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ARMENIA HIGHLIGHTS

Weekly Digest of the Government of Armenia

July 19 - 26, 2010

THEMA



TIGRAN SARGSYAN PAYS A WORKING VISIT TO ARMAVIR MARZ

Armenian Prime Minister Tigran Sargsyan paid today a working visit to the Armenian province of Armavir accompanied with the US Ambassador to Armenia Marie Yovanovitch, minister of agriculture Gerasim Alavardyan, governor of Armavir Ashot Ghahramyan, director general of the "Millennium Challenge Account-Armenia" Ara Hovsepyan and others. The first stop was Merdzavan community where the prime minister was introduced to the restored sector of the main canal of the Lower Hrazdan which will be put into exploitation next year. The restoration works were implemented within the framework of the US-funded "MCF-Armenia" programs. Ara Hovsepyan told the reporters that the Armavir province is a target one as here a great volume of agricultural works are being organized. According to him, in Armavir the "MCA-Armenia" carried out a number of

programs within the framework of which canals of Armavir and Lower Hrazdan, "Ranchpar 2" pumping station are being restored, it is intended to restore inner irrigation networks of 30 communities. Overall, programs costing about 10 million USD are being implemented in the Armavir province. "After the program is finished it will not only be possible to irrigate additional lands but an improved irrigation of 1500 ha of lands will be carried out," Ara Hovsepyan said. Lower Hrazdan canal can irrigate 10 000 ha land. The "MCA-Armenia" is restoring 5 697 meters of the 53-km long main canal and 15 hydro-technical institutions. The prime minister was also presented the Tertiary canal of the Artimet community which has an opportunity to irrigate about 180 ha of lands. Tigran Sargsyan was also hosted at the house of farmer of Griboyedov community Simon Jalalyan where he was presented the new irrigation technology.

July 26, 2010 www.armenpress.am

"QUOTE OF THE WEEK"

"THE WHOLE WORLD URGES TURKEY TO DEMONSTRATE POLITICAL WILL IN RATIFYING PROTOCOLS, HOWEVER ANKARA TURNS A DEAF EAR, CALLING ON ARMENIA TO SHOW POLITICAL WILL"

SERZH SARGSYAN
RA PRESIDENT

Upcoming Events

July 29 : FC Rabotnicki of Macedonia will play against Armenians FC Mika

August 12: Serj Tankian gives solo concert in Yerevan

August 19: President of RF arrives Yerevan

USEFUL LINKS

- www.president.am
- www.gov.am
- www.parliament.am
- www.mfa.am
- www.armenpress.am
- www.panarmenian.net
- www.matenadaran.am

SERZH SARGSYAN: ARMENIA READY TO USE ST. PETERSBURG SUGGESTIONS AS BASIS FOR NEGOTIATIONS



Armenia demonstrated political will towards normalization of ties with Turkey and expects Turkey to undertake a return step, RA President Serzh Sargsyan stated. “The whole world urges Turkey to demonstrate political will in ratifying Protocols, however Ankara turns a deaf ear, calling on Armenia to show

political will,” Serzh Sargsyan noted at July 21 meeting with Armenian Diaspora youth, members of Miasin movement and Return Home program. “Despite Turkish authorities’ statements, Armenia is ready to accept any expression of friendship,” Armenian leader concluded. Armenia is ready to use St. Petersburg suggestions as basis for negotiations; it’s now Azerbaijan’s turn to decide on its position, Armenian President Serzh Sargsyan stated. As Armenian leader pointed out at July 21 meeting with Armenian Diaspora youth, members of Miasin movement and Return Home program, “Suggestions were put forward at St. Petersburg meeting, with Armenia and Azerbaijan expected to express their positions. Negotiations will be resumed upon Azerbaijan’s accepting OSCE MG’s suggestions.” [July 17, 2010 www.panarmenian.net](http://www.panarmenian.net)

RA GOVERNMENT, WB SIGN \$40MLN AGREEMENT FOR IMPROVEMENT OF RURAL ROADS

On July 23, the Armenian government and World Bank signed a \$40mln loan agreement for the second Additional Financing for the Lifeline Road Improvement Project for Armenia. The agreement was signed by Armenian Minister of Finance Tigran Davtyan and Acting Director of WB Yerevan Office Naira Melkumyan, the RA government’s press service reported. The second additional financing will further scale-up activities under the on-going project to improve the condition of 190 km of roads.

According to Naira Melkumyan, it is expected that up to 50 km will be rehabilitated by the end of this year. “The program will allow creating 19,000 jobs/ month in this field,” she said. The IBRD Flexible loan has a maturity of 25 years and a grace period of 10 years included. For his part, Tigran Davtyan noted that the loan is provided under favorable conditions, what will allow implementing the program aimed at equal development of regions. [July 23, 2010 www.panarmenian.net](http://www.panarmenian.net)

AMD 4.9BLN GROWTH RECORDED IN EXPORT VOLUMES OF ARMENIA’S LARGEST TAXPAYERS IN MAY 2010

According to the Analysis of Summarized Indices of Large Taxpayers’ Monitoring in May 2010 by the Committee of State Revenues, the export volumes of Armenia’s largest taxpayers totaled AMD 20.2bln in May 2010 that is 4.9bln higher as compared with the same period of last year. Meanwhile, the export volume of

five companies (Zangezur copper and molybdenum combine, Rusal Armenal, Pure Iron Plant, Armenian Copper Program, Armenian Molybdenum Production) totaled AMD 13.4bln in May 2010 that is AMD 7.2bln higher as compared with the same period of last year. [July 19, 2010 www.panarmenian.net](http://www.panarmenian.net)

8TH VOLUME OF ARARAT HERITAGE BOOK SERIES RELEASED

Publishing department of Holy Etchmiadzin has released the 8th volume of Ararat Heritage book series - Holy Etchmiadzin and Armenian Genocide - authored by Avag Harutyunyan. The book features

materials on Armenian Genocide-related issues published in Holy Etchmiadzin’s Ararat official journal. [July 19, 2010 www.panarmenian.net](http://www.panarmenian.net)

HEADLINES OF THE WEEK

- **JULY 19:** *Pyunik foundation presents Hovhannes Aivazovsky’s painting to Armenia* **AH**
- **JULY 19:** *Serge Avedikian awarded RA Culture Ministry’s Gold Medal* **AH**
- **JULY 19:** *Negotiations on Association Agreement with EU open in Yerevan* **AH**
- **JULY 19:** *Russian dolls exhibition opened in Armenia* **AH**
- **JULY 20:** *CSTO Collective Rapid Reaction Force exercises may be held in Armenia in 2011* **AH**
- **JULY 21:** *Deputy head of Armenian Travel Agencies Union forecasts tourist inflow increase upon Armenia-Turkey border opening* **AH**
- **JULY 23:** *Court of Justice put the right of nations to self-determination above the principle of territorial integrity* **AH**
- **JULY 23:** *EBRD revises upward its forecasts for Armenia from 4.5% to 4.6%* **AH**
- **JULY 24:** *Are Armenia’s macroeconomic indices “drawn”?* **AH**
- **JULY 25:** *Batumi is hosting South Caucasus Championship in Intellectual Games*

GOLDEN APRICOT GAVE GREEN LIGHT TO PROJECTS OF YOUNG SCRIPT WRITERS AND FILMMAKERS

Two programs – Courses for Script and Project Development, as well as Platform: Armenia-Turkey – were held as part of Filmmakers without Boundaries annual forum of Golden Apricot international festival. Meanwhile, Platform: Armenia-Turkey program was aimed at serving as a stimulus for development of Armenian-Turkish joint production of films. The programs brought together 20 film people representing national cinema centers of various countries, international festivals and private film companies. Famous filmmakers Krzysztof Zanussi and Rob Nilsson delivered lectures for young film people. Besides, the two programs provided authors of best projects with the opportunity to receive grants for their development.

[Full story](#)

[July 19, 2010 www.panarmenian.net](http://www.panarmenian.net)

RA GOVERNMENT CLARIFIES APPLICATION OF ARBUN TRADE NAME



The Armenian government introduced an amendment to its earlier decision to clarify the cases of application of Arbun trade name and to protect the legal interests of local producers and consumers. Armenian Prime Minister Tigran Sargsyan noted that it was necessary to introduce the amendment, as the government's earlier decision served as a reason for diverse interpretations. "Armenian brandy should be made of local raw materials. And if imported spirit is used for a beverage production, its trade name should be Arbun," concluded Sargsyan.

July 22, 2010, www.panarmenian.net

TIGRAN SARGSYAN BRIEFED SPANISH DELEGATION ON INVESTMENT OPPORTUNITIES IN ARMENIA'S ECONOMY

Armenian Prime Minister Tigran Sargsyan received a delegation of Spanish entrepreneurs headed by President of Torreal investment company Juan Abello.

Greeting the guests, the PM stressed the importance of such business delegation's visit to Armenia, what will contribute to development of bilateral economic ties.

He also briefed the guests on the current situation and investment opportunities in Armenia's economy.

Besides, the parties referred to cooperation outlooks in pharmaceuticals, chem-



ical industry, high technologies, banking system and other fields, the RA government's press service reported.

July 19, 2010, www.panarmenian.net

6.7% GDP GROWTH RECORDED IN ARMENIA IN JANUARY-JUNE 2010

According to updated statistical data, 6.7% GDP growth was recorded in Armenia in January-June 2010 as compared with the same period of 2009. The GDP amounted to AMD 1,331.9bln in June that is 31.7% higher as compared with May, the National Statistical Service of Armenia reported. Besides, 7.3% growth was re-

corded in consumer prices in January-June 2010 as compared with the same period of 2009. Meanwhile, deflation totaled 0.8% in June 2010. The 2010 national budget envisages 1.2% economic growth and 4^o 1.5% inflation in Armenia.

July 20, 2010 www.panarmenian.net

HRAIR SIMONYAN IS HALF POINT BEHIND LEADER OF INTERNATIONAL CHESS TOURNAMENT IN WARSAW

Armenia's GM Hrair Simonyan scored 4.5 points out of six possible at the Miguel Najdorf Memorial held in Warsaw, Poland. Simonyan is only half a point behind leader Julian Radulski (Bulgaria).

Meanwhile, Armenia's GM Hrant Melkumyan was defeated in the

fourth round of an international chess tournament in Balager, Spain. Thus, Melkumyan scored three points and is one point behind the tournament leaders. GM Zaven Andriasyan scored 2.5 points,

July 24, 2010 www.panarmenian.net

AVERAGE MONTHLY SALARY TOTALED AMD 103,900 IN ARMENIA IN FIRST HALF OF 2010

According to updated statistical data, the average monthly salary totaled AMD 103,900 in Armenia in the first half of 2010 that is 7.9% higher as compared with the same period of 2009. Meanwhile, 4.9% and 9.8% growth was recorded in salaries of budgetary and private organizations, totaling AMD 84,563 and 130,810 respectively, the RA National Statistical Service reported. At the same time, the number of unemployed totaled 84,800 as of the end of June 2010 that is 0.8% higher as compared with the same period of last year. At the same time, 0.1% growth was recorded in the monthly unemployment rate.

July 20, 2010, www.panarmenian.net

TATEV ABRAHAMYAN WINS BRONZE MEDAL AT U.S. WOMEN'S CHESS CHAMPIONSHIP

Armenia's Tatev Abrahamyan scored 7.5 points and shared the 2nd-3rd places with Anna Zatonskih at the US Women's Chess Championship in Saint Louis. According to additional results, Abrahamyan was awarded bronze medal. Meanwhile,



Irina Krush won the champion's title. Gabriel Sargsyan scored 6.5 points and is sharing the 1st-3rd places at an international chess tournament in Rethymno, Greece. In the last round Sargsyan will compete with Bela Khotenashvili (Georgia).

GM Hrair Simonyan scored 2.5 points out of 3 possible at Miguel Najdorf Memorial held in Warsaw, Poland, with participation of 92 chess players. Simonyan is only half a point behind the leaders, armchess.am reported.

July 21, 2010 www.panarmenian.net

IRAN, ARMENIA TO ENHANCE RELATIONS



Armenian Defense Minister Seyran Ohanyan in a meeting with Iranian Foreign Minister Manouchehr Mottaki in Tehran has called for expansion of ties between the two countries. The two officials exchanged views on bilateral ties and economic cooperation as well as regional and international developments. Ohanyan underscored Iran's strategic role in the Middle East and expressed his country's readiness to bolster mutual economic and

defense relations. For his part, Mottaki stressed the necessity to resolve regional security issues through an "inter-regional mechanism" and called for more cooperation between Tehran and Yerevan. The Armenian minister had also met with Iranian Defense Minister Brigadier General Ahmad Vahidi on Saturday. In the meeting with his counterpart, Ohanyan said his country places special importance on maintaining and expanding ties with Iran. "Cordial bonds between Iran and Armenia will help maintain peace and stability in the region. Regional problems can and should be addressed through the collective wisdom of regional states," he said. Vahidi, in his turn, expressed hope that Ohanyan's visit will be effective in improving two-way bonds and establishing peace and stability in the region. .

July 19, 2010 www.prestv.ir

QUESTIONS FROM ARMENIA

A major Armenian-American organization is raising conflict-of-interest questions about Matthew J. Bryza, who is scheduled to appear before the Senate Foreign Relations Committee Thursday for a hearing on his nomination to serve as ambassador to Azerbaijan, Armenia's deadly rival. The Armenian National Committee of America (ANCA) says Mr. Bryza, a career diplomat, is too close to major Azerbaijani politicians and is biased against Armenia, which fought Azerbaijan in the early 1990s in an undeclared war. The conflict involved the ethnic-Armenian enclave of Nagorno-Karabakh, which had declared in-

Neither the White House nor the State Department would comment on the issues raised by the ANCA. "The policy positions that Mrs. Bryza has advocated have often been aligned with those advanced by the State Department, as well as with the interests pursued by the Azerbaijani government and energy corporations with interests in the Caspian [Sea] region," the ANCA said in its statement on Mr. Bryza.

The group suggested that Mr. Bryza might be in violation of federal ethics rules because of his wife's connections to Turkish and Azerbaijani business interests. "Federal employees are also prohibited from participating

THE GROUP SUGGESTED THAT MR. BRYZA MIGHT BE IN VIOLATION OF FEDERAL ETHICS RULES BECAUSE OF HIS WIFE'S CONNECTIONS TO TURKISH AND AZERBAIJANI BUSINESS INTERESTS.

dependence from Azerbaijan. Armenians are overwhelmingly Christian, while Azerbaijani are mostly Muslim. In a seven-page statement to the Senate committee, the ANCA also raised concerns about Mr. Bryza's Turkish wife, Zeyno, director of the Center for Eurasian Policy at the Washington-based Hudson Institute. Turkey is a close ally to Azerbaijan. The ANCA noted that Turkish and Azerbaijani business interests funded a major conference at the Hudson Institute, which was organized in part by Mrs. Bryza, and questioned whether a former high-ranking Azerbaijani official helped pay for the Bryzas' wedding in 2007.

personally and substantially in a particular government matter that will affect his/her own financial interests, as well as the financial interests of his/her spouse," the ANCA said. The group questioned the role that Heydar Babayev, former minister of economic development, played in the Bryzas' wedding. Mr. Babayev filed a lawsuit against the Azadlig newspaper for publishing a story that said he helped pay for the wedding. Mr. Babayev reportedly said he gave them a wedding gift, which he did not disclose.

July 20, 2010, full story
www.washingtontimes.com

ST. PETERSBURG TALKS CONTRIBUTE TO KARABAKH SETTLEMENT - ARMENIAN PRESIDENT

Armenia is ready to discuss the Nagorny Karabakh settlement with Azerbaijan on the basis of proposals made during talks between the two countries' presidents in St. Petersburg, Armenian media said, quoting President Serzh Sargsyan. Sargsyan and his Azeri counterpart Ilham Aliyev discussed the Nagorny Karabakh issue in Russia's second city on June 18. A long-standing dispute over the breakaway region inside Azerbaijan with a predominantly ethnic Armenian population has been a sticking point in relations between the two countries. The St. Petersburg talks were initiated by Russian President Dmitry Medvedev. Russia, along with the United States and France, is part of the OSCE Minsk Group mediating the conflict. During the talks, Sargsyan and Aliyev agreed to continue negotiations on the basis of the OSCE Madrid principles adopted in November 2007.

July 22, 2010 full story www.en.rian.ru

THE APRICOT INTERNATIONAL FILM FESTIVAL



They've been giving out the gongs at the Golden Apricot International Film Festival in Armenia. Italian actress Claudia Cardinale was presented with a Lifetime Achievement Award, and made a clutch of persona appearances at the festival. Best remembered for her role in Sergio Leone's Once Upon a Time in the West, the actress is was last seen in French film The String. There was also a round table event. The Armenia-Turkey Cinema Platform aims to establish cooperation between film makers from the two countries and develop joint projects. The Golden Apricot for the Best Feature Film went to Turkish film Kosmos from director Reha Erdem. A classic tale about a stranger who arrives in a small town looking for redemption. It appears he can work miracles, but then the past catches up with him; little by little the townspeople realise he is also a thief. American director Rob Nilsson announced that My Joy from Russian director Sergei Loznitsa had won the Silver Apricot. The film is about a lorry driver who goes off the rails as a result of his wife's adultery.

July 22, 2010 www.euronews.net