



RA GOVERNMENT TO SOLVE SOCIAL - ECONOMIC PROBLEMS OF REFUGEE FAMILIES. PAGE 2



JOHN SARBANES: "WHY I SUPPORT RECOGNITION OF THE ARMENIAN GENOCIDE?" PAGE 5

# ARMENIA HIGHLIGHTS

Weekly Digest of the Government of Armenia

26 April - 2 May, 2010

## THEMA



### IMPROVED TAX COLLECTION CUTS ARMENIAN BUDGET DEFICIT

The Armenian Finance Ministry says government tax revenues jumped nearly 20 percent in the first quarter this year and have slashed the state budget deficit, RFE/RL's Armenian Service reports. Today's data seems a further sign that Armenia is emerging from its first major economic downturn since the early 1990s. Renewed economic growth in the country accelerated from January through March, resulting in a first-quarter GDP increase of 5.5 percent. A budget deficit of 6 billion drams (\$15.6 million) recorded during this period was well below almost 35 billion drams projected by the government late last year. The government's budgetary revenues plummeted in 2009 amid a double-digit decline in economic activity resulting from the global economic crisis. The government needed hundreds of millions of dollars in emergency loans from abroad to avoid significant cuts in public spending. The deficit-to-GDP ratio exceeded 5 percent as a result. But improved tax collection has significantly eased the fiscal im-

balance since then. The Finance Ministry reported today that the State Revenue Committee (SRC) collected 127.1 billion drams in various taxes in the first quarter of 2010, up 19 percent year-on-year and is about 10 billion drams more than was projected. Increased proceeds from value-added tax - the single largest source of the country's budgetary revenue - were primarily responsible for the gain. The latest tax data comes on the heels of strong criticism of the tax authority by Prime Minister Tigran Sarkisian, who complained earlier this month that tax evasion among large companies remains widespread and that the SRC has failed to seriously tackle the problem. SRC data shows that the national gas distribution company ARG is still the country's top corporate taxpayer, having paid 5.24 billion drams in various taxes in the first quarter of 2010. Armenia's leading taxpayers also include fuel-importing, telecommunications and energy firms. **AH**

[www.rferl.org](http://www.rferl.org)

### "Quote of the week"

Economic indices for the first months of this year have already been higher than we expected. It means that the economic growth will translate into new jobs and a higher standard of living.

*Serzh Sargsyan  
President of Armenia*

### Upcoming Events

**May 6 - 7:** PM Tigran Sargsyan to attend EPP Group Bureau in Karlovy Vary

**May 9:** President Serzh Sargsyan participate in the celebration of the 65th anniversary of the Victory over Nazism

**May 25 - 26:** Concert of "Deep Purple" in Yerevan

**May 28:** Armenia marks Republic day

**June 26 - July 6:** International Open Chess Tournament in Jermuk

## PRESIDENT SERZH SARGSYAN MET WITH THE PRESIDENT OF CHINA HU JINTAO

In the framework of his visit to the People's Republic of China, on May 2 President Serzh Sargsyan met with the President of the People's Republic of China Hu Jintao. The President of Armenia expressed his gratitude to President Hu Jintao for the invitation to participate at the opening of the Shanghai Expo-2010 and congratulated his Chinese counterpart on the successful commencement of the Exhibition. President Sargsyan said that the enhancement of the relations with China is a priority of the Armenian foreign policy and noted that bilateral relations have already shown excellent dynamics of

development. The President of Armenia stressed that the high-level political dialogue, active cooperation in social, political, economic, cultural, and educational areas, reciprocal support in multilateral formats increase mutual understanding and trust between Armenia and China. The two sides noted with satisfaction that multiple joint projects in energy, chemical industry, agriculture, science and technology, defense, culture and education spheres are being implemented with great success. Serzh Sargsyan and Hu Jintao concurred that the accumulated vast Armenian-Chinese experience would serve an excellent base for raising the bilateral



relations on a qualitatively new level. The Presidents discussed issues related to China's participation in the construction of the Armenia-Iran railroad. They underscored that the launch of the operations of the Armenian-Chinese Shanxi-Nairit joint venture in Shanxi province of China proves that bilateral relations were developing dynamically.

[www.president.am](http://www.president.am)

AH

## PM TIGRAN SARGSYAN ATTENDED THE OPENING OF EDB ARMENIA OFFICE



Prime Minister Tigran Sargsyan attended the official signing of the agreement between the Government of the Republic of Armenia and the Eurasian Development Bank on EDB terms of stay in Armenia. The agreement was

signed by RA Minister of Energy and Natural Resources Armen Movsisyan and EDB Board Chairman Igor Finogenov. The agreement provides for the opening of a permanent office of the EDB in Armenia. Memorandums of cooperation were signed between the Eurasian Development Bank on the one hand, and the RA Ministry of Energy and Natural Resources, Hayrusgasprom CJSC, South Caucasian Railway CJSC, International Power Engineering Corporation CJSC and Haybusinessbank CJSC, on the other hand. Congratulating those present on this occasion, the Prime Minister stated in part: "We have become a full member of the Eurasian Development Bank. You may remember that the agreement has been approved by

Republic of Armenia's National Assembly, and we have a stake in its capital. I am hopeful that the signing of this instrument will give a new momentum to bilateral relations. A number of projects are out for EDB management consideration. The CIS heads of government and finance ministers are currently discussing ways of boosting the activities of the Bank. Also, you are well aware that the EDB has been entrusted with the operations of the Anti-crisis Fund as established in the CIS frameworks which means that the Bank may engage in multifaceted and multifunctional activities. This is why we make a point of today's event. Once again, I felicitate you all on the signing of the agreement."

[www.gov.am](http://www.gov.am)

AH

## ARMENIA TO STRUGGLE AGAINST SMOKING

The Armenian government adopted a state program on struggle against smoking in the Republic of Armenia for 2010-2015, as well as a list of immediate measures securing its implementation.

Armenian Prime Minister Tigran Sargsyan called on government members to fight against smoking, a pernicious habit, through personal example.

[www.panarmenian.net](http://www.panarmenian.net)

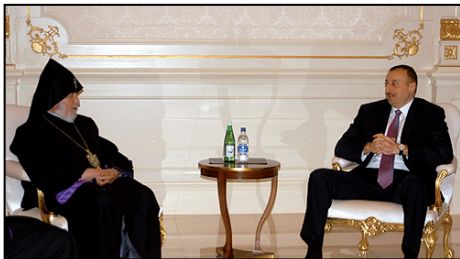
## RA GOVERNMENT TO SOLVE SOCIAL - ECONOMIC PROBLEMS OF REFUGEE FAMILIES

During the April 29 session, the Armenian government adopted a decision on privatization of residential spaces occupied by persons, who were forced to migrate from the Azerbaijani Republic from 1988-1992 and obtained citizenship of the Republic of Armenia. The decision aims to provide legal guarantees to and solve housing, social and economic problems of numerous refugee families, which temporarily reside in dormitories in Yerevan and Abovian.

The government has approved the list of persons, who will be provided with apartments purchased in an apartment building constructed in Yerevan. The Government instructed the Armenian Ministry of Urban Development to implement the apartments' distribution through a drawing and, based on its results, to sign deeds of gift (unpaid privatization) with these persons on behalf of the Republic of Armenia.

[www.panarmenian.net](http://www.panarmenian.net)

## ARMENIA CHURCH LEADER MEETS AZERBAIJANI PRESIDENT



The leader of Armenia's Apostolic Church, Catholicos Garegin II, met with Azerbaijani President Ilham Aliyev and prayed in an abandoned Armenian church in Baku at the end of his landmark visit to Azerbaijan, RFE/RL's Armenian Service reports.

Garegin and Aliyev reportedly discussed the Nagorno-Karabakh conflict and a two-day summit of world religious leaders currently taking place in Baku. They

meeting on April 26 took place in the presence of Azerbaijan's top Shi'ite Muslim cleric, Sheikh-ul-Islam Allahshukur Pashazade. Aliyev's office said the two "stressed the importance of the Baku [religion] summit...for strengthening interreligious dialogue and expanding contacts among religious leaders."

A separate statement issued by the Armenian Apostolic Church today said the one-hour meeting took place "in an unconstrained and sincere atmosphere" and touched upon the unresolved Armenian-Azerbaijani dispute over Nagorno-Karabakh. Garegin and other high-ranking Armenian clerics visited the 19th century Church of St. Gregory the Illuminator' in Baku. The Armenian Church's statement said the delegation prayed and sang

medieval hymns there. It added that the Armenian pontiff expressed hope that the church will eventually "reopen its doors to believers." Built in 1887, the church was the main site of worship for Baku's sizable Armenian community until its forced exodus from the Azerbaijani capital in 1988-1990.

An arson attack seriously damaged the building in 1990. The church reportedly underwent renovation in 2004 and is currently used as a library.

Garegin is the first Armenian Church leader to visit Azerbaijan in decades. His office said two Armenian bishops who accompanied him stayed in Baku to participate in the second and final day of the religious forum.

[www.rferl.org](http://www.rferl.org)

AH

## ICRO TO HOLD JOINT LITERARY FESTIVAL OF IRAN AND ARMENIA

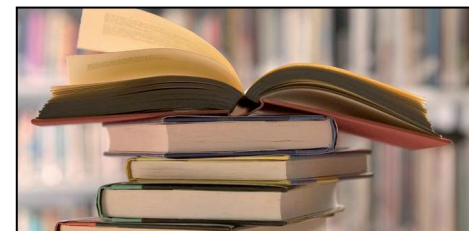
The Islamic Culture and Relations Organization (ICRO) Mehdi Mostafavi announced that the organization is ready to hold a joint literary festival of Iran and Armenia in a border city in September.

Mostafavi met with the Center for Armenian Writers Director Leon Ananian here on Saturday and they discussed several issues. He pointed to the good relationships between the two nations, saying, "We make our best efforts to develop our cultural relations with other countries."

He also stressed that Tehran International Book Fair opening next week can help boost cultural and literary

activities in both countries, adding, "The activities of the Center for Armenian Writers can encourage our young writers toward increased mutual cooperation." Mostafavi also talked about the religious freedom of the Armenian nationals in Iran and said, "Freedom in holding religious ceremonies and their good relations with Iranians indicate that Armenian nationals enjoy the freedom to pursue their specific interests within Iran."

Leon Ananian expressed his interest in visiting the country and said that they are willing to increase the number of Armenian cultural centers in Iran helping their nationals become more famil-



iar with the rich culture of Iran.

He expressed his gratitude to Iran's cultural office in Armenia, and said, "I visited a few cities in Iran and became acquainted with several Iranian cultural dignitaries. I am planning to write a book on Iranian cultural figures in the future."

[www.tehrantimes.com](http://www.tehrantimes.com)

AH

## ARMENIA CAN NOW PRODUCE EXCESS ELECTRICITY

Armenian-Russian joint company ArmrosGazprom plans to relaunch the 5th block of the Razdan electric power station, which runs on Russian natural gas which enters Armenia via Georgia. Director General of the company Karen Karapetian has stated that the 300 megawatt energy block has been completely reconstructed and modernised, enabling

Armenia to produce cheap electrical energy and export it.

At present ArmrosGazprom does not export any electricity but some time ago it exported it to Georgia. The Razdan block is the most powerful in Armenia and its reconstruction cost USD 393.5 million.

[www.messenger.com.ge](http://www.messenger.com.ge)



## U.S., FRANCE PRAISE ARMENIA'S STATEMENT ON TURKEY

The United States and France praised Armenia for not annulling the agreements to normalize relations with Turkey despite Ankara's refusal to implement them at this juncture, RFE/RL's Armenian Service reports.

The U.S. State Department insisted that the Armenian-Turkish normalization process had not collapsed and that the Turkish-Armenian protocols might still be put into effect "over the long term."

"We note President [Serzh] Sarkisian's announcement that Armenia will suspend the discussion of the protocols in its National Assembly," Philip Gordon, the U.S. assistant secretary of state for European and Eurasian affairs, said in a statement by the U.S. Embassy in Yerevan. "President Sarkisian's announcement makes clear that Armenia has not ended the process, but has suspended it until the Turkish side is ready to move forward," he said. "We applaud President Sarkisian's decision to continue to work towards a vision of peace, stability, and reconciliation." "We continue to urge both sides to keep the door open to pursuing efforts at reconciliation and normalization," Gordon added. U.S. State Department spokesman Philip Crowley likewise told a daily news briefing late on April



### **NICOLA SARKOZY: "President Sarkisian's announcement makes clear, that Armenia has not ended the process."**

22 that Washington was satisfied with Sarkisian's decision not to rescind Yerevan's signature from the agreements. "We are actually encouraged that, both in the case of Armenia and Turkey, both sides have taken pains to make sure the process doesn't collapse," Crowley said. "That gives us some reason for optimism that over the long term we can find ways to come back to it and try to push forward the protocols again."

In a televised address to the nation on April 22, Sarkisian said he and his governing coalition had chosen not to scrap the protocols for the time be-

ing at the request of the United States, Russia, and other foreign powers. He mentioned in that context his recent talks with the U.S., French, and Russian presidents.

Sarkisian and Turkish Prime Minister Recep Tayyip Erdogan met with U.S. President Barack Obama in Washington early last month. According to Crowley, Obama conveyed the following message to the Armenian and Turkish leaders: "Keep the process going; if you don't think that this is the right time, that's fine, we'll step back and reevaluate how to move forward."

The U.S. reaction to the Armenian de-

cision was echoed by French President Nicolas Sarkozy. "President Sarkozy welcomes the Armenian president's readiness to adhere to the process of normalizing Turkish-Armenian relations, despite difficulties which the two sides have encountered in the process of ratifying the protocols signed in Zurich on October 10," the French Embassy in Yerevan said in a statement today. The statement said France is urging Armenia and Turkey to "maintain the dialogue" and "multiply efforts" to implement the protocols.

## “WHY I SUPPORT RECOGNITION OF THE ARMENIAN GENOCIDE”?

By John Sarbanes

April 24th marked the 95th commemoration of the Armenian Genocide, the systematic annihilation of more than 1.5 million Armenians by Ottoman-era Turkish authorities. On March 4, 2010, the House Committee on Foreign Affairs voted in favor of Resolution 252 to recognize the Genocide. The next step is to achieve recognition in the full House of Representatives. The Armenian Genocide, the first of the 20th Century, included massacres, deportations, and death marches where hundreds of thousands were herded into the Syrian Desert to die of thirst and starvation. Without final rites, the remains of these victims lay strewn across the desert in testament to a horrific demise. Modern-day Turkish authorities sadly have chosen to deny this chapter of Turkish history and have sought every opportunity to discredit the findings of legitimate genocide scholars. Notable scholars and historians who recognize the Armenian Genocide include the International Association of Genocide Scholars and the Elie Wiesel Foundation for Humanity whose opinion is supported by 53 Nobel Laureates. Yet, in the face of all the evidence, Turkey presses on, exporting a legacy of Genocide denial - a legacy ruthlessly enforced within its own borders. In Turkey, anyone who uses the word "genocide" to describe the massacre of the Armenians is subject to criminal punishment under Article 301 of the Turkish Penal Code. The late journalist Hrant Dink was prosecuted under this article, and after being marked as an "enemy of the state," was slain in 2007 by a 17-year old Turkish nationalist. In 2005, Orhan Pamuk, Turkey's first Nobel Laureate, was charged with the crime of insulting Turkishness, because he too made mere reference to the Armenian Genocide during an interview. Thankfully, an international outcry spared him from full prosecution. Affirmative denial of the Armenian Genocide - as well as denial of similar aggression directed in the past at millions of Greeks, Assyrians and other religious minorities -- compromises Turkey's ability to tell the positive story of its economic and political progress in recent years. It also reinforces international perceptions that Turkey is still governed by a repressive impulse - one that continues to be directed at those of its peoples who do



**In Congress, there is significant support for recognizing the Armenian Genocide.**

not comply with a rigid definition of "Turkishness." For years, Turkey has discriminated against its largest ethnic minority by outlawing the Kurdish language, suppressing the Kurdish culture, and officially classifying Kurds as Mountain Turks, or Eastern Turks. Even the religious liberties of Turkey's Muslim majority are subjected to discriminatory state controls. In Congress, there is significant support for recognizing the Armenian Genocide, but sponsors of a resolution to do just that have been thwarted by Turkey's relentless lobbying campaign. Threatening all manner of retaliation should the resolution pass, Turkey has convinced some members that such action would imperil Turkish-American relations. The United States should be confident enough about the mutual stake both parties have in their relationship to know otherwise. Furthermore, the experience of other nations suggests there is every reason to believe that America's recognition of the Armenian Genocide will ultimately enhance, not damage, its relations with Turkey. The European Parliament and the legislatures of more than twenty countries including Canada, France, Italy, and Russia, have officially recognized the Armenian Genocide. Turkey has not halted its attempts to join the European Union, and its political and economic

relationship with each of these countries has only grown since their Genocide recognition. By speaking candidly to our ally, we can encourage Turkey to face the dark chapters of its past and abandon the destructive ventures of its present, such as the ongoing state-sanctioned discrimination against the Ecumenical Patriarchate, the continued occupation of the Republic of Cyprus and the disenfranchisement of the Kurdish minority. Recognition of the Armenian Genocide can serve as a catalyst in securing Turkey's status as a European democracy worthy of full European Union membership. I have heard the common refrain: "It's just not a good time." That excuse - and it is only an excuse - can always be trotted out based on one or another issue that may be pending between the United States and Turkey. But that excuse ignores the moral imperative to recognize the Genocide and misunderstands that such recognition will actually enhance Turkish-American relations and advance America's strategic interests. For the sake of its core values and in true furtherance of its strategic interests, the United States must take a deep breath, look its ally Turkey in the eye, and recognize the tragedy of the Armenian Genocide to be an unambiguous fact of history. AH

[www.thehill.com](http://www.thehill.com)

*John Peter Spyros Sarbanes-Congressman-Democrat/Maryland.*

"Armenia Highlights" is compiled in association with [PanARMENIAN.net](http://PanARMENIAN.net)

DISCLAIMER: Views expressed in "Armenia Highlights" do not necessarily reflect the views of the Government of Armenia.