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ARMENIA HIGHLIGHTS

Weekly Digest of the Government of Armenia

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THEMA



Republican Party of Armenia, reiterates its wish to become the associate member of the European People's Party, Armenian Prime Minister Tigran Sargsyan stated at the meeting of the European People's Party Group Bureau May 6 in Karlovy Vary dedicated to the discussion of the "Eastern Partnership: Challenges and Opportunities of the European Continent". Armenian Prime Minister delivered an extended speech at the meeting. President of the European Parliament Jerzy Buzek said that the Eastern Partnership is a very important project for the EU. "I think that we can assist the countries located in the eastern part. I am from Poland, and I remember that such programs were very important for our country. There will be programs which will assist the formation of civil society, programs which will assist Armenia's provinces, regions," he said. As to Armenia-Turkey relations, he noted that the two parties must be open. "This is the issue which you must solve on your own. We will ensure multi-sided assistance. I think the two sides are ready to solve the existing issues, and the EU is ready to help in negotiations," Jerzy Buzek said.

As to RPA's associate membership to the European People's Party, according to the president of the European parliament, "it is a very good idea as Armenia's political system is very close to the European democratic system. This is the difficult and right way the European countries have passed and which Armenia is currently passing. I think the European countries must assist Armenia on that way," he pointed out. The core of the discussion was Eastern Partnership challenges and prospects, 2020 strategy of Europe, fighting against crimes, money laundering, creation of working places. The leadership of the European People's Party, political figures of the European countries and particularly Czech Republic were participating in the meeting. Founded as the Christian-Democratic Group on 23 June 1953 as a political fraction in the Common Assembly of the European Coal and Steel Community, the Group has always played a leading role in the construction of Europe. Currently EPP has 72 member-parties from 39 states and has 17 associative members.

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"Quote of the week"

"Armenia's political system is very close to the European democratic system. I think the European countries must assist Armenia on that way."

*Jerzy Buzek
President of the
European Parliament*

Upcoming Events

May 21: PM Tigran Sargsyan participates in the meeting of the Council of the Heads of CIS Governments and EurAsEC 26-th meeting in Moscow

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

ARMENIA KNOWS THE PRICE OF VICTORY AND PEACE



Armenia's permanent representative to the UN, Ambassador Karen Nazaryan addressed the UN General Assembly with a report on Armenia's contribution to the fight against fascism.

"600 thousand Armenians (when the population of the Armenian SSR totaled less than 1.5 million) fought in the front from 1941 to 1945," Ambassador Nazaryan said. "Armenia knows the price of victory and peace and calls to derive lessons from the past and double efforts aimed at peaceful resolution of conflicts." The Armenian representation to the UN also produced photographs for an exhibition which opened in the UN headquarters in New York, RA MFA press office reported. .

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LEBANESE PM MAY VISIT ARMENIA IN NEAR FUTURE



Despite Azeri media's frequent reports on Lebanon backing resolution of Karabakh conflict within Azerbaijan's territorial integrity framework, official Beirut repeatedly expressed support for Armenian nation's interests, Shahan Kandaharian, Editor-in-Chief of Bei-

rut-based Aztag newspaper stated. As he told PanARMENIAN.Net reporter, "Support for Armenian nation's interests also spells support for NKR people's right for self-determination. At the same time, increased influence of Turkey is being observed in Lebanon, arousing concern among Lebanese Armenians and making them more unified around national issues." As he noted, Lebanese Prime Minister Saad Hariri may visit Armenia in near future. "Armenia has already issued an official invitation, which will, in all probability, be accepted by Lebanese side," Shahan Kandaharian said, adding that the visit of Lebanese Foreign Minister to Yerevan is also possible.

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ARMENIAN WEIGHTLIFTERS AT EUROPE YOUTH CHAMPIONSHIP

At the championship, Armenia will be represented by 9 sportsmen: woman weightlifter Isabella Yalyan (53kg weight category); European Adult Championship silver medalist Smbat Markaryan (56kg weight category), Vardan Militosyan and Vladik Karapetyan (62kg weight category), Raffi Melikyan and Aren Nersesyan (77kg weight category), Azat Sayadyan (85kg weight category), Hamlet Pogosyan (94kg weight category), Misha Muradyan and Gor Minasyan (+105kg weight category).

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HUNCHAKIAN PARTY HOLD RALLY DATED TO SHUSHI LIBERATION DAY



Social Democrat Hunchakian Party to hold rally dedicated to Shushi Liberation Day on May 8. A resolution on support conveyed to the NKR representation, the party's press office reported.

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RA GOVERNMENT TO ESTABLISH "CANDLE" INTERNATIONAL CENTER

On May 6, the Armenian government approved the project on establishment of CANDLE international center based on synchrotron light emission facility. Given the importance of this project for the applied sciences and technologies development, the state will participate in this scientific project, covering 25% of expenses, the press service of the RA government informed.

Other states and international structures are invited to participate in the center's construction and operation. The RA Ministry of Education and Science will be responsible for the project's implementation.

According to Prime Minister Tigran Sargsyan, the establishment of CANDLE international center is a good example of state's and private sector's support to initiatives of Armenian scientists.

The complex will provide with the opportunity to have over 40 modern testing laboratories, Director of CANDLE scientific and research institute, Doctor of Physical and Mathematical Sciences Vasili Tsakanov told a PanARMENIAN.Net reporter. "The project implementation will allow conducting world-class fundamental and applied researches in physics, chemistry, biology, medicine, ecology, microelectronics, pharmacology and material science in Armenia, as well as will serve as a driving force for the development of high technologies in the country," Vasili Tsakanov said.

CANDLE is a project of 3 gigaelectronvolts energy, third generation synchrotron light source.

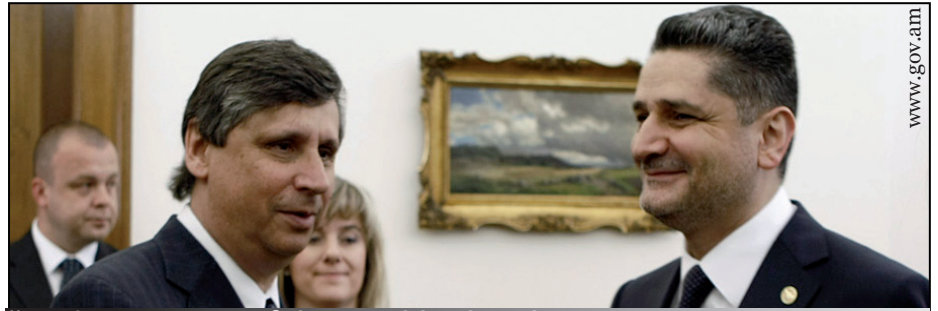
It was designed by Armenian scientists and was highly estimated by an international expert commission, as a world-class project and brilliant initiative for the development of science and technology in Armenia.

CANDLE is ranked among the following projects on light emission source: SPEAR3 (USA), CLS (Canada), SOLEIL (France) and Diamond (England.) The demand for such sources is from 3-10 times higher than the available possibilities in the world.

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TIGRAN SARGSYAN: ‘A NEW PAGE OPENS FOR THE ARMENIAN-CZECH RELATIONS’

On May 7, RA Prime Minister Tigran Sargsyan met with his Czech counterpart Jan Fischer in Prague within the framework of the working visit to the Czech Republic. In honor of RA PM and his spouse, Jan Fischer served a working dinner at his villa in Kramari village. During the meeting the Prime Ministers of the two countries discussed issues on improving and deepening the relations between the states, boosting the economic cooperation and working out of development programs in the spheres of energy, machine-tool construction, chemical industry, education, tourism and culture. They mentioned that there is an opportunity to deepen and advance the bilateral relations. Tigran Sargsyan and Jan Fischer touched upon regional issues, as well as issues on the relations of Armenia and the European Union, Armenia and EU Eastern Partnership program. At the request of reporters, RA Prime Minister Tigran Sargsyan summing up the results of the working visit and the meeting of the European People’s Party Bureau Group highlighted the issue of the associative membership of Armenia to the EPP. “During the meeting with the Bureau of EPP group I stressed the main theses which account for the necessity of cooperation between the Armenian Republican Party and the European People’s Party. The cooperation will grant the opportunity of getting acquainted with the broad experience of EPP, with the reforms implemented in Europe and the values, which serve as a ground for these reforms,” RA PM Tigran Sargsyan mentioned. He said it was the most important issue of the agenda of the EPP Bureau and currently it has been registered that the Armenian side has already started the cooperation with that significant political unit of Europe. ‘As far as we are currently presenting our problems, concerns and the values, which serve as a basis for the reforms the Armenian Republican Party is carrying out in Armenia, on the other hand, we are interested in the problems and concerns of our European partners and the European Parliament,’ Tigran Sargsyan said. According to him, the meeting in Karlovy Vary was an opportunity to contact with the members of the EPP Bureau, to hear their individual opinions



“Implementation of the Neighborhood project is a promotion to integrative processes in the region.” Tigran Sargsyan

on the current political field of Europe, the system of values, difficulties they experienced on their way of defending those values. According to Tigran Sargsyan, the new Eastern Partnership initiative, currently being worked out, involves 6 ex-Soviet Union republics and implies opportunities of learning the lessons of the past and planning a new strategy, new agenda, so that the cooperation corrects the mistakes, failures of the previous phase. ‘From this viewpoint the concerns of our partners became more understandable for us, on the other hand, this helps us make clearer our position, our expectations from the new Neighborhood program and the targets we want to see as the basis of the program,’ Tigran Sargsyan said. In answer to the question about the Turkish forces, which are cooperating with the EPP, and the possible promotion of peace and stability in the region by the EPP, the Prime Minister informed that there are groups and coordinators within the EPP, which implement works in that direction, especially in the direction of the EU-Turkey cooperation, and are trying to design the system of values for justifying Turkey’s membership to the EU. ‘During the closed discussions they were interested in the attitude of the Republic of Armenia and ARP toward the membership of Turkey. From this viewpoint we stress the reforms ongoing in Turkey and we can say for sure that quite strong reforms have been implemented in that country in the recent decade. There are thousands of intellectuals in Turkey, who accept the fact of the Genocide and express their thoughts over it without being embarrassed. This inspires us hope that sooner or later the historical fact will be recognized by Turkey,’ RA Prime Minister mentioned.

He said that naturally the reforms assisted by the EU have a good influence on this process, because the investment of the European values in Turkey - freedom of speech, tolerance and a number of other ideas propagandized by EPP will create more favorable conditions. According to him, on one hand accepting this system of values Turkey will recognize the fact of Genocide, on the other hand, naturally, having a neighbor state living with democratic values, means having a predictable neighbor. ‘This creates a more favorable atmosphere for Armenia and this is our most important address: implementation of the Neighborhood project is a promotion to integrative processes in the region,’ he mentioned. As to the meeting with the Prime Minister of the Czech Republic Jan Fischer, Tigran Sargsyan said that this meeting is agreed with the opening of ‘a new page, new phase’ in the Armenian-Czech relations. ‘Jan Fischer is going to visit Armenia. During this working meeting we had an opportunity to make clearer the agenda of the Armenian- Czech relations including the economic, and political issues, which are of mutual interest. I think that a clearly defined agenda will give an opportunity to make the visit of the Czech Prime Minister more efficient and to make arrangements for forming a favorable field for cooperation between our two countries,’ RA Prime Minister Tigran Sargsyan said. He said it refers to signing agreements, making clear the legislature on protecting investments and avoiding double taxation. ‘I suppose we can make clear the spheres, which are of some interest to the private sector as well,’ RA Prime Minister Tigran Sargsyan added.

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POST-SOVIET SECURITY BLOC SUMMIT OPENS NEAR MOSCOW



An informal summit of the Collective Security Treaty Organization opened on Saturday at the Russian president's residence just outside Moscow. It is being attended by Russian President Dmitry Medvedev, Armenian President Serzh Sargsyan, Belarusian President Alexander Lukashenko, Kazakh President Nursultan Nazarbayev, Tajik President Emomali Rakhmon, Uzbek Prime Minister Shavkat Mirziyev and CSTO General Secretary Nikolai Bordyuzha. The meeting is expected to discuss cur-

rent international issues, in particular the situation in Kyrgyzstan and the new Russian-U.S. strategic arms reduction treaty. The Commonwealth of Independent States (CIS) is a good platform for coordination of efforts to overcome the effects of the economic crisis, the Russian president said on Saturday. Dmitry Medvedev said modernization was a priority for the CIS economies. "Unfortunately, they have not as yet fully recovered from the economic crisis," he said, addressing a CIS informal summit at his Gorki residence just outside Moscow. He said the CIS provided a very good platform for coordinated anti-crisis measures and that such efforts would continue. "Our finance ministers regularly meet and discuss these issues," he said. The CIS summit follows an informal summit of the Collective Security Treaty Organization

(CSTO), a post-Soviet security bloc. A Kremlin source previously said the summit did not have a fixed agenda and that the CIS leaders would use it to exchange opinions on the status and prospects for cooperation within the CIS. The summit is attended by Russian President Dmitry Medvedev, Armenian President Serzh Sargsyan, Belarusian President Alexander Lukashenko, Kazakh President Nursultan Nazarbayev, Turkmen President Gurbanguly Berdimukhamedov, Ukrainian President Viktor Yanukovich, Moldova's acting president Mihai Ghimpu, Tajik President Emomali Rakhmon, Uzbek Prime Minister Shavkat Mirziyev and CIS Executive Committee Chairman Sergei Lebedev. The CIS leaders delivered an address to World War II veterans and workers on the home front.

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NEW RUSSIA-ARMENIA RAILWAY CONNECTION PLANS

Shevket Shaydullin, Director General of South Caucasus Railways, the former Armenian Railways which is now a daughter company of Russian Railways, has stated that in the coming 3-5 years the railway connections between Armenia and Russia via Georgia and Azerbaijan might be restored and start functioning. He added that this depends on political decisions but expressed the hope that this dream will come true.

South Caucasus Railways was given to Russian Railways for 30 years, with a possible prolongation of this agreement for 20 more years, in 2008. Russian Railways undertook a commitment to invest more than USD 500 million in the development of the company, and even more if the railway connections to Turkey are restored. Russian Railways will invest over USD 1.5 billion if the route through Azerbaijan is also restored,



and if the railways run through Georgia and Abkhazia the investment will be even greater, over USD 2 billion.

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ARMENIA FORECASTS INCREASED GROWTH RATE FOR 2010

The Armenian Central Bank says the country's economy will expand by at least 3 percent this year, RFE/RL's Armenian Service reports. The projection is an upward revision of earlier predictions of growth in Armenia in 2010. Artur Stepanian, the head of the bank's Fiscal-Monetary Policy Department, told RFE/RL on May 5 that "expansionist fiscal-monetary policies" that were implemented last year as well as "a faster-than-expected global economic recovery" have resulted in the positive projection for growth in 2010. "While we had forecast a [year-on-year] growth rate of 1.2 percent in January, we now expect it to come in at between 3 and 4 percent," he said. The stronger-than-ex-

pected growth has primarily resulted from a roughly 10 percent rise in industrial output. According to Stepanian, economic growth should remain relatively strong in the coming months in part because of rising remittances from Armenians working abroad. He said those cash transfers were up by over 8 percent in the first quarter compared to last year. Stepanian added that the Central Bank predicted the inflation rate will fall to 6.2 percent by the end of 2010. Prime Minister Tigran Sarkisian said last month that inflationary pressures on the Armenian economy would ease in the coming months. The authorities say the increased international prices of foodstuffs, fuel, and other commodi-

ties imported into Armenia are behind the current high inflation rate. But some independent economists and consumer-rights groups blame a de facto monopoly enjoyed by the country's leading importers, many of which have connections to the government. Abgar Yeghoyan, of the nongovernmental organization Protection of Consumer Rights, complained on May 5 that the recent strengthening of the national currency, the dram, has still not pushed down the prices of key imported goods. He told RFE/RL that prices rose considerably when the dram weakened against the U.S. dollar in February and March.

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ARMENIA-TURKEY PEACE PROCESS STALLS



The normalization of Armenian-Turkish relations is going through another crisis. On April 22, Armenian President Serzh Sarkisian suspended the ratification of two protocols signed by Yerevan and Ankara in Zurich on October 10. The current situation is made more difficult by the fact that Armenia and Turkey have yet to establish diplomatic relations. Ankara is still enforcing a land blockade of Armenia although planes between Turkey and Armenia are flying. Turkey supports the position of Azerbaijan in the conflict over Nagorno-Karabakh, helps prepare Azerbaijani officers for the military, builds transportation routes circumventing Armenia, and at the official level still denies the 1915 genocide of Armenians. In Armenia, these events are principle subjects of historiography, the collective memory and the spiritual culture. But does the Armenian president's April decision mean a return to the "pre-Zurich" era? The best answer to this question would be an analysis of the general context of Armenian-Turkish relations since the collapse of the Soviet Union. It could help to repudiate many myths and stereotypes concerning one of the most complex problems in Eurasia. After Armenia became independent in 1990, Turkey again proposed that it consider bilateral relations, looking to the future rather than the past. Armenian leaders, too, made an effort to establish dialogue with Turkey. In 1992, Armenia's first president, Levon Ter-Petrossian, met with Suleyman Demirel, then prime minister of Turkey. In the course of these meetings, the problem of Karabakh was discussed. However, a worsening of the military situation on the Karabakh front in 1993 and Azerbaijan's eventual defeat led to a new estrangement between Turkey and Armenia. Turkey refused to separate Turkish-Armenian relations from the Armenian-Azerbaijani conflict and accused Armenia of aggression against

Azerbaijan and of supporting Kurdish terrorist organizations. Despite Turkey's hard line, Yerevan continued to hope that the estrangement could be overcome. In 1995, in a speech honoring the 80th anniversary of Mec Exem ("the great tragedy," as Armenians refer to the events of 1915) Ter-Petrossian laid responsibility for the genocide on the regime of the Young Turks (the Committee of Union and Progress), not the Turkish people. After Ter-Petrossian left office, Yerevan's official position became more rigid. Speaking at the 53rd Session of the UN General Assembly, Armenia's second president, Robert Kocharyan, tried to bring the "Armenian question" back into the sphere of international policy. His stance on a range of Armenian-Turkish matters was far tougher. He did not attend a summit of the Organization of the Black Sea Economic Cooperation (BSEC) in Istanbul in June 2007. He said his decision was motivated by the absence of diplomatic relations between the two countries. Only in 2008, after long years of diplomatic stagnation, did relations between the two countries begin to take a constructive approach. Regional officials and businessmen in Turkey have publicly expressed interest in developing economic ties with Armenia. Several years ago on the official NATO site, Turkish researcher Burcu Gultekin published a paper called "Prospects for Regional Cooperation on the Southeastern Borders of NATO: Development of Turkish-Russian Cooperation in the South Caucasus". Gultekin argued that Turkish policy was held hostage by the country's relations with Azerbaijan. In his opinion, "open borders could promote a better image of Turkey in Armenian society and pull relations between the two countries out of the current crisis situation." The publication showed that among Turkish experts - a traditionally pro-Azerbaijani community - the opinion is forming that the current economic blockade of Armenia does not promote stability in the region. What would a decision by Turkey to normalize relations with its neighbor Armenia mean? Mainly this would be a political step. Economists have written any number of times about the costs to Armenian businesses, which cannot compete with Turkish businessmen. However, a warming with Turkey would allow Yerevan to separate the Nagorno-Karabakh conflict from the whole spectrum of Armenian-Turkish relations. For Turkey, reconciliation with Yerevan would be a new step towards the hoped-for European integration. This strategy has become a top foreign policy priority for the government of Turkish Prime Minister Recep Erdogan. There are other reasons as well. Ankara is seriously worried that the United States will recognize the Armenian genocide. Inside Turkey,

this problem is not simply a matter of a flat denial of the 1915 tragedy. The motivations of Turkey's political class are more complex and contradictory. In the opinion of Turkish experts Bulent Aras and Havva Karakash-Kelesh, the system of superethnic values created by the Turkish Republic, from the moment of its founding by Kemal Ataturk, does not allow one to talk about "ethno-national diversity," especially as regards the "Armenian question." It is important to acknowledge that both societies have an interest in resolving the problems that have accumulated over years and centuries. However, no satisfactory headway was made in this respect in 2008-2010. The fundamental problem of mutual trust remains. Although officials in both capitals have talked about a "turning the page," suspicion on both sides persists. Turkey is worried that the problem of the genocide of Armenians could be used by foreign players, such as the United States and the European Union, as an instrument to weaken its geopolitical position. There are also fears that recognition of the genocide could provoke an ethnic split in Turkey and give new impetus to the Kurdish movement (already a problem for the Turkish authorities. Meanwhile, Armenia in 2008-2010 overestimated its chances to separate regulation of the Nagorno-Karabakh problem from the process of Armenian-Turkish normalization. And having failed there, it lost interest in reconciliation with its Turkish neighbor. However, it does not follow that suspension of the ratification is the end of the peace process. Ratification had already come to a standstill, Sarkisian merely made the fact official. At the same time Yerevan has not abrogated the documents it signed last year in Zurich. "Agreements between Armenia and Turkey will remain on the long-term agenda of the National Assembly of Armenia," said Speaker of the Parliament Ovik Abramian. The protocols have been removed only from the sessions' immediate agendas. So the main task of the current hiatus in the peace process is to review past mistakes, illusions and naive dreams of a "quick breakthrough." The preconditions exist for a new round of bilateral "resets." Therefore, both sides should remain calm and not exacerbate the new crisis. In the end, any peace process is a complex and contradictory phenomenon in which the role of irrational factors is great. Still it is possible to be rational. In 2009, the signing of the two protocols in Zurich seemed an impossible dream, and yet it did take place.

www.russiabeyond.com

Sergei Markedonov is a political scientist and expert on the Caucasus and Central Asia