Society" is a project funded by the EU for 2018-2020. The budget is EUR 1,499,830. The project is implemented by the Open Society Institute Assistance Foundation – Armenia (OSIAFA), the Institute of Public Policy NGO and Union of Informed Citizens NGO for a project entitled.

⁴⁴ The "Elections4All" project by the EU for €422,516.00 was implemented by the OxyGen Foundation, the Helsinki Citizens' Assembly – Vanadzor, Investigative Journalists NGO, the Yerevan School of Political Studies, the Coalition for Inclusive Legal Reforms and the 'Region' Research Centre.

⁴⁵ For the elections of December 2018, European Network of Election Monitoring Organizations received support from the EU (€208,735.00) to allocate observers in 510 polling stations (25% of polling stations).

⁴⁶ The European Endowment for Democracy has supported amongst others: Media Initiatives Centre, Hetq.am, Gala TV, Human Rights Power, and the Europe in Law Association. More information here: https://www.democracyendowment.eu/en/our-work/initiatives.html?&filter_country=11

⁴⁷ National Endowment for Democracy. Armenian 2018: <https://www.ned.org/region/eurasia/armenia-2018/>

⁴⁸ Open Society Foundations, Armenia: <http://www.osf.am/about-company/grants-lists/2017/>

independence and corruption. In 2016, some Armenian NGOs were suspected of embezzlement of EU funding.⁴⁹ Such corruption cases undermine the credibility and legitimacy of the EU in Armenia. As in many other states worldwide, NGOs face questions regarding their sustainability, as most of the civil society organisations are dependent on external grants.

2.4 Relevance of support to peacebuilding

A major impediment for democratic progress in Armenia is the Nagorno-Karabakh conflict, which is officially mediated in the framework of the OSCE Minsk Group, with 3 co-chair countries: the US, Russia and France. The EU Special Representative for the South Caucasus also makes regular statements on behalf of the EU. In parallel to the official process, Armenian civil society organisations have been involved in peace-building activities that bring Armenian citizens and Azerbaijani citizens together. Other than rare official meetings, this is the only organised people-to-people contact between citizens from both countries, which contributes to soften the otherwise harsh attitude of their populations towards each other.

In 2017, the EU started supporting NGOs in Armenia, Azerbaijan and Georgia in the framework of the project “Peacebuilding through Capacity Enhancement and Civic Engagement” in order to promote peace among NGOs and youth in these countries.⁵⁰ There have been some attempts of peacebuilding initiatives by international NGOs, like the European Partnership for the Peaceful Settlement of the conflict over Nagorno Karabakh (EPNK). This is an EU funded initiative that works with partners in the South Caucasus to contribute to peace in the region.⁵¹ However, overall the EU and EUMS have provided rather limited financial assistance to the peace-building and rapprochement activities related to the Nagorno Karabakh conflict.

There has been an increase of official meetings between Armenian and Azerbaijani authorities following the Velvet Revolution. In January 2019, the EU spokesperson for Foreign Affairs and Security Policy, European Neighbourhood Policy and Enlargement Negotiations made a statement regarding the new developments, considering these recent meetings as progress, and announcing that the EU is awaiting the full implementation of measures that will prepare the populations for peace.⁵² In the light of new developments, a more coordinated approach and increased engagement of the EU and

⁴⁹ *Radio Free Europe* (2017) ‘EU Staffer in Armenia Arrested for ‘Embezzlement’’, April 28, available at: <https://www.azatutyun.am/a/28457348.html>

⁵⁰ Delegation of the European Union to Armenia. Grants Opportunities (2017). Available at: https://eeas.europa.eu/delegations/armenia/25540/grants-opportunities-peacebuilding-through-capacity-enhancement-and-civic-engagement-peace_en

⁵¹ EPNK website: Available at: https://eeas.europa.eu/delegations/armenia/25540/grants-opportunities-peacebuilding-through-capacity-enhancement-and-civic-engagement-peace_en

⁵² European Union External Action (2019). Statement by the spokesperson on recent developments toward the peaceful settlement of the Nagorno Karabakh conflict. Available at: https://eeas.europa.eu/headquarters/headquarters-homepage/56817/statement-spokesperson-recent-developments-toward-peaceful-settlement-nagorno-karabakh_en

EUMS in the peace-building activities in Nagorno-Karabakh would assist in peacebuilding activities between Armenia and Azerbaijan.



3.

Complementarity

3.1 Coordination among EUMS

EUMS diplomatic representatives meet regularly under the coordination of the EU Delegation. In addition, there are regular meetings among EUMS diplomats at the level of Ambassadors, as well as meetings among lower rank diplomats and European experts visiting Armenia from EU states. EUMS also organise joint consultations before their meetings with the Prime Minister of Armenia.⁵³

Financial support from European states is diversified according to a more or less defined division of labour. Whereas some countries prioritise human rights, the rule of law and democratic institutional support⁵⁴, others put the emphasis on small and medium enterprises and rural development,⁵⁵ with some EUMS providing assistance to both areas of work. Complementary to the overall goals and principles of the EU-Armenia reform agenda, EUMS prioritise the policy issues that are most important in their own relations with Armenia. For example, the adoption of “anti-discrimination” legislation is of particular importance for Sweden, the United Kingdom and Germany and therefore they stress this more in their engagement with Armenia than other EUMS do.⁵⁶

There have been a number of joint initiatives by the EU and EUMS. From 2015 to 2018, for instance, the EU, UK and the Council of Europe jointly implemented a project to support the implementation of the judicial reform in Armenia. There have also been a number of twinning projects coordinated and implemented jointly by the EU and EUMS in a variety of sectors.⁵⁷ Lithuania also implemented

⁵³ Interviews with EUMS diplomats, Yerevan, December 2018, and January 2019

⁵⁴ See e.g. Federal Ministry For Economic Cooperation and Development (2012). A Region Takes Off. Development Cooperation with the South Caucasus. Available at: http://www.bmz.de/en/publications/archiv/type_of_publication/information_flyer/information_brochures/Materialie218_Information_Brochure_1_2012.pdf

Ministry of Foreign Affairs of Denmark (2017). Project: Democracy and Human Rights Programme Armenia. Available at: <http://openaid.um.dk/en/Projects/DK-1-217763>

⁵⁵ See e.g. AFD (n.d.) Armenia. Available at: <https://www.afd.fr/en/page-region-pays/armenia>

⁵⁶ Interviews with EUMS diplomats, Yerevan, December 2018, and January 2019

⁵⁷ For example in 2011-2014, Lithuania with the United Kingdom have implemented a project “Harmonization with EU standards and institution building of the state inspectorate of protection of markets and consumer rights”, Lithuania with Finland has also undertaken a project called “Support to the State Revenue Committee for Strengthening of Customs Control Procedures and Enforcement in the Republic of Armenia according to the Best Practices in the EUMS”.

projects jointly with Germany, Finland and the UK. As already seen in previous chapters, there have been other coordinated initiatives among EUMS and the EU to provide electoral assistance in Armenia.

The institute of the Eastern Partnership Ambassadors exemplifies the good coordination among the EUMS in Armenia. Groups of Special Envoys and Ambassadors regularly visit Armenia and meet with government officials, civil society representatives and various key political actors. The envoys make joint recommendations in meetings with government officials. The EaP Ambassadors and Special Envoys are (high-ranking) officials in the Ministry of Foreign Affairs of different EUMS. Meetings are regularly held in EUMS, and joint visits are conducted to the Eastern partner countries - the last such visit to Armenia was conducted in early 2019.⁵⁸

It should be noted that generally, support from the EU and EUMS has been complementary. When the need for reform in a certain sector had been identified, the EU and EUMS have sought to assist all the stakeholders that were involved in the sector. For instance, some European countries would focus on improving national legislation of the country, while other countries would assist in strengthening the relevant institutions, so that in the end the different streams of support had an interconnected logic. In cases of such coordinated efforts, the results were more visible and included more actors. For example, when the EU and EUMS such as Germany and Sweden supported Armenian authorities in reforming the Law on Public Organisations in 2014, some EUMS provided assistance to the civil society organisations for public hearings regarding the issue and others assisted the Ministry of Justice for developing the law. EUMS and EU support to different stakeholders assisted in establishing dialogue and negotiations amongst the different actors.

At the same time, there has been an overlap in the support by EUMS in some sectors. For example, various European donors have provided support to local government bodies with the same focus of strengthening the capacity of local authorities and deepening the link with citizens, thereby reducing the significance and potential impact of support.

3.2 Coordination with other international actors

EUMS also coordinate their actions with international organisations based in Armenia through meetings and occasionally joint programmes⁵⁹ and projects in the fields of corruption, human rights and economic development. For example, UNDP and Sweden jointly implemented projects on the application of UN human rights treaties, and the EU and the Council of Europe jointly provided technical assistance on the application of the European Convention on Human Rights in Armenia.

⁵⁸ https://www.mfa.am/en/press-releases/2019/02/13/zm_eu_amb_env/9083

⁵⁹ Interviews with EUMS diplomats, Yerevan, December 2018, and January 2019

At times, some European democracy support organisations take a leading role in coordinating actions among international and European donors. For instance, in January 2019, the European Endowment for Democracy (EED) organised a meeting with a number of donors to exchange opinions on the revolution and reflect on the future. In addition to the EUMS and their agencies, these donors include the National Endowment for Democracy, Open Society Foundation, UNDP, USAID and the US Embassy. While priorities among actors differs, there seems to be a generalised agreement on prioritising support to independent media, civil society engagement, human rights, good governance, and strengthening the link between civil society and government.

3.3 The inclusion of civil society in policy making

As civil society has been a critical driver for democratic change in Armenia the coherence of EU support for a pro-democracy role for civic actors merits more detailed analysis. In general, civil society organisations are most active in awareness raising and monitoring powerholders, although they are increasingly playing a stronger role in policy making.⁶⁰ Their importance has been recognised by the EU and EUMS through both financial assistance and political support in the form of frequent references to civil society in policy documents, such as the Joint Declaration of the Prague Eastern Partnership Summit of 2009⁶¹ or the CEPA⁶². Through the Eastern Partnership and the CEPA, the EU strives to stimulate civil society development and institutionalise its support to domestic public decision-making processes.

The Eastern Partnership (EaP) initiative has been important in enhancing the role of civil society in policy processes. Within this framework, the EaP Civil Society Forum (CSF) was established in order to create a regular dialogue platform between the EU, civil society organisations and governments of Eastern Partnership countries. Through an annual EaP Civil Society Forum and various meetings throughout the year, civil society organisations monitor the progress of the EaP and provide recommendations to their governments. Many small and larger sized organisations received an opportunity to participate in the Civil Society Forum. The NGOs at the EaP CSF often launch campaigns that improve cooperation among the NGOs of the EaP countries and also highlight important issues in their respective countries. For example in June 2019, the EaP CSF Armenian National Platform called for the institutionalisation of civil society dialogues in the framework of the CEPA. Similarly, NGOs have issued campaigns jointly with all EaP countries regarding domestic issues, such as gender equality, human rights and elections.⁶³

⁶⁰ EU country roadmap for engagement with civil society 2014-2017.

⁶¹ Joint Declaration of the Eastern Partnership Prague Summit 2009. Available at: https://www.consilium.europa.eu/media/31797/2009_eap_declaration.pdf

⁶² Armenia-EU Comprehensive and Enhanced Partnership Agreement. Available at: https://cdn3-eeas.fpfis.tech.ec.europa.eu/cdn/farfuture/S17QI437S_ttyiGoqFm6o6ecE564mEUsiCPcYbga97s/mtime:1514986780/sites/eeas/files/eu-armenia_comprehensive_and_enhanced_partnership_agreement_cepa.pdf

⁶³ More information about the campaigns can be found on the EaP CSF website: <https://eap-csf.eu/eap-csf-campaigns/>

The EU also advances the role of civil society in the CEPA. According to Article 103, civil society needs to be included in public decision-making by establishing an open, transparent and regular dialogue between public institutions and civil society. Although the CEPA provides the EU with leverage to further encourage the Armenian government to involve civil society more systematically in policy processes, this commitment remains to be implemented in practice. The CEPA and the EaP thus exemplify the EU's commitment to stimulating the development of civil society and the involvement of civil society in policy processes and dialogues with Armenia but also shows the limitations of such approach if the public authorities are not on board.

In general it seems that the role of the civil society, established in the CEPA and EaP, is yet to materialise in the reality of EU engagement with Armenia. The EU still insufficiently consults and involves civil society and media actors in policy dialogues concerning EU-Armenia relations and sectoral reforms. For instance, civil society actors have not been involved in official meetings with Azerbaijani representatives in the framework of the OSCE Minsk Group nor in EU peacebuilding activities, precisely when they are the only Armenian actors who are in direct contact with the Azerbaijani population.

At the same time, the EU does not sufficiently use its leverage through the CEPA to insist on civil society involvement by the Armenian government. Civil society organisations' proposals to reform the Electoral Code, for instance, were postponed by the post-revolutionary government, despite the widespread support these proposals held. The Roadmap of the EU-Armenia CEPA, adopted in July 2019, includes actions and commitments for reform in the framework of the CEPA, including a commitment by the government of Armenia to reform the electoral code at the end of 2021.⁶⁴ While this is an important first sign of political will, it is unfortunate that such a critical reform process is postponed until 2021.

⁶⁴ Roadmap of the EU-Armenia CEPA, Part 3 (2019), available at: https://www.e-gov.am/u_files/file/decrees/varch/2019/19_666_1.pdf?fbclid=IwAR3XWGXeyxr4_71zEmVg4EM0jb8dH7v5ZP4DNhfW18gAoDWI_WDMTUuBpQ



4.

Consistency

4.1 Reverse in foreign policy by Armenia from 2000 to 2013

The EU's relations with Armenia have been conditioned by Armenia's engagement with Russia. In the early 2000s, Armenia's pro-Russian foreign policy gradually shifted towards a rapprochement to the EU with the Eastern Partnership initiative. Whereas Armenia continued security cooperation with Russia, the EU took up an increasingly important role in the country in issues other than security. The period of 2009 to 2013 was marked by a willingness to cooperate with the EU, as negotiations were ongoing on the EU-Armenia Association Agreement and the Deep and Comprehensive Free Trade Agreement (DCFTA). The negotiation period coincided with a wave of greater political freedoms and an opening up of Armenian markets to European companies. It was at this time that a number of European airlines as well as the French telecommunication service Orange started operating in Armenia (which was one of the investments that broke the Armenian-Russian telecommunication monopoly).

This period of rapprochement was abruptly reversed in 2013 when Armenia joined the Russia-led Eurasian Economic Union and withdrew from signing the EU Association Agreement. As a consequence, a number of European airlines halted their newly established operations in Armenia and Orange sold its assets to an Armenian company. The Eurasian Economic Union undermined the diversity of many other economic sectors too. Despite the official government policy of complementarity between EU and Russia relations, the government did not sign the Association Agreement with the EU. The accession to the Russia-led Eurasian Economic Union in 2013 also came with restrictions on citizens' political and economic rights.

4.2 Continued engagement between the EU and Armenia

After the refusal of Armenia to sign the Association Agreement, EU and EUMS officials continued insisting that Armenia should sign the Comprehensive and Enhanced Partnership Agreement. The President of the European Council, Donald Tusk, stressed this during the official visit of Serzh

Sargsyan to Brussels in 2017.⁶⁵ This was later reiterated by the Polish Minister of Foreign Affairs Witold Waszczykowski, who noted in 2017 that he looked forward to signing the new Agreement during the Eastern Partnership Summit, and also welcomed Armenia's efforts to implement democratic reforms.⁶⁶ These along with numerous other examples, attest to the fact that the EU and EUMS consistently expressed support for the CEPA, despite Armenia's rapprochement towards Russia in that time.

While such consistency is considered a strength by some, others have interpreted it as a sign that the EU's vested interests in a trade agreement have overruled their commitment to democratic reform in Armenia. At the time of Armenia's withdrawal from the Association Agreement and its refusal to sign the Deep and Comprehensive Free Trade Agreement, Armenia did continue to benefit from low levels of EU tariffs under the EU's Generalized System of Preferences (GSP+) as well as non-tariff protection measures.⁶⁷ As the CEPA serves as an instrument for important levels of political cooperation, it demonstrates a consistent commitment to engagement by the EU beyond purely economic ties. However, it is difficult to assess the degree to which democratic reform has been prioritised in such engagement.

According to data it seems that several EUMS responded to the reversal of Armenia's foreign policy in 2013 by decreasing financial assistance to Armenia although the causality is not specifically defined. For instance, Denmark phased out its support, while Estonia stopped listing Armenia as a priority partner for cooperation. Interestingly, Sweden, one of the Eastern Partnership initiator countries, opened its embassy in Armenia in 2014 while also decreasing financial assistance. Overall official development aid to Armenia, related to democratization, decreased the most in the years of 2013-2014, followed by a gradual increase in the following years.⁶⁸

The EU and EUMS thus responded to Armenia's rapprochement to Russia and the clampdown on citizens' rights by scaling down their financial cooperation while, at the same time, remaining committed to long term engagement, most notably through the CEPA. The EU and EUMS were thus consistent in their cooperation with Armenia throughout the period in which its foreign policy seemed to take a U-turn.

⁶⁵ Council of the European Union (2017). Remarks by President Donald Tusk after his meeting with President of Armenia Serzh Sargsyan. Available at: <https://www.consilium.europa.eu/en/press/press-releases/2017/02/27/tusk-meeting-president-armenia-sargsyan/#>

⁶⁶ Ministry of Foreign Affairs Republic of Poland (2017). Minister Witold Waszczykowski Visits Yerevan. Available at: https://mfa.gov.pl/en/news/minister_witold_waszczykowski_visits_yerevan;jsessionid=520D8AF4CF578964BDBCF0656E93429.cmsap1p?printMode=true

⁶⁸ Open Aid of Sweden (2016). Available at: <https://openaid.se/aid/swedish-international-development-cooperation-agency/armenia/all-organisations/government-civil-society/2016/>

4.3 Consistent EU and EUMS support to democratic reforms

With the surge in civic movements from 2010 onwards, the EU and EUMS complemented their formal support for democratic reforms with statements supporting the protestors' agenda for democratic reform and defending citizens' freedom of speech, expression and assembly. In this regard, the EU and EUMS remained, at least rhetorically, consistent to the principles of freedom of assembly throughout the period in question.

Some examples of EU engagement highlight the extent of EU and EUMS support to citizens' reform movements and the evolution over time. Following the forceful dispersion of the Electric Yerevan protests in 2015, the EU Delegation in Armenia issued a statement about the excessive use of force against peaceful protesters and journalists, calling for dialogue between the government and civil society.⁶⁹ In addition, EUMS diplomats went to the protest site to monitor the situation themselves. The controversial constitutional referendum later that year was responded to with a joint statement by the EU Delegation and EUMS Heads of Mission. The statement acknowledged the credibility of independent observers' allegations of electoral fraud, and urged the authorities to investigate the fraud allegations in a transparent manner.⁷⁰

Statements by European officials were also supportive during the Velvet Revolution in 2018. During the early days of the protests, the EU Delegation and EUMS embassies were quick to issue a statement calling on all actors to behave responsibly and seek a negotiated solution.⁷¹ After the resignation of Serzh Sargsyan, a new statement stressed that the EU would continue its support to Armenia's reform efforts, especially in the field of the rule of law and independence of the judiciary, in line with the CEPA.⁷² These statements by the EU and its member states signalled to the authorities that support would decrease in the case of violent suppression of the protests. It is likely that this played a role in the calculations of the ruling elites and thereby contributed to the restraint in violence in reaction to public demonstrations.

The EU and EUMS have also rewarded democratic reforms by increasing funding. In early 2019, the Swedish government announced its intention to top up its financial support to Armenia in response to the political will to undertake necessary reforms. The EU also foresees increased funding to Armenia in 2019 through the use of 'umbrella funds' from the European Neighbourhood Instrument.

⁶⁹Statement Issued by the EU Delegation in Armenia (2015). Available at: http://eeas.europa.eu/archives/delegations/armenia/documents/news/20150623_local_eu_statement_on_recent_clashes_between_protestors_and_police_in_armenia_en.pdf

⁷⁰ Statement Issued by the EU Delegation in Armenia in agreement with the EUMS Heads of Mission (2015), available at: http://eeas.europa.eu/archives/delegations/armenia/press_corner/all_news/news/2015/2015_12_10_2_en.htm

⁷¹ European Union External Action (2018). Urgent Statement by the Delegation of the European Union and EU Member States Embassies in Armenia. Available at: https://eeas.europa.eu/headquarters/headquarters-homepage/43328/urgent-statement-delegation-european-union-and-eu-member-states-embassies-armenia_en

⁷² Delegation of the European Union to Armenia (2018). Joint Statement of 24 April 2018 on the Situation in Armenia. Available at: https://eeas.europa.eu/delegations/armenia/43446/joint-statement-24-april-2018-situation-armenia_en

The EU and certain EUMS have consistently shown their willingness to support democratic reforms in Armenia when political winds were favourable. At the same time, it should also be noted that during the period covered the EU has also been slow in reacting to democratic regressions in the country, which in some cases undermined the effectiveness of the EU's assistance. A striking example is Armenia's accession to the Russia-led Eurasian Economic Union at a time when the country developed greater authoritarian tendencies. The EU and EUMS did not provide a fast and active response to these events, which compromised the public's perception of EU support to democratisation in Armenia. Only a year after Armenia's accession to the Eurasian Economic Union did the EU and EUMS decrease financial support in response to the new situation. Moreover, EU and EUMS did not only decrease the financial support to state institutions, but also to civil society organisations, thus making it harder for citizen movements to survive and fulfil their role in an already shrinking space. Concretely, EU and EUMS' ODA to the democratisation and civil society sector dropped from \$5.1 million in 2013 to \$1.9 million in 2014⁷³, arguably when it was most needed. The EU and the EUMS will need to be more consistent in such cases of autocratisation and react to such policy changes in ways that do not end up playing to the advantage of those that are responsible of restricting democratic rights in the first place.

⁷³ Data is from OECD official website: <https://stats.oecd.org/qwids/>



5.

Impact

5.1 Contribution of EU engagement to democratisation

The main contributions of the EU and EUMS to democratic reform in Armenia resulted from the consistent engagement and negotiations concerning the Association Agreement, the visa facilitation dialogue, the CEPA and the EaP. As part of these agreements, the EU put forward various requirements for democratic reforms and thus used its economic leverage and ‘soft power’ to encourage democratic reforms. The required legal reforms were supported by programmes which involved the ruling party, opposition parties and civil society organisations in the process of legal reform. Despite the lack of political will in the ruling party to adopt the reforms, the process had the effect of raising awareness among Armenian political actors and civil society stakeholders about democratic principles and human rights as inextricable elements of the EU Agenda.

In addition, the consistent engagement of the EU and EUMS has also had a deterring effect on the ruling party’s autocratic inclinations and is likely to have prevented a further erosion of democratic space. The threat of political criticism and of a significant reduction in financial support from the EU and EUMS may have contributed to the peaceful conduct of the Velvet Revolution, for instance, as the EU had already called the government out on violence against protestors in the past and funding did decrease at a time of increasing infringements on fundamental freedoms.

Overall, EU programmes have also contributed to the building of capacity and professionalisation of different state and civil society actors, as detailed in the next section. The EU invested heavily in the capacities of the judiciary, lawyers, the electoral management body and civil society organisations. Support to civil society was particularly important in empowering organisations to raise awareness on human rights, foster political participation, and hold state institutions to account. This contribution to strengthening organisational capacities and human capital clearly improved the ability of civil society to back the peaceful protests of the Velvet Revolution. European support also contributed to an increase in the number of independent media sources, which was a necessary improvement given the limited space for freedom of speech and democratic debate.

On the other hand, European support to state institutions had a mixed impact, as the ruling elites implemented reforms without a real commitment to democratisation. For example, the organisation of elections has improved in Armenia, but the abuse of administrative resources remains. Likewise, despite support by the EU and EUMS to the judicial system, insufficient independence and corruption remain major obstacles to democratisation.

5.2 Contributions of different sectors of democracy support

Given the complexities of ascribing attribution to EU actors, the following section identifies concrete areas of impact that emerged from the research by focusing on the specific fields of support to institutions, legal reform and support to oversight mechanisms.

Impact of support to institutions

In order to reflect on EU and EUMS support to institutions in Armenia, this paper takes note of certain improvements in the organisation of elections, the justice sector, the effectiveness and transparency of governance, and the capacity of the Human Rights Defenders Office.

Firstly, a significant amount of electoral support has been provided by the EU and EUMS, with mixed results. European technical assistance provided new electronic voter authentication devices, cameras in three quarters of all polling stations, and training sessions for technical staff. This contributed to the deterrence of carousel voting and voter intimidation in the voting booths, and improved the Central Electoral Commission's technical capacity for organising elections. It also resulted in an improvement in the organisation of elections in 2018, compared to those of 2017. As noted in the ODIHR report regarding the Parliamentary elections of 2018, the elections were well administered and there was a general absence of vote buying, and pressure on voters.⁷⁴ The improvement in the technical capacity for organising the elections was an important step towards transparent and credible elections, given Armenia's history of voter intimidation and vote buying by the authorities.

However, such technical assistance did not curb the abuse of administrative resources. People who worked at state institutions or were affiliated with the ruling elites were under pressure of voting for the ruling party. It is highly unlikely that this technical support would have had the same impact without the concomitant political changes of the revolution. There was a window of opportunity that was recognised but the fundamental importance of political will retains a major bearing on the success of support. The impact of EU technical assistance to elections has had a mixed impact, as

⁷⁴ OSCE (2018) OSCE/ODIHR Election Observation Mission Preliminary Conclusions. Available at: <https://www.osce.org/odihr/elections/armenia/405890?download=true>

the technical capacity to organise elections was improved, but the elections remained compromised by manipulative techniques such as voter intimidation.

Secondly, certain important improvements resulted from EU support to governance, in particular by providing technological equipment and capacity for improving the efficiency of public administration and for countering corruption. Some of the results include the creation of a new electronic document-management system in Armenian government institutions, an online system for submitting tax statements, an electronic civil status registry, a one-stop-shop vehicle registration system, an automated driver's licence issuing system, and an online business registry. In addition, an electronic letter form was created, which allowed ordinary citizens and legal entities to send an application, request or complaint to the executive and legislative institutions of Armenia online. Information systems have also been created to enhance transparency, such as Datalex, which allows citizens to receive details on court hearings and track information on court cases.

Such technical assistance facilitated the provision of basic public services and enabled citizens, civil society and experts to attain the information necessary for holding the authorities to account. Officials could not artificially prolong bureaucratic procedures anymore and then request bribes to speed up the process, which was a major issue previously. By helping to digitalise administrative procedures, EU governance support clearly contributed to the fight against corruption in the public administration.

The Human Rights Defender Office also received significant funding by the EU and Sweden, which supported technical capacity and expertise for handling complaints through regional offices all around Armenia.⁷⁵ ⁷⁶ The progress of the Human Rights Defender Office illustrates the positive impact of the EU and EUMS work on human rights. In 2015, the Ombudsman Office hotline provided assistance and consultancy to 3786 callers, which had increased to 4041 by 2016.⁷⁷ At the same time, the number of complaints addressed to the Defender that were resolved increased. The number of complaints that have been resolved positively in 2016 was 444. In the year of 2017 this figure doubled to 845, and as of December 2018 it was 1339.⁷⁸ These figures illustrate the great strides made by the Human Rights Defender Office and Ombudsman Office in terms of increased capacity to respond to the needs of human rights defenders. In 2018, the Ombudsman was praised by various international actors such as the EU⁷⁹ and European Court of Human Rights⁸⁰ for monitoring different peaceful protests and striving to protect human rights in the country.

⁷⁵ Sida (2010). Outcome Review of Sida's Development Cooperation with Armenia 1999–2009 Final report. Available at: <https://www.sida.se/contentassets/af847e85a11a493694a76c4f28c7c729/15078.pdf>

⁷⁶ UNDP Armenia (2017). Available at: <http://www.am.undp.org/content/armenia/en/home/projects/promotion-and-protection-of-human-rights-in-armenia.html>

⁷⁷ Human Rights Defender Office (2016). Statistics. Available at: <http://www.ombuds.am/en/statistics.html>

⁷⁸ Human Rights Defender Office (2018). Available at: <http://www.ombuds.am/en/media/598.html>

⁷⁹ Emerging Europe (2018). 'EU Praises Armenia's Human Rights Ombudsman'. September 19, 2018, Available at: <https://emerging-europe.com/news/eu-praises-armenias-human-rights-ombudsman/>

⁸⁰ Panorama.am (2018) 'ECHR chief praises work of Armenian Ombudsman's Office' February 26. Available at: <https://www.panorama.am/en/news/2018/02/26/ECHR-Armenian-Ombudsman's-Office/1911331>

Lastly, there has been extensive support from the EU and EUMS to the justice sector of Armenia. European support was provided for the reform of the Criminal Code, the Strategic Programme for Legal and Judicial Reforms, the Judicial Code and new Civil Procedure Code. European support thereby sought to contribute to the reform of Armenian legislation resulting in compliance with the standards of the Council of Europe. Assistance also contributed to the enhanced capacity of key actors through trainings from EU professionals, amongst others on the implementation of international human rights standards. Nevertheless, one would be hard pressed to say that this support was a success given the partisan nature of the judicial system where independence cannot be guaranteed. A focus on the formal structures in a system where informal rules play a major role means that European support was quite wide of the mark.

Impact of legal reforms

Important steps were made in the political empowerment of women through certain legislative reforms and capacity building activities, which EU and EUMS contributed to. EU support to the reform of the Electoral Code insisted on introducing a gender quota, for instance, and many training sessions have been provided to female politicians. The number of female Members of Parliament has seen a significant increase since the reform of the Electoral Code. In the elections of 2018, 32% of the registered candidates were female, and 24% of elected MPs in the new parliament are women. In the Parliament, formed after the elections of April 2017, 17% of parliament members were female, meanwhile in the 2014-2017 mandate, only 10% of MPs were women.⁸¹

Apart from women's political participation, the EU and EUMS have also further supported the empowerment of women by focusing on the legal protection of women. Long-standing cooperation between the Justice Ministry and the EU resulted in the drafting and eventually the adoption of the Law on Domestic Violence. Various stakeholders such as the Ministry of Justice, the police and judges were also involved in projects to ensure equal access to legal protection. The adoption of the law was an important step for Armenia, as the traditional patriarchal structure of Armenian society places limits on the attainment of equal rights for women. The law set the scene for Armenia to sign the Council of Europe Istanbul Convention on Preventing and Combatting Violence against Women and Domestic Violence the year after the adoption.

Impact of support to oversight

At various moments European governments have sought to strengthen accountability mechanisms, through support to the media, civil society organisations and political parties. Through trainings, study trips and funding for the establishment of independent news platforms, European donors have to some extent contributed to the diversification of the media landscape in Armenia. A number of

⁸¹ Numbers of female MPs are counted from the website of the Parliament of Armenia: http://www.parliament.am/deputies.php?lang=arm&sel=&ord=&show_session=5

newly established news platforms combat disinformation and spread alternative news in remote areas of the country, such as the Union of Informed Citizens and Asparez Journalist Club. Other platforms set up with EU support provide independent news coverage on political issues and debates, such as Factor TV and Media Center. It is also important to mention MediaLab as a news source that provides information and analytical reports about Armenia and also includes political cartoons on important social and political problems. The establishment of such news sources has allowed Armenian citizens to receive a greater degree of fact-based news and to reflect on issues from a broader perspective than the one presented on pro-government TV channels.

At the same time, TV channels remain biased towards the government and reflect the position of the ruling party. Another new phenomenon is that many former ruling elite representatives are currently buying news agencies and spreading negative and often fake news against civil society actors in the country. The issue of media ownership and national broadcasting bias has not been challenged by EU engagement, which puts the sustainability of support to independent media platforms at risk. Based on the analysis conducted for this paper, the impact of EU support on the media landscape has had mixed results.

Secondly, European assistance has been provided to political parties in the form of trainings and study trips through foundations such as the Friedrich Naumann Foundation and the Friedrich-Ebert Foundation, as well as the UK Government.⁸² Armenian parties have also received support through regional programmes, including those implemented by the Eastern European Centre for Multiparty Democracy. Yet, the major challenges facing the political party system - including the financing of parties, oligarchic influence and the central role of individuals rather than ideology or policy position - remain major hurdles to reform. The impact of such support is difficult to assess and has been limited in comparison to other areas of engagement, particularly when considering the influence parties have on the political system in general.

Third, EU assistance to civil society, mostly through capacity-building, made a clear contribution to citizens' awareness of their rights and their demand for democracy. For example, certain EED grantees took up an active direct role in the revolution. Among the EED supported initiatives were the Citizen Observer Initiative and No Pasaran that focused on monitoring the December 2015 constitutional referendum. The activists of these initiatives further established the Reject Serzh initiative that played an important role in the revolution. However, many civil society organisations have become dependent on European funding, which makes them unsustainable. In recent years, NGOs have also become actors that strive to maintain a link with the ruling elites in order to make recommendations and assist in reforms. For example, with support of different EUMS, in 2013, NGOs often organised trainings and hearings regarding the adoption of the Law on Ensuring Equal Rights and Equal Opportunities for Women and Men (approved on 20 May 2013). During such conferences,

⁸² UK Aid 2017. Available at: https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/612334/NA_Project_Concept.pdf

relevant state officials were invited to discuss the draft law. The practice of civil society-government dialogue continued with the adoption process of the Law on Non-Governmental Organisations in 2016. In addition, the Independent Observer public alliance (coalition of NGOs) has observed elections and registered violations thanks to the support of the EU and EUMS.⁸³ It is noteworthy that there has also been cooperation between civil society and journalists during protests and the revolution. This assisted both for protecting human rights but also for informing ordinary citizens about the political situation.

The case of Armenian civil society support highlights the strategic importance of supporting civil society, in particular in countries where a hybrid regime has a tight grip on political contestation. While support to public institutions has had a positive impact on the technical capacity of these institutions, the transformational impact thereof has been limited due to obstacles such as a lack of political will and the dependence of institutions on certain political elites. In contrast, civil society support has contributed to major political change with far lower associated costs.

⁸³ HCAV (2018). Preliminary conclusions of “Independent Observer” public alliance on the 2018 snap elections to the National Assembly of the Republic of Armenia, available at: <https://hcav.am/en/ind-obs-pre-09-12-18/>

Conclusion and Recommendations

6.1 Conclusion

The political landscape in Armenia has evolved dramatically since the beginning of the 2000s. During the first decade of the 2000s, freedoms in Armenia were strictly limited, in particular in terms of political participation, association and media freedom. From 2010 onwards, both civil society actors and political opposition parties made increasingly vocal demands for democratic reform.

Taking into consideration the authoritarian nature of the regime in the beginning of the 2000s, EU and EUMS support was quite relevant, as it responded to specific challenges to democracy in Armenia. The EU and EUMS' main focal areas were support to the capacity of state institutions and the judiciary, in particular through efforts to harmonise national legislation with European and international standards. EU and EUMS support also focused on independent civil society organisations and media sources, in a context of biased media channels and a restrictive operating environment for civil society. Electoral assistance was also provided in response to a history of electoral fraud and mismanagement.

Overall, European democracy support to Armenia was rather consistent and changed mostly in response to the changing priorities of the Armenian authorities in their internal and foreign policy. The EU and certain EUMS have consistently shown a willingness to support democratic reforms in Armenia when the political winds were favourable. The EU has also increased funds as a reward for democratic reforms. At the same time, it should also be noted that the EU has been slow in reacting to democratic regression in Armenia, which may have undermined the effectiveness of the EU's assistance.

Support to democracy of the EU and EUMS was complementary and well-coordinated. The funding from the EU and EUMS was well divided thematically among the European donors. The EU, EUMS and

international organisations coordinate their actions relatively well, through regular and systematised meetings and a high number of joint programmes. However, in some sectors the EU and EUMS continuously emphasised certain fields for reforms, but omitted other important sectors that should have been addressed. In addition, civil society was not systematically involved in EU engagement with Armenia and domestic policy processes.

The main European contribution to democracy in Armenia resulted from the requirements for democratic reforms that were part of the EU-Armenia Association Agreement, the visa facilitation dialogue, the EaP and, most recently, the CEPA. While support to governance constituted the main sector of support, it had a mixed impact due to the lack of political will for reform. In contrast, European support to civil society and media had a clearer positive impact on democracy. Support to the parliament and political parties did not yield obvious results, but is an important future area of cooperation given the uncertainties and opportunities of the new political dispensation.

The Velvet Revolution in May 2018 illustrated that there is commitment for competition from the side of political parties. The revolution also showed the important role of civil society and civil movements. Currently, the newly formed government has not elaborated a clear pro-European line, neither has it developed a detailed reform agenda. However, it will be critical for the EU to build on the good practices of the past decade, while learning from the challenges and recommendations identified in this report.

6.2 Recommendations

1. EU and EUMS engagement

The need for an increased European presence in Armenia

Following the positive momentum created by the Velvet Revolution, the EU and EUMS should increase their presence in Armenia and work with a greater variety of partners in order to support reform. European donors will need to support Armenian institutions, political actors and civil society actors in implementing democratic reforms in a timely manner. Such an expanded presence is highly likely to strengthen the Armenian government's commitment to implement the CEPA agreement.

Monitor and counter Russian autocratic influence

Periods of rapprochement between Armenia and Russia have typically been accompanied by closing civil society space, repression of dissent and restrictions in political competition. While the new ruling party has come to power through a popular uprising calling for democracy, it has also expressed its will to maintain close ties to Russia. It is essential for the EU and its member states to closely monitor civil society space and Armenia's relations with Russia, so as to react quickly to any autocratic movements. By using the EU's economic leverage, the EU should continue pushing for and assisting in democratic reforms, and provide a counterbalance to Russian influence.

2. Coordination

Continue and enhance coordination between the EU and EUMS in Armenia at all levels

Ongoing efforts to coordinate statements and programmes between the EU Delegation and EUMS have been beneficial in the past and should continue. Coordination should be enhanced between all levels of staff in the EU Delegation and EUMS representations, in particular at the programme level. While recognising the challenges related to workloads of individuals and departments, joint programming efforts should continue.

Step up coordination with civil society

While the EU has regularly engaged with civil society, it should look at involving civil society more regularly and meaningfully in its political engagement with Armenia. Civil society should continuously be a resource of local political and thematic expertise to the EU and EUMS. This will be particularly relevant given the current political capital of civil society, the many ongoing democratic reforms and the need for oversight of the executive.

3. Knowledge development

Focus on the drivers and incentives for change

The EU and EUMS have focused on various important sectors in the country. At the same time, support often overlooked certain root causes, which harmed the effectiveness of democracy support. For instance, the training of judges and courts had limited impact due to the lack of judicial independence. Likewise, electoral assistance enhanced the technical capacity for organising elections, but elections were still manipulated through the usage of administrative resources by the incumbent. In order to enhance the effectiveness of such programmes, it is necessary to understand the drivers and incentives for change among all actors involved, and build programmes on this detailed understanding. The EU and EUMS should therefore systematically invest in research to identify the political causes of the problems it tries to tackle.

Support the development of reliable data

Throughout the research, it was exceedingly difficult to obtain reliable and accurate data on the amounts of funding from the EU and EUMS dedicated to democracy support. The OECD DAC data did not correspond to the figures made public by separate European donors. This not only highlights the insufficient level of data collection on the part of donors, but also makes it very difficult to assess the scale and type of democracy support provided. In order to fully grasp the effectiveness of European democracy support in Armenia - and any other country for that matter - it is necessary for donors to invest in more reliable and accurate data that is publicly available.

4. Sectoral recommendations

Support the parliamentary system and political parties

Despite the shift to a parliamentary system in 2016, a multi-party system is yet to be developed in Armenia. The ruling party's overwhelming majority in parliament and the large differences between parliamentarians within that party will create a number of challenges to the effective functioning of the parliament. In addition, political parties are very leadership- and identity-focused, with very weak ideological foundations. Support will need to focus on policy-formulation in parliament, and on cross-party dialogue and consensus-seeking between parties represented in parliament. To support the professionalisation of political parties, capacity building is needed on party programme development, party discipline, policy formulation and research, and the ability of politicians to channel citizens' concerns through policy-making processes. Attention should also be given to political parties without parliamentary representation, as these smaller new parties generally have less ties to the oligarchical structures of economic power.

Focus support to the justice sector on the independence of the judiciary

European donors have assisted the judicial sector by training judges and the relevant staff regarding international norms and practices. However, little attention has been given to the appointment mechanisms of judges, or the establishment of rules to prevent corruption. European donors should explore ways to strengthen the independence of the judiciary, for instance by advising on different appointment mechanisms or a vetting system for judges.

Increase support for civil society organisations

The revolution has illustrated that civil society actors are among the leading groups striving for democratic values and institutions in the country. Their grassroots linkages and their expertise on issues of human rights will be invaluable for consolidating the gains of the revolution and for monitoring and advancing further democratic reforms. Civil society can play a particularly important role in legislative reforms, by facilitating policy dialogues, contributing thematic expertise and constructively cooperating with the authorities. However, at present there is insufficient cooperation between civil society and the newly formed government. The EU should encourage the government to systematically consult and cooperate with civil society in national policy processes. The EU should also acknowledge civil society's essential role in Armenia's recent democratic reforms by further expanding and prioritising support to civil society groups, particularly to those with specific sectoral expertise.

Support civil society involvement in the peace process

Civil society organisations have been the only actors fostering cooperation between Armenian and Azerbaijani citizens and should therefore be given a more prominent role in the peace process. This should be recognised by all sides of the conflict. In addition to expanding support to civil society organisations' peacebuilding activities, the EU should also encourage Armenian civil society's inclusion in official meetings with Azerbaijani representatives.

Support independent media platforms and journalists in all regions of Armenia

The EU and EUMS have supported online news outlets in publishing unbiased and fact-based information. There is a need to expand this support to journalists in order to improve their ability to effectively exercise a watchdog function. In addition, independent media support needs to be expanded to remote areas of the country, where pro-government and Russian TV channels and disinformation dominate the media landscape. This will need to go hand in hand with media literacy programmes so as to counter Russian disinformation.

Enhance the independence of local authorities

The EU and EUMS have provided a lot of support for deepening the link between local authorities and citizens, while overlooking the dependence of local self-government bodies on the central government. European support should therefore consider ways to enhance the budgetary independence of local authorities.

The European Partnership for Democracy (EPD) was created in 2008 by EU member states and non-for-profit organisations keen to solidify European support for democracy abroad. Yet much has changed since the late 2000s both in terms of the policy environment inside Europe and the changing nature of political systems around the world.

As a result, EPD and its members conducted a participatory review of European democracy support over the course of 2018-2019. The research took stock of European democracy support by focusing on the policies of practitioner organisations, the European Union and European governments in order to draw lessons for the future.

This paper forms part of a series of research papers by EPD that informs this review process.
