Armenia

by Hamazasp Danielyan

Capital: Yerevan
Population: 3.01 million
GNI/capita, PPP: US$8,450

Source: World Bank *World Development Indicators*.

### Nations in Transit Ratings and Averaged Scores

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NOTE: The ratings reflect the consensus of Freedom House, its academic advisers, and the author(s) of this report. If consensus cannot be reached, Freedom House is responsible for the final ratings. The ratings are based on a scale of 1 to 7, with 1 representing the highest level of democratic progress and 7 the lowest. The Democracy Score is an average of ratings for the categories tracked in a given year. The opinions expressed in this report are those of the author(s).
EXECUTIVE SUMMARY

In late 2015, the ruling Republican Party of Armenia (HHK) pushed through wide-ranging constitutional changes to transform the country from a semi-presidential to a parliamentary republic by 2018. The December 2015 referendum on the changes was heavily contested, and international and local observers documented serious violations, including alteration of voting results at the precinct level, by HHK supporters to ensure the referendum’s passage. The year 2016 was supposed to be dedicated to smooth preparation for the 2017 parliamentary elections, which HHK has been confident of winning in the absence of any effective opposition. Instead, it was an unprecedented year full of crisis and upheavals in which both external and internal actors challenged Armenia’s equilibrium.

In April, Azerbaijan launched an attack of surprising intensity and temporary effectiveness on the Nagorno-Karabakh Republic, a de facto independent state internationally recognized as part of Azerbaijan and supported by the Republic of Armenia. Although the most intense fighting lasted only four days, Azerbaijan’s assault had significant political repercussions in Armenia, generating a public outcry over corruption in the military and shattering trust in the Armenian authorities’ ability to ensure security.

Within a few months, the “four-day war,” as the escalation came to be called, generated serious political aftershocks. On 17 July, a small group of veterans of the 1992–94 war in Nagorno-Karabakh, the Sasna Tsrer, who are associated with the radical opposition movement Founding Parliament, seized a police station in the Erebuni district of Yerevan, killing two police officers and taking hostages. The hostage takers demanded the release of their leader, who had been arrested in June, and the resignation of Armenian President Serzh Sargsyan. The Sasna Tsrer justified their actions by blaming the country’s leadership for incompetence in handling the war and international negotiations over the future of Nagorno-Karabakh. In what is becoming a pattern, a small group of nonviolent protesters gathered in the streets in sympathy with these criticisms only to meet a violent crackdown by police, which in turn brought thousands more into the streets. Protests only diminished after a large scale violent police operation in Sari Tagh neighborhood in July 28th that resulted dozens of injured protesters. The hostage takers surrendered on July 31.

The inept handling of the protests and the country’s poor economic performance resulted in the president drastically changing the cabinet in September, including replacing the prime minister. The appointment of new faces to key positions, and their promises of rapid reform in the fields of economy and governance, as well as some initial actions, had an appeasing effect, at least in the short term. These major changes were also perceived as a move to improve the HHK’s image with fresh faces in advance of the crucial parliamentary elections in April 2017, and to advance cadres loyal to President Sargsyan.

Despite these setbacks, the HHK and Sargsyan remained dominant. Indeed, in some ways the crisis strengthened their support from certain opposition parties: for example, the opposition Armenian National Congress and its leader, Armenia’s first president Levon Ter-Petrosyan, agreed to support Sargsyan following the four day war. HHK’s dominance, as well as occasional concessions and cooperation with different opposition parliamentary parties, enabled HHK to pass important legislative changes building on the constitutional referendum of 2015 that will redefine the most important formal rules of the game for the upcoming years. Some of the changes were improvements (further liberalization of reporting and funding of nongovernmental organizations, criminal punishment for officials’ illicit enrichment, publication of signed voter lists, etc.) or at least eliminated harmful regulations, such as those partially removing limitations on observer and journalist access at polling stations. However, a majority of the legislative changes were drafted behind closed doors and quickly passed in the parliament without sufficient time for political parties and civic society organizations to have meaningful discussions and input. The changes in 2016 codified a new system of apportioning seats following parliamentary elections that will likely result in the HHK retaining its power even if it underperforms expectations.

As the country prepares for parliamentary elections in April 2017, a newer generation of politicians is attempting to establish a different type of political parties based on grassroots support, more accountable and transparent operations, inclusion of a new generation of politically active groups, and
mass fundraising. Nonetheless, it seems the elections are going to be largely contested between the representatives of the old guard, led by the same cast of economically and politically influential individuals and their family members as before.

Score Changes:

- **National Democratic Governance rating declined from 5.75 to 6.00** due to the inability of the government to address legitimate popular grievances before they spill over into protest, and then to resolve those protests without violence.

- **Electoral Process rating declined from 5.75 to 6.00** due to new evidence of serious shortcomings during the 2015 referendum and 2016 local elections, failure to resolve shortcomings in the law with new regulations, and adoption of experimental formal rules in the new electoral code.

- **Independent Media rating improved from 5.75 to 5.50** due to increased professionalism, diversity, and accessibility of internet media, which is challenging the dominance of television as the main source of information.

As a result, Armenia’s Democracy Score declined from 5.36 to 5.39.

**Outlook for 2017:** With the new constitution having shifted power to the parliament, the parliamentary elections scheduled for April will be the most important event of the upcoming year. The fragmented and disorganized opposition might attempt to change the dynamic in the upcoming months, but it is unlikely to be able to oust the ruling HHK due to the formal and informal rules of the game. If the HHK succeeds in the parliamentary elections, the power struggle within the party will become the main topic for attention, since it will determine the trajectory of the country’s leadership and development for the next five years. Armenia’s poor economic performance as well as regional instability will continue to contribute to the volatility of the system.
After a heavily contested but approved constitutional referendum in December 2015 that shifted Armenia from a semi-presidential to a parliamentary republic, and broad popular dissatisfaction with the country’s direction,1 2016 was supposed to be a smooth year for the ruling Republican Party of Armenia (HHK) to prepare for the 2017 parliamentary elections. The year started with the HHK in coalition with the Armenian Revolutionary Federation–Dashnaktsutyun (ARF-D), whose five additional seats slightly broadened HHK’s support in the parliament and made the process of legislative changes required by the constitutional revisions more inclusive.2

Drafting of most of these important changes took place behind closed doors, spearheaded by a few individuals representing HHK. However, at a later stage when bills were brought to parliament, opposition political parties and civil society representatives were able to raise their concerns and engage in debates both at the parliament and other public forums. In some cases, bills were partially redrawn to accommodate some of the criticism coming from political parties and civil society. The most noteworthy examples of consensus were on partial revisions of the Electoral Code and legislation related to nongovernmental organizations (see “Electoral Process” and “Civil Society”).

However, most of the critical legislative initiatives, including those regulating the work of political parties, rules of procedure of the National Assembly, and the legislative package on local governance, were passed in a short period of time without adequate discussion and participation. For example, following a now-established tradition, the cabinet convened an extraordinary convocation of the parliament after the regular fall session to pass a bundle of important legislative changes within a short period of time.3

The HHK was unable to achieve smooth implementation of legislative changes and preparation for the 2017 elections due in part to a serious external challenge to the country’s status quo. Azerbaijan’s surprising attack on the de facto Nagorno-Karabakh Republic that began 2 April was the largest since the ceasefire of 1994, with an unprecedented number of losses4 for both sides during the four days of fighting.5 The territory of the Republic of Armenia also briefly came under attack.6 Unofficial information about heavy human causalities and notable territorial losses, initially denied but later largely confirmed by official sources,7 and evidence of atrocities against civilians and captured soldiers by Azerbaijan’s army8 destroyed public perceptions of the authorities’ capacity to provide security.

The army, traditionally the most-trusted public institution in Armenia, did not take the brunt of the criticism, however. Instead, the public focused on the country’s political leadership and were joined by some who previously had tolerated internal shortcomings as long as the system was able to defend against external challenges. The public blamed the government for corruption and poor performance resulting in their vulnerability, thus shattering the existing social equilibrium.9

In response, Armenia’s political leadership applied mixed tactics. On the one hand, it took steps that would appease a frustrated and increasingly demanding public, such as the removal of a number of top officials from the defense apparatus and drafting harsher anticorruption regulations.10 On the other hand, it arrested Jirayr Sefilian, the leader of an opposition group, on charges of preparing a coup.11 Sefilian’s group, often referred to as the Founding Parliament, is far from being the largest opposition group in the country. It is notable as one of the main antisystemic groups: after facing persecution over the past several years, it has become
marginalized and increasingly rejects the possibility of changing the government through elections. Domestic human rights organizations labeled the arrest of Sefilian as political persecution, and his imprisonment added to the number of individuals behind bars associated with this group of radical opposition.

- Regardless of whether Sefilian’s arrest triggered what ensued or if it was already planned by his supporters, his detention was followed by another crisis that kept the country in limbo for two weeks. On 17 July, an armed group of 31 calling itself the Sasna Tsrer seized a police station, killing one police officer and taking several others hostage to demand the resignation of the president and Sefilian’s release. In the first few days of the standoff, only small-scale protests occurred supporting the group. But when the police began using force against a peaceful gathering of supporters, thousands of new protesters joined them in the streets.

- This was an unprecedented development for the Republic of Armenia, when an opposition group that had opted for violent means to achieve political goals gained significant public support. Another sign of the government’s increasing crisis of legitimacy was the unreserved support for the Sasna Tsrer from various opposition political figures and parties, including a Heritage Party member in the parliament. On 31 July, the Sasna Tsrer surrendered at the police station and were arrested.

- The Sasna Tsrer crisis as well as the country’s poor economic performance forced President Serzh Sargsyan to take further steps, namely, the sudden removal of the prime minister, Hovik Abrahamyan, a little over a month after the standoff ended. The removal of the powerful Abrahamyan proved that the president effectively exercises control over the system and enjoys the unconditional support of the ruling party, and therefore the majority of the parliament.

- In September, Karen Karapetyan, a high-level executive from the Russian gas company Gazprom and former mayor of Yerevan, was appointed prime minister. He formed a new cabinet comprised of a significant number of individuals with no political background and replaced some of the most influential ministers, including the long-serving minister of defense and powerful minister of finance. Initially perceived as a technocratic government of professionals and managers tasked with addressing economic poor performance, the nonpartisan representatives of this new team and Karapetyan himself quickly joined the ruling HHK, and it was announced they would continue in their positions if the HHK succeeded in the parliamentary elections of 2017. The new cabinet is largely focused on economic reforms and effective governance, directing little attention towards democracy and human rights. It is difficult to assess to what extent the reforms initiated by Karapetyan are designed solely to bolster HHK’s 2017 campaign or may eventually result in actual improvements in governance.

- In parallel to these reshuffles in the ruling party, there were noted developments among the opposition as well. The further disintegration of opposition political forces was marked by the formation of a significant number of new parties. Some broke away from larger parties (three from Prosperous Armenia Party), others were rebranded (Rule of Law became Armenian Renaissance), and a few genuinely new parties were formed.

- Among the new ones are two (Civil Contract and Bright Armenia) led by young, charismatic politicians who are attempting to establish a new type of party by concentrating on building grassroots support, more accountable and transparent operation, inclusion of a new generation of politically active groups, and mass fundraising. These parties had some initial success in the local elections in October, but they decided to consolidate their efforts for the parliamentary elections with the older non-parliamentary opposition party Republic.

- Despite these developments, the main non-HHK candidates for the elections at the national level are expected to be individuals who have either reappeared (e.g., Gagik Tsarukyan of PAP, who stepped away from politics in 2015) or regrouped (the Seyran Ohanyan, Raffi Hovhannisyan, Vardan Oskanyan bloc). At the district level, meanwhile, the contest is among the old guard of the HHK. Despite the proclaimed goal of the constitutional reforms to facilitate the consolidation
of a multiparty system with institutionalized parties, the current design of the electoral system is having the opposite effect, at least in the short term. In general, the increasing gap in resources (including financial) between the HHK and other parties remains an important issue that hinders political competition during and beyond elections. Nevertheless, this issue received little attention in 2016, and the newly adopted legislative packages were missed opportunities to improve regulations in this sphere.

Electoral Process

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- The constitutional referendum in late 2015 introduced drastic changes to electoral rules that were enacted in 2016. The parliament adopted a completely new electoral code, followed by additional revisions of sections of the code in summer and fall 2016, resulting in regulations for the functioning of a parliamentary system. Some of these changes were positive, most notably new norms requiring publication of signed voter lists and video recording of the voting process in electoral precincts. However, the overall balance of changes, including details of the proportional system, a method of awarding bonus seats to ensure a “stable majority” in parliament, and other unusual regulations discussed below, further eroded the credibility of the electoral system.

- The year started with continued discussion of the constitutional referendum that was held 6 December 2015. In February, local and international organizations that had observed the referendum published comprehensive reports. The Citizen Observer Initiative, a coalition of 28 local nongovernmental organizations (NGOs) that deployed the largest monitoring mission over a quarter of the precincts, reported shortcomings in almost all aspects of the electoral process and assessed that the official results were largely falsified, casting doubt on the legitimacy of the amended constitution. The assessment of international observers was also highly critical and unusually frank. The final report by the OSCE/ODIHR expert team, besides indicating the lack of willingness by the authorities to follow OSCE/ODIHR recommendations to increase public trust towards the electoral process, documented serious problems leading to “alteration of actual vote results” in favor of the “Yes” vote at polling stations. Additionally, statistical analysis of the official results by two organizations concluded there had been such a level of electoral fraud as to cast doubt on the legitimacy of the referendum outcome.

- In response to heavy coverage of electoral fraud as well as calls from international observers to properly investigate shortcomings, authorities opened and media covered an unprecedentedly large number of criminal cases related to electoral fraud. This resulted in prosecution of at least 38 individuals, largely associated with the “Yes” campaign led by the ruling HHK party.

- The next and most important development was the revision of the existing electoral system and adoption of new electoral legislation as required in the constitutional referendum by 1 June 2016. The draft electoral code published in early March attracted internal and external criticism both for the content and the process; local civil society organizations and international experts criticized the noninclusive drafting process, procedural shortcomings, and the short time made available for deliberations.

- In addition to problems with the process, the content of the first draft raised a number of substantive concerns. Not only were existing shortcomings not properly addressed (such as the inflated number of registered voters, electoral complaint adjudication, financing of electoral campaigns, and abuse of state resources) but also dubious new regulations were added, including limitations on local election observers and media representatives.
• However, the most concerning was the introduction of an unusual system for ensuring a “stable majority” in the parliament as envisioned by the new constitution.\textsuperscript{32} The draft electoral code introduced a number of regulations notably deviating from common practices in a proportional system, including complex seat allocation regulations that envisaged an important role to individual candidates at the level of 13 districts, the possibility of two-round elections for the parliament, allocation of so-called bonus seats to ensure at least 54 percent of mandates for a single party or bloc, uncommon restrictions on the formation of coalitions, and more.\textsuperscript{33}  
• Due to these criticisms, a platform for discussion of the draft electoral code was created at the end of March representing the ruling coalition, four opposition factions of the parliament, and four NGOs representing the civil sector. This “4+4+4” platform held a number of meetings with a broad agenda but was initially ineffective in terms of building consensus, as all five joint priority suggestions made by the opposition and civil society remained unaddressed.\textsuperscript{34} After the adoption of the electoral code, however, the ruling and opposition parties came to agreement on one of the five priorities: the introduction of electronic voter registration, which should limit a certain type of electoral fraud\textsuperscript{35} and led to further changes in the electoral code in June.\textsuperscript{36} Some of the recommendations of the Venice Commission and OSCE/ODIHR were also accommodated in the new version.\textsuperscript{37}  
• A third round of changes to the electoral code in October reflected the new consensus reached among all political factions represented in the parliament regarding the publication of signed voter lists after elections as well as video recording of all precincts,\textsuperscript{38} thus fulfilling two of the five initial suggestions from the opposition and civil society. These changes were unprecedented: the ruling party agreed to compromise on its more than decade-long position against publishing signed voter lists, and all opposition factions at least partially voted for this particular electoral reform. However, criticism and disagreement persisted over other core regulations of the new electoral code, like the allocation of bonus seats to ensure a stable majority, and allocation of half of the seats based on the performance of individuals in 13 districts.\textsuperscript{39} The upcoming parliamentary elections of 2017 will show to what extent these new measures supported by the opposition will enhance the integrity of the election process and improve the low level of public trust in the electoral system.  
• The year started with the simultaneous election of local governance bodies on 14 February in the first three consolidated communities: Dilijan, Tatev, and Tumanyan (see “Local Democratic Governance”). The mayors of all three communities, all representatives of the HHK, were reelected.\textsuperscript{40} During the next round of local elections, the newly established Civil Contract Party (CCP) attempted to challenge the HHK incumbent in Hrazdan, a relatively large town. The CCP candidate lost by a small margin\textsuperscript{41} amid allegations of vote bribing and intimidation.\textsuperscript{42} When the next round of elections was conducted in September, the KPK was able to win the position of mayor of Nor Kyanq village.\textsuperscript{43} There were cases of other non-ruling party members and independent candidates defeating HHK mayors,\textsuperscript{44} but in a majority the ruling party incumbents were able to retain their positions.\textsuperscript{45}  
• The most prominent local elections were held on 2 October when, along with hundreds of other communities, three out of Armenia’s four largest communities elected city councils and mayors. Moreover, Vanadzor and Gyumri, the second- and third-largest cities in Armenia, respectively, elected local representatives through a new proportional system similar to Yerevan’s. In this system, the mayors are selected indirectly based on the performance of parties and the number of seats they win on city councils. In both cities, HHK was able to retain the mayoralty even though it did not receive a majority of the votes. In the case of Gyumri, thanks to the new electoral system’s process of awarding bonus seats in order to ensure a “stable majority,”\textsuperscript{46} the HHK retained the mayoralty with only 35 percent of votes.\textsuperscript{47} In Vanadzor, meanwhile, an HHK mayor was elected in a secret ballot with 19 votes out of 33 city council members, despite the fact that his opponent from Bright Armenia Party had the support of a majority of city council members in
a coalition with the two other parties. As a result, Vanadzor city found itself in limbo since, despite his selection, the mayor publicly lacks a majority on the council and has been unable to convene city council meetings since the vote in October.

### Civil Society

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- In contrast to the recent negative trend in the region of adding administrative and financial requirements that limit space for civil society, Armenia’s civil sector so far remains successfully liberalized. According to the 2015 USAID CSO Sustainability Index, Armenia has the second-highest score in Eurasia and is one of four countries among the list of 25 that registered an improvement over the past year.

- Civil society organizations (CSOs) in recent years have been able to halt attempts at imposing various legislative limitations. In 2016, the government and CSOs were able to accomplish legislative reform after a years-long process culminating in legislative amendments that were accepted in December at the end of the fall session.

- The package, including a reformed law on NGOs and amendments to over a dozen other laws, was the result of a participatory process and received a positive assessment from most NGOs. In general, the package of amendments further liberalizes the field, including increasing opportunities for NGOs to generate their own financial means, clarifying procedures for financial audits, and partially restoring the right of certain category of NGOs to bring claims to court. However, it is yet to be seen to what extent changing the formal rules will enable NGOs to overcome the structural constraints they face related to financial sustainability, accountability, and organizational capacity.

- There were a number of other instances in 2016 when NGOs and public policy groups were able to successfully advocate for certain legislative changes. Among the most important were the removal of some of limitations on the rights of journalists and local observers envisaged in the first draft of the electoral code (see “Electoral Process”). However, civil society’s overall influence on the formation of the public policy agenda remains rather ad hoc and reactive.

- In general, the level of trust towards NGOs is sustainable, with 22 percent of the population trusting the sector. This level of trust is considerably higher than that towards the executive (13 percent), legislative (11 percent), and judicial (15 percent) branches of power, or towards the president (16 percent).

- During the past two years, civil society has continued to grow both in numbers and diversity. There were more than 5,500 registered organizations (NGOs, foundations, and legal entity unions) as of December 2015, compared to 4,600 as of October 2013. In terms of diversity, the trend of various ad hoc civic initiatives—from charities for socially vulnerable families and the influx of Syrian refugees to mass volunteering as temporary conscripts—continued during 2016, reaching its peak during and after the April four-day war in Nagorno-Karabakh. Interestingly, these initiatives were predominantly grassroots, crowd-funded, often unrelated to formal NGOs, and created in response to the poor performance of formal state institutions and agencies.

- On the down side, the influence of the political system on education remains significant. Consequently, when the portfolio of the minister of education was passed to ARF-D, the coalition junior partner, the newly appointed minister’s first vow was to reduce political activities at public schools, where a majority of principals and at least a plurality of teachers are members of the
ruling HHK and often engage in political activities. Local elections in October proved that schools continue to be used as a platform for political propaganda.

- Trade unions continue to remain weak and largely unnoticed even when there are public discussions on labor rights and taxation.

### Independent Media

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- Although television continues to dominate Armenia’s media scene, internet media have been growing in influence. This is due in part to relatively cheap access to the internet, with the countrywide penetration rate over 58 percent of the population as of 2015. Still, only a quarter of internet users utilize the internet primarily for seeking news. In contrast to TV, print and internet media have greater levels of freedom. Armenia’s internet remains beyond the control of ruling political forces and serves as an alternative and increasingly popular source of information as well as an influential tool on politics. This fact is reflected in international rankings: Armenia is the second-freest country in Eurasia and the Middle East among countries surveyed, according to Freedom House’s *Freedom on the Net 2016* report.

- There were several notable developments in 2016 related to the online news media. Online news TV stations, pioneered by RFE/RL’s Armenian service Azatutyun, drew a significant audience from within and outside the country. Although it is difficult to provide exact statistics, the number of people regularly watching these TV stations is in the tens of thousands. Another innovation that enables a similar size of audience is live broadcast on Facebook, which has allowed certain political figures and activists to reach audiences directly.

- Investigative journalism has also been growing as an important part of Armenia’s media, with a number of reports resulting in removal of public officials, including high-level figures. Most striking was the resignation of Chief Judicial Enforcer Mihran Poghosyan, responsible for enforcing court rulings, just days after a story revealing his offshore activities appeared in the online platform Hetq. Investigative journalism was strengthened after the Constitutional Court ruled in October 2015 to protect the confidentiality of journalistic sources.

- Another contributing factor to the internet’s increasing influence is the overall low level of trust towards TV as a reliable source of information. The most recent Caucasus Barometer by the Caucasus Research Resource Center shows that only 15 percent of the population believes that TV channels in Armenia inform the population “well” or “very well.” According to the same study, around a quarter of respondents thought that TV journalists were serving the interests of the people, slightly less than the overall level of trust towards media in general.

- A striking example of the lack of independence among TV channels was the temporary disappearance in December of an important daily political talk show hosted by Petros Ghazaryan, after he aired a controversial interview with political satirist Sergey Danielyan that harshly criticized the ruling party. Although Ghazaryan was not fired, his show’s temporary disappearance was a reminder of the limitations on TV channels, including privately owned ones. Even though legislation forbids political parties from owning TV outlets, most national-level private stations are affiliated with political parties or groups. Overall, self-censorship is still a common practice on TV.

- Among the most markedly negative developments in 2016 was the large-scale violence against journalists during the two-week standoff between police and the Sasna Tsrer in Erebuni district in Yerevan in the second half of July. During this period, and especially on 29 July, tens of journalists providing live coverage of the event were deliberately assaulted and arrested by police,
and some were hospitalized with serious injuries after the attacks. Although the journalists were released, the president apologized for the violence and promised it would never happen again, and the head of the Yerevan police and other key officials were removed, a thorough investigation of specific wrongdoings did not occur. In addition to this large-scale violence by the police, there were also separate incidents of threatening and physical assault of journalists, the most notable involving parliamentarian Rubik Hakobyan (formally of Heritage Party but close to ARF-D) who assaulted a reporter at the parliament.

- During 2016, Armenia finally completed the transition to digital TV, which had been postponed a number of times in order to ensure that socially vulnerable families had access to the necessary equipment. The transition nevertheless created additional problems for small regional broadcasters.

**Local Democratic Governance**

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- The year 2016 marked the twentieth anniversary of the introduction of local self-governance in Armenia. Aside from official celebrations, however, there were few occasions to observe significant improvements in the field. The most important developments were in three main areas: continued consolidation of communities throughout Armenia, preparation of legislative changes to reflect the constitutional amendments, and local elections in a large number of communities, including four of the five largest.

- As part of the deal to widen the governing coalition, the Ministry of Territorial Administration that was merged with the Ministry of Emergency Situations in late 2014 was again made a separate ministry and given to the HHK’s new coalition partner, ARF-D. Under the guidance of a new minister, it continued to lead the community consolidation process, resulting in the creation of 18 clusters from 140 communities. These enlarged clusters will have an administrative center, representatives in communities, and a local governance system similar to the existing one, but on a larger geographic scale. The goal of the reform is to improve the efficiency of small communities, whose budgets are too dependent on subsidies and insufficient for delivering basic municipal services. In most cases, community populations, especially small ones, have been either critical or neutral towards a process largely run by the central government and expected to last until 2019. Despite significant technical and financial support from donor organizations for consolidation, it is too soon to judge the reform’s effectiveness. In addition, with support from the European Union (EU), the government has adopted a long-term strategy of territorial development (2016–25) and begun implementation.

- The 2015 constitutional amendments stipulated changes in almost all core laws regulating various aspects of local governance. Amendments to the existing laws to comply with these changes as well as new bills were discussed and adopted during the fall session of the parliament. However, neither the constitutional amendments nor the legislative changes significantly recalibrated the existing political and financial imbalance between the national and local levels.

**Judicial Framework and Independence**

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• The judicial system in Armenia lacks independence and autonomy from the executive. Courts remain one of the least-trusted public institutions in the country. Increased independence of the judiciary was proclaimed one of the core aims of the constitutional reform by the Commission on Constitutional Reforms. The new constitution envisaged creation of a new institution, the Supreme Judicial Council, to safeguard the independence of courts and judges. Mechanisms such as the Council appointment procedures and single-term limitations on its members were supposed to contribute to increased independence. A new Judicial Code that enacts the constitutional changes is supposed to be passed by March 2017.

• In 2016, however, no draft or concept was shared publicly and no public discussion was initiated in this area, casting strong doubt that a sufficiently inclusive process would be possible in such a short period of time. Furthermore, the changes to the judicial system do not address the months- or years-long backlog in the judicial system whether by adjusting the number of judges or enacting more flexible procedures.

• A positive change in 2016 was the reform of probation to apply a system of alternative sanctions, particularly important given the often-inadequate conditions in penitentiaries. A Law on Probation was adopted in June, and the probationary service was created in September, still too soon to evaluate its impact as a whole. But the application of alternative punishments and an electronic supervision and monitoring system could have a positive effect on the human rights situation in penitentiaries.

• The surprise resignation of the human rights ombudsman in January provoked concern about the independence of the institution. The fact that the replacement was an official from the Ministry of Justice and supported by the HHK raised doubts about his impartiality and independence, and he has continued to draw criticism from civil society and the opposition.

• In terms of protecting human rights in practice, there were a number of negative developments during the year. As in 2015, freedom of assembly was significantly limited, including through excessive use of force in some instances and especially against representatives of certain opposition groups and their supporters. Founding Parliament activist Gevorg Safaryan was arrested and placed in pretrial detention in January 2016 after a minor scuffle with a police officer; he remained imprisoned awaiting trial as of year’s end. The arrest of Founding Parliament leader Zhirayr Sefilian in June and his supporters’ violent takeover of the Erebuni police station in Yerevan precipitated the most significant violations of freedom of assembly, excessive use of force, arrests, and ill treatment in detention.

• On the first day of the takeover, 17 July, dozens of peaceful protesters supporting the group were detained. Reports of these arrests and ill treatment in detention drew larger numbers of supporters, and by 20 July, some 500 protesters had gathered at Khorenatsi Street. At one point, the gathering became violent: some protesters threw stones at police, who responded with tear gas and stun grenades. Fifty people were taken to the hospital and 136 were detained. In the following days, the protests continued to grow in size but proceeded without comparably major incidents until 29 July when peacefully marching protesters reached the police cordon, were surrounded, and attacked. Nearly 50 protesters were injured and 14 hospitalized, including several with wounds, burns, concussions, and loss of sight. Among the victims were also residents of Sari Tagh district who did not participate in the protests.

• Even though a majority of detainees were released and a dozen police, including one high-ranking officer, were removed, the lack of a thorough investigation and continued detention of some protesters remained a concern. There have also been concerns over the lack of transparency in the criminal case, as well as reported mistreatment of the imprisoned members of Sasna Tsrer and some supporters, including limited visitation rights and access to healthcare.

• Regarding gender equality, the most noteworthy development was public discussion of domestic violence and the shortcomings of existing legislation. A draft law on domestic violence was put to
public discussion, but its adoption was still pending at the end of the year despite the fact that it was one of the conditions set by the EU in return for human rights budget support to the government.

**Corruption**

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- Despite significant and largely donor-backed efforts to curb corruption in Armenia, the establishment of an Anticorruption Council in February 2015—comprised of the prime minister, core ministers, general prosecutor, the opposition, and civil society—and its anticorruption strategy for 2015–18 produced no tangible results in early 2016. Instead, the impetus for the government to take meaningful steps to confront high-level corruption came from the public outcry over the four-day war in Nagorno-Karabakh in April.

- Media reports and citizens’ firsthand accounts of army shortages, as well as calls for donations from the Nagorno-Karabakh Republic government to meet soldiers’ basic needs, stunned the general public. As a result, civil society organizations and ordinary citizens demanded that the government take real and actionable steps to combat the corruption that had led to such a state of unpreparedness. Some civil society representatives offered examples of how and where the government could stop corruption. Around the same time, the publication of the so-called Panama Papers containing the names of high-level officials also fed into this narrative.

- In this context, a number of high-level public officials were sacked or resigned, but no court cases were opened. Most notably, President Sargsyan dismissed three high-ranking army officials, while Mihran Poghosyan, Armenia’s chief judicial enforcer, whose name appeared in the Panama Papers, resigned. There were also two prominent cases of judges arrested or convicted for taking bribes, which is unprecedented in recent years.

- Besides these measures, some institutional steps were taken. In September, the parliament received a draft amendment to the Criminal Code that envisages criminal liability (i.e., a fine starting from two million drams and up to three years’ imprisonment) for submitting false information to the Committee on High-Ranking Officials, an independent institution created as part of the law on civil service.

- After the prime minister’s resignation and formation of a new government in September, due in part to public outcry over corruption, the Karapetyan government became very vocal about combatting it. The most valuable measure was the criminalization of illicit enrichment, which was presented to the parliament 18 November and passed in the final days of the fall session. The initiative amended the Criminal Code to make illicit enrichment punishable by three to six years’ imprisonment, and deprivation of the right to hold certain posts or carry out particular activities for up to three years, with confiscation of property. The government also announced that additional measures would be taken to limit cash transactions and to expand the range of persons obliged to submit asset declarations.

- In general, the Armenian public is deeply concerned with the issue of corruption, considering it one of the top three issues facing the country. According to Transparency International’s Global Corruption Barometer, a majority of Armenians are suspicious of government anticorruption initiatives, while a plurality think that most representatives of governmental institutions are corrupt. Moreover, the majority does not feel empowered to take steps to fight corruption because of fear of reprisals and lack of faith that it will have an effect. The same survey found that Armenia is among the worst performing out of 42 countries in Europe and Central Asia, with citizens rating the country’s performance poorly across all five of...
Transparency International’s key questions. Interestingly, however, a much lower proportion of Armenians (24 percent) reported making unofficial payments of gifts for using public services, which indicates that grand corruption rather than petty corruption is the core unresolved problem in this area.

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Hamazasp Danielyan specializes in issues relating to democratization in Armenia, including the role of elections and electoral systems, parliamentary oversight, etc. He holds a Ph.D. in political science and has a decade of experience in the field of democracy and governance in Armenia.

32 Ibid.
38 Ibid.
40 Results of the vote, http://parliamentmonitoring.am/law/1936.html#.WDtAViQ-H-A
41 Central Election Commission, Official Election Results http://res.elections.am/images/doc/14.02.16.xlsx

“Sasun Mikaelyan does not deny that there was a brawl in Hrazdan on the day following elections,” RFE/RL, 21 April 2016, http://www.azatutyun.am/a/27689012.html.


http://www.azatutyun.am/a/28035931.html


For the most recent study assessing these gaps, see “Summary of CSO Comprehensive Market Research Results”, Caucasus Research Resource Center (CRRC), December 2015, http://www.crrc.am/hosting/file/_static_content/projects/CSO%20DePo/CSO%20Market%20Research%20Summary_English_final.pdf


Ibid, see respectively: http://www.caucasusbarometer.org/en/cb2015am/TRUEXEC/


Ibid.


Although there is no comprehensive information on the party membership of all public school principals and teachers, there are some indications to this effect. For example, in 2012, 26 out of 29 public school principals in 2012 were HHK members, “HHK Schools,” Asbarez, 10 March 2012, http://www.asbarez.am/news-hly/hhkan_dpceren-hy/

66 For example, there are over 45,000 subscribers to the RFE/RL Armenian service YouTube channel. Azatutyun, YouTube, https://www.youtube.com/channel/UCcQxTeOtC67KKuPfUq7Pg
67 For example, a single online press conference by an oppositional political figure reached over 23,000 views. https://www.facebook.com/nikol.pashinyan/videos/1658650497788672/
76 “Lawmaker threatened journalist and said ‘it is not the end,’” 7 December 2016, http://en.alplus.am/1251886.html
84 “The situation of local governance, law on local referendums, law on administrative divisions, law on local duties and fees, new law on financial equalization, electoral codes sections on local elections for communities, etc. http://www.parliament.am/draft_history.php?id=8034


Ibid.