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### Key Developments: June 2014 – May 2015

- In May 2015, an episode of a web series satirizing the police response to protests in Yerevan was removed by YouTube due to a copyrighted clip contained in the video (see [Content Removal](#)).

- Proposed amendments to the Law on Personal Data Protection would increase privacy protections by creating an agency with the authority to oversee government decisions with regard to accessing personal data (see [Surveillance, Privacy, and Anonymity](#)).
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Introduction

The internet penetration rate in Armenia has continued improving over the past few years, alongside improvements in the stability of the internet's infrastructure and relatively few restrictions on online content. Additionally, citizen groups and NGOs have made use of online communication tools to promote and organize campaigns, particularly surrounding the protests in Yerevan against hikes in electricity prices in mid-2015.

While the government generally refrains from blocking or removing online content, in May 2015, an episode of a web series satirizing the police response to protests in Yerevan was removed by YouTube. Allegedly the video was originally flagged by the police for removal, and it was removed due to copyrighted clip in the video. In March 2015, members of parliament proposed amendments to the Law on Personal Data Protection that aim to increase privacy protections by creating an agency with the authority to oversee government decisions with regard to accessing personal data.

Obstacles to Access

Internet access in Armenia continues to grow, although the internet penetration rate remains below 50 percent, and the average access speed was only 3.2 Mbps by the end of 2014. Improvements to the infrastructure have resulted in fewer disruptions to internet service over the past year compared with previous years.

Availability and Ease of Access

According to the International Telecommunication Union (ITU), the internet penetration rate reached 46 percent by the end of 2014, compared with 42 percent in 2013 and just 15 percent in 2009. The Public Service Regulatory Committee of Armenia estimates the rate slightly higher, at 50 percent in 2014.

By the end of 2014, there were approximately 250,000 total broadband subscriptions among the five largest internet service providers, representing an increase of about 23,000 relative to the same period in 2013. The fastest growing ISP is Rostelecom, with 26,208 new subscriptions, an increase by 18,993 subscribers in one year, while Armentel, the largest ISP providing mostly ADSL broadband internet access, is losing ground.

The mobile penetration rate in Armenia was 116 percent as of 2014, and the number of mobile broadband subscriptions is also growing. As of December 2014, broadband subscriptions reached 257,610, an increase of 16,934 compared with the same period in 2013. The largest mobile internet provider is Orange, followed by VivaCell and Armentel. Based on reports provided by mobile operators, approximately 1.6 million mobile phones out of a total of 3.35 million were connected to

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1 International Telecommunication Union, “Percentage of Individuals Using the Internet,” http://bit.ly/1cb1xvY
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the internet as of February 2015. However, according to the Public Services Regulation Commission (PSRC)'s report in 2014, the number of mobile internet subscribers (including mobile 2G and 3G) amounted to 2.1 million out of 3.4 million mobile subscribers, with an increase of over 3 percent increase from the previous year.

All three current mobile operators offer 2G and 3G+ networks, and one operator offers 4G LTE network services. In contrast to the diverse market in Yerevan, the capital city, many villages have only one or two mobile broadband services from which to choose. Approximately 60 percent of rural towns are covered by landline broadband. According to official information from mobile operators, 3G services are available to almost 100 percent of the population, covering 90 percent of the country (excluding mostly unpopulated mountainous regions).

The average monthly price for internet access with speeds of 1 Mbps is around AMD 500 (US$1.00). Many operators are also offering three-in-one packages including IP television and fixed telephone services; the average price for this package with an average speed of 20 Mbps is AMD 10,500 AMD (US$22.00). Prices for broadband internet service vary from AMD 8,000 to AMD 25,000 (US$18 to US$55, respectively), depending on the speed and the quality of services.

Restrictions on Connectivity

There have been no reports of restrictions on internet access imposed by the government or temporary disconnections from the internet since June 2014. In practice, the Armenian government and the telecommunication regulatory authority, the PSRC, do not interfere with or try to influence the planning of network topology. Operators plan and develop their networks without any coordination with either the government or the regulatory authority. Moreover, the regulatory authority requires service providers to indicate any technological restrictions in their public offers. Armenian internet users enjoy access to internet resources without limitation, including peer-to-peer networks, voice and instant messaging services.

Access to the internet in Armenia is ensured through four backbone networks that use fiber-optic cable systems. The international internet connection is made possible by three telecommunication operators. At the network level they are interconnected with fiber-optic cable systems operating in the territory of the Republic of Georgia.

ICT Market

Armenia was one of the first post-Soviet countries to privatize the telecommunication industry. In 1997, the incumbent Armenian operator was sold to a Greek state-owned company with a 13-year monopoly on basic telephone and international data transmission services, including internet. In 2005, the Armenian government revised the incumbent’s license and granted a second GSM license; by 2007, all exclusive rights of the incumbent had been abolished. Since then, Armenian users have been able to choose from three mobile service operators and more than 100 ISPs, though an

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7 “Internet usage in Armenia 2014 4Q data stats.” This blog post is based on the data collected from Mobile operators, publicly available on the websites of the operators.
9 This information was derived from reports published on several mobile operators’ websites, including MTS ([Mts.am](http://Mts.am)), Beeline ([Beeline.am](http://Beeline.am)), and Orange Armenia ([Orangearmenia.am](http://Orangearmenia.am)).
analysis of service providers’ official reports shows that the five leading operators together control approximately 90 percent of the market for internet access. The regulatory authorities in Armenia primarily focus on companies with significant market power.

There are 33 companies in the Armenian telecommunications sector providing services including wired and wireless telecommunication services. Within the market for ISPs, 46 percent are foreign-owned companies. Internet service providers offer the following services on the domestic market: ADSL, fiber-optic and cable access, WiFi and WiMax wireless technologies, general packet radio services (GPRS), EDGE, CDMA and 3G technologies (UMTS/WCDMA), 4G LTE. However, internet services based on 4G LTE are available only in limited locations, including Yerevan, Gyumri, Vanadzor, Dilijan, Tsakhkadzor.11 While the ISP market is relatively diverse, 96 percent of the total revenue from internet service in Armenia is produced by the five largest ISPs, one of which is Armenian, while the other four are foreign-owned.

There are three mobile operators in Armenia: Beeline/Armentel, owned by Vimpelcom, one of largest mobile operators in Russia (NYSE:VIP), Vivacell-MTS, owned by Mobile TeleSystems, another of the largest mobile operators active in Russia and CIS markets (NYSE:MBT), and Orange Armenia, owned by France Telecom, a leading multinational telecommunications corporation. In 2013, a fourth mobile operator, Ucom, was issued a license allowing its entry into the mobile communications market. Service was expected to start on January 1, 2015, but as of May 2015 it is not yet available.

Regulatory Bodies

The concept of an independent regulatory authority was implemented in 2006 with the adoption of the Law on Electronic Communication. Armenia has chosen a multi-sector regulatory model in which there is one body, the PSRC, which is in charge of the regulation of energy, water supply, and telecommunications services. The PSRC’s authority, mechanisms of commissioners’ appointments, and budgeting principles are defined under the Law on State Commission for the Regulation of Public Services.12

The members or commissioners of the PSRC are appointed by the president of Armenia and in accordance with the recommendations of the prime minister. Once appointed, a commissioner can be dismissed only if he or she is convicted of a crime, fails to perform his or her professional duties, or violates other restrictions in the law, such as obtaining shares of regulated companies or missing more than five PSRC meetings. The PSRC is accountable to the National Assembly in the form of an annual report, but the parliament merely takes this report into consideration and cannot take any action.

The Law on Electronic Communication contains provisions guaranteeing the transparency of the decision-making procedures of the commission: all decisions are made during open meetings with prior notification and requests for comments from all interested persons posted on the website.13 However, one of the weakest provisions of the Armenian regulatory framework is the absence of term limits for commissioners: every commissioner can be appointed multiple times, making his or her appointment dependent on current political leaders. In practice, the regulatory bodies in Ar-

12 The Law on Public Services Regulation Commission was adopted by the National Assembly of the Republic of Armenia on December 25, 2003.
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Armenia lack independence due to the strong dependence of the commissioners’ career on political leadership of the country. For example, in 1995, the broadcasting license of the independent television company A1+ was suspended for refusing to broadcast only pro-government material, and in 2002 its broadcasting frequency was awarded to another company. Despite a ruling by the European Court of Human Rights in 2008, which stated that the regulatory authority’s refusal to reinstate the company’s broadcasting license amounted to a violation of freedom of information, the license was never reinstated. In September 2012, A1+ began broadcasting on the airwaves of Armnews. During this time, A1+ was nonetheless able to continue publishing news content on its website.

Armenian legislation requires that providers obtain a license for either the provision of internet services or the operation of a telecommunication network. Procedures for obtaining licenses differ: a service license is obtained through a simplified licensing procedure (purchased for an amount equivalent to approximately US$250), while a network operation license requires verifying the professional and technical capacity of the company and is issued six months after filing the application with the regulatory authority. In 2012, the Armenian government undertook radical reforms of the telecommunication regulatory framework to simplify the market entry procedures of both network operation and services. According to the Amendments to the Law on Electronic Communication, adopted in April 2013, service providers will no longer be required to obtain a license but will simply need to notify the regulatory authority.

Public access points such as cafes, libraries, schools, universities, and community centers are not required to obtain a license for offering internet access unless they offer services for a fee. In general, according to the licensing law, nonprofit entities are not required to obtain a license for the provision of internet services regardless of their legal status.

Mobile telecommunication companies are granted a license through regular network operation licensing procedures, but are also required to obtain permission for the use of radio frequencies, which is usually granted through an open auction. An exception can be made if no alternative applicant is interested in a particular frequency, or for frequencies and equipment that do not interfere with other operators’ activities (such as radio relay communication). For cases in which an entity applies for a non-auctioned frequency, the service provider is required to carry out a test for electromagnetic compatibility.

In spite of three well-established ICT-related nonprofit associations, self-regulation of the industry is significantly underdeveloped in Armenia. The oldest nonprofit institution is the Internet Society (ISoc), which is the national chapter of the worldwide ISoc network. At the early stage of internet development in Armenia (1995 through 1998), ISoc Armenia was the primary internet policy advocate and industry promoter. It served as a forum where internet service providers discussed their problems, developed policy agendas, and resolved industry conflicts. However, after the establishment

14 There are three independent regulatory authorities in Armenia that are part of the executive, but not a part of the government. These three authorities are the public utilities regulator, the broadcasting regulator, and the competition authority. There is also a civil service commission, which, however, is different from the concept of independent regulatory bodies.
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of the independent regulatory authority, ISoc no longer plays as much of a regulatory role, as most industry disputes are filed with the PSRC.

ISoc continues to maintain the registration of domain names, and despite the lack of formal dispute resolution policies, it carries out the registry function effectively with minimal influence from government authorities or the regulator. As a result, the Armenian ICT market enjoys a liberal and non-discriminatory domain name registration regime. ISoc Armenia registers domain names according to ICANN recommendations and best practices. Although members of the ISoc Armenia are individuals, the organization’s board is composed of service provider managers, and in general, the Society’s policy agenda is strongly influenced by the interests of traditional providers that started their business in the mid-1990s.

Another well-established industry association is the Union of Information Technologies Enterprises (UITE). Though industry self-regulation is one of the main goals of the Union, so far it has not developed any significant policies for industry regulation. Both ISoc Armenia and UITE are founders of a third notable nonprofit institution, the ArmEx Foundation, which was established with the sole purpose of creating a local data traffic exchange point. Other founders include leading ISPs, mobile and landline telecommunication operators.

Limits on Content

The Armenian government does not consistently or pervasively block users’ access to content online. In one case, content was restricted in May 2015, when an episode of a web series satirizing the police response to protests in Yerevan was removed by YouTube. The most common incidents of censorship of online content relate to blocking and filtering of platforms and websites by the Russian regulatory authority, which affects access to the same content for some internet users in Armenia, since Armenia receives its web traffic from Russia. However, these cases are promptly resolved by internet service providers once reported by users.

Blocking and Filtering

In general, online content is widely accessible for internet users in Armenia. The most prominent case of online censorship occurred in March 2008 during post-elections events, immediately after clashes between an opposition rally and police resulted in at least eight people killed and hundreds of people injured. The government declared a state of emergency and restricted certain media publications, including independent internet news outlets. The security services demanded that the Armenian domain name registrar suspend the domain names of opposition and independent news sites, and requested that ISPs block certain outside resources, such as some opposition pages on social network platforms, particularly LiveJournal, which was the most popular social network used by opposition and civil society activists for blogging and reporting. Armenian authorities were strongly criticized by international observers for their reaction to the post-election crisis, including the restrictions on access to internet resources. After the events of 2008, Armenian authorities have been

20 Reports on the number of people killed vary; according to the official report from the Council of Europe, eight people were killed. Thomas Hammarberg, “Special Mission to Armenia,” Council of Europe, Commissioner for Human Rights, March 12-15, 2008, http://bit.ly/1OPq6OH.
21 Parliamentary Assembly of the Council of Europe, “Observation of the Presidential Election in Armenia,” published April 8,
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very cautious about restricting internet content, and no instances of politically-motivated filtering or blocking have been recorded since that time.

Due to the fact that some internet users in Armenia receive filtered traffic from Russian ISPs, there have been a few cases where a website that is blocked in Russia is incidentally blocked for users in Armenia. For example, in May 2015, several gambling websites that had been blocked in Russia by a court decision were blocked in Armenia as well. Following the first reports, Armenian Beeline started to work toward unblocking the websites, which were restored later that same day.22

According to Article 11 of the Law on Police,23 law enforcement authorities have the right to block particular content to prevent criminal activity; in practice, such blocking cases have been limited to locally-hosted, illegal content such as illegal pornography or copyright-infringing materials. For example, in 2012 the police blocked the website Armgirls.am for disseminating pornographic content and for hosting bulletins of women working in the Armenian sex industry.24 Article 263, section 20 of the criminal code stipulates that the production and dissemination of pornographic materials or items, including printed publications, films and videos, images or other pornographic items, advertisements, or sales is punishable by a fine in the amount of five hundred times the minimum monthly salary in Armenia, or arrest for up to two months or imprisonment for up to two years.

Content Removal

In May 2015, an episode of a web series satirizing the police response to protests in Yerevan was removed by YouTube. Allegedly the video was originally flagged by the police for removal, most likely because it was mocking the police’s behavior and actions, though it was officially removed from YouTube due to copyright infringement, since the video contained a copyrighted clip of a news report.25

While currently intermediaries are not liable for the content they host or transmit, in March 2014 members of parliament introduced draft legislation that could establish legal liability for websites that republish or host defamatory comments from anonymous or fake users. Drawing from the European Court of Human Rights ruling in October 2013 that established intermediary liability for third-party comments26 the proposed legislation aimed to minimize the number of fake accounts on social networks whose defamatory or offensive content is often republished in media outlets. Members of parliament argued that the bill would reduce the frequency with which media outlets reproduce and disseminate slanderous or offensive comments from anonymous users. Critics of this measure, on the other hand, believe it amounts to censorship and that the pressure exerted on media outlets would restrict press freedom. On April 25, 2014, discussions on the draft legislation were postponed for one year, and were later removed from the parliament’s agenda.27

Internet service providers involved in transmitting illegal content, such as child pornography, or content related to online crime or cyberterrorism, are not liable for the content they make available

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to their customers, provided that they had no prior knowledge of the content. Any decision of a law enforcement body to block particular content can be challenged in court by the resource or content owners, and if the court rules that the measure was illegal or unnecessary, the resource or content owners may claim compensation. Additionally, Armenia is a signatory to the European Convention on Human Rights; therefore, any such decision can also be challenged at the European Court of Human Rights.

Media, Diversity, and Content Manipulation

Armenian internet users are able to access a wide array of content online, though online media outlets based within the country are subject to financial and political pressures. Currently, self-censorship is not a widespread practice in the online sphere. The Armenian government and the ruling political elite have not applied extralegal measures to prevent political opponents or independent internet resources from publishing online content. However, similar to traditional media outlets such as television or printed press, Armenian internet news resources are exposed to political pressure. In some cases, for example, journalists of a particular online media outlet are not allowed to deviate from the editorial policy of the outlet, which is often linked to one of the political parties. Such pressure has the potential to affect the overall situation of freedom of speech in the country, but it is worth noting that online publishers and individual bloggers strongly resist self-censorship. Indeed, there is a wide diversity of opinion in social media, and virtual battles between supporters and opponents of the government are often observed. A variety of independent and opposition web resources provide Armenian internet audiences with politically neutral, or oppositional opinions.

Digital Activism

There were several significant citizen mobilization movements that occurred in Armenia over the past year that actively used digital media and social platforms for advocacy and to mobilize supporters.

In 2014, changes to the law on temporary disability with respect to maternity leave and temporary disability allowances were met with significant opposition. In the fall of 2014, many stakeholders joined forces to protest the upcoming amendments, which would have based the allowance for maternity and disability leave on the minimum salary and offered commensurate allowances to non-working and working women, with compensation for the latter coming from private employers. The law was passed in December 1, 2014; however, following several debates about the issue online and in the broadcast media, as well as street protests attended by hundreds of pregnant women, the law was amended again in January 2015 to state that working women that receive a salary under AMD 1 million (US$2,000) will be compensated by the state, whereas compensation for women with higher salaries will split between the state and the employer. A Facebook group called “No to Reduced Pregnancy Allowances” played an essential role in raising the issue and mobilizing stakeholders around it.

In late May 2015, another major citizen movement was launched to protest against the increase in electricity prices. A Facebook event was created promoting a rally to protest the price hike, and more than 40,000 Facebook users were recruited via the event page. The first large scale rally took place on May 27. By late June, weeklong street protests were in progress in Armenia’s capital, Yerevan. As a result of the protests, President Sargsyan announced on June 27 that his government would effectively suspend the controversial price hikes, although protests continued into the summer as dem-
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onstrators insisted that their demands were not met and continued to condemn the police response to the protests.

Violations of User Rights

There have been few cases of prosecutions against internet users or bloggers for content posted online. While Armenia eliminated criminal penalties for defamation in 2010, concerns over high financial penalties for defamation persist, though the number of cases and the fines have decreased in recent years. Journalists from print and broadcast media have been subject to intimidation and attacks, though no cases of violence against online journalists were recorded during this coverage period.

Legal Environment

Article 27 of the Constitution of the Republic of Armenia guarantees freedom of speech irrespective of the source, person, or place. This constitutional right is applicable to both individuals and media outlets, with some restrictions.

In 2005, Armenian media legislation changed significantly with the adoption of the Law of the Republic of Armenia on Mass Media (also referred to as the Media Law). One the most positive changes in Armenian media legislation was the adoption of unified regulation for all types of media content irrespective of the audience, technical means, or dissemination mechanisms. The Television and Radio Law contains additional requirements on content delivery, but it does not regulate news delivery and only addresses the issues of broadcasting erotic or violent programs, as well as the time frame for advertising, the mandatory broadcast of official communications, and rules on election coverage and other political campaigns. Content delivered thorough a mobile broadcasting platform or the internet is subject to the same regulations.

Armenian criminal legislation grants journalists certain protections related to their profession. According to Article 164 of the criminal code, hindering the legal professional activities of a journalist or forcing a journalist to disseminate information or not to disseminate information is punishable by fines from 50 to 150 times the minimum salary, or correctional labor for up to one year. The same actions committed by an official abusing their position is punishable by correctional labor for up to two years, or imprisonment for the term of up to three years, and a ban on holding certain posts or practicing certain activities for up to three years. However, neither criminal law nor media legislation clearly defines who qualifies as a journalist or whether these rights would apply to online journalists or bloggers.

In May 2010, the Armenian National Assembly passed amendments to the administrative and penal codes to decriminalize defamation, including libel and insult, and introduce the concept of moral damage compensation for public defamation. The initial result was an increase in civil cases of defamation, often with large fines as penalties. In November 2011, the Constitutional Court ruled that

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30 Concept of compensation for moral damage caused by defamation was introduced by adding Article 1087.1 to the Civil Code of the Republic of Armenia, Official Bulletin of the Republic of Armenia, 23 June 2010 No 28(762).
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courts should avoid imposing large fines on media outlets for defamation, resulting in a subsequent decrease in the number of defamation cases. Defamation is widely used by Armenian politicians to restrict public criticism, but it has not necessarily been used to combat oppositional viewpoints or media independence. However, the principle of requiring politicians to be more tolerant of public criticism is not widely adopted in Armenia. According to the Committee to Protect Freedom of Expression (CPFE), in 2013 there were 26 civil defamation and insult suits against journalists (including as a third party) and the media. Of these 26 cases, 17 included media outlets that also have an online presence.

Since 2003, when the concept of cybercrime was first introduced in the Armenian criminal code, criminal prosecution for crimes such as illegal pornography or copyright infringement on the internet demonstrates that Armenian law enforcement authorities generally follow the practices of the European legal system, and neither service providers nor content hosts have been found liable for illegal content stored on or transmitted through their system without their actual knowledge of such content. Armenia is a signatory to the Council of Europe’s Convention on Cybercrime, and further development of Armenian cybercrime legislation has followed the principles declared in the Convention.

Armenian criminal legislation also prohibits the dissemination of expressions calling for racial, national, or religious enmity, as well as calls for the destruction of territorial integrity or the overturning of a legitimate government or constitutional order. Since the Armenian legal system is based on the principle of universality, meaning that laws are applicable online as they are offline, all crimes conducted on the internet are prosecuted similarly to those that are committed offline. Regarding liability for content published on websites hosted in other jurisdictions, Armenian legal theory and practice follows the principle of “place of presence,” meaning that the person is liable if he or she acts within the territory of that country.

Prosecutions and Detentions for Online Activities

No cases of imprisonment or other criminal sanctions or punishments for online activities were recorded over the past year. However, cases of civil liability, such as moral damages compensation for defamation, have been recorded several times over the past few years. The downloading of illegal materials or copyrighted publications is not prosecuted under Armenian legislation unless it is downloaded and stored for further dissemination, and the intention to disseminate must be proved.

Surveillance, Privacy, and Anonymity

On March 4, 2015, the National Assembly approved proposed amendments to the Law on the Protection of Personal Data through the first reading, though as of the end of the report’s coverage period the amendments had not been enacted into law. One key provision within the proposed amendments would create a body that would have the authority to appeal the decisions of state agencies that violate the right to privacy with regard to personal data. The bill provides fines for

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31 Cybercrime was defined under the new Criminal Code of the Republic of Armenia, adopted on April 18, 2003. The first prosecution case for the dissemination of illegal pornography via the internet was recorded in 2004.


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those who violate the law. The amendments are intended to ensure the implementation of the right to personal privacy with respect to the processing of personal data, providing for the harmonization of Armenian legislation regarding personal data with the European standards and international obligations.

The collection of an individual's personal data by the government is allowed only in accordance with a court decision in cases prescribed by the law. The monitoring and storing of customers' data is illegal unless it is required for the provision of services. Personal data can be accessed by law enforcement bodies only with a court decision. Nonetheless, the courts support most data requests from law enforcement bodies, which usually file motions on data requests while investigating crimes; however, motions must be justified, and if not, the defense attorney may insist on the exclusion of evidence obtained as a result of such action.

Anonymous communication and encryption tools are not prohibited in Armenia; however, the use of proxy servers is not that common due to the fact that since 2008, internet users have not faced problems with website blocking or traffic filtering. Individuals are required to present identification when purchasing a SIM card for mobile phones. No registration is required for bloggers or online media outlets, though tax authorities may question bloggers or media outlets on revenue-related issues (advertisements or paid access).

Armenian legislation does not require access or hosting service providers to monitor transmitted traffic or hosted content. Moreover, the Law on Electronic Communication allows operators and service providers to store only data required for correct billing. Cybercafes and other public access points are not required to identify clients, or to monitor or store their data and traffic information.

Intimidation and Violence

There were no documented cases of violence or intimidation directed at online journalists, however, there have been instances of violence against print or broadcast journalists in Armenia. According to data collected by the Committee to Protect Freedom of Expression (CPFE) in Armenia, in 2014 there were nine known cases of physical violence against journalists.

Technical Attacks

Technical attacks against government websites and civil society groups continue, with most of the attacks originating from the “Anti-Armenia” group based in Azerbaijan.

In addition, Turkish hackers from the Turk Hack Team group claimed that they launched DDoS attacks against websites of the Armenian government, as well as Armenian business and media sites, causing disruptions on April 24, the Armenian Genocide commemoration day. However, there were no interruptions recorded by these entities.